LATIN RESOURCES LIMITED
ACN: 131 405 144

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19 August 2016

ASX Market Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam,

Latin Resources Limited (**Company**) advises that it has issued 309,090,911 fully paid ordinary shares at $0.011 per share to professional and sophisticated investors to raise $3.4m (before costs) (**Placement**), as announced to the market on 15 August 2016. The Company received pre-approval to issue up to 200,000,000 shares at its AGM held 31 May 2016, and have utilised 190,000,000 of this in the Placement. In addition, the Company has issued 96,288,945 shares under its Listing Rule 7.1 placement capacity and 22,801,966 shares under its Listing Rule 7.1A placement capacity.

Information required under Listing Rule 3.10.5A

The Company provides the following information as required under ASX Listing Rule 3.10.5A in respect of the shares issued under the Company's 10% Placement Capacity under Listing Rule 7.1A:

a) The dilutive effect of the Placement on existing shareholders is as follows:

Number of shares on issue prior to the Placement: 1,244,307,187

Dilution as a result of issue of pre-approved 190,000,000 shares	15.2%
Dilution as a result of issue under LR 7.1 of 96,288,945 shares	7.7%
Dilution as a result of issue under LR 7.1A of 22,801,966 shares	1.8%
Total Dilution	**24.7%**

Details of the Company's issued capital following completion of the share issue under Listing Rule 7.1A held by pre-issue shareholders and new shareholders are as follows:

	Shares	**Percentage**
Pre-issue shareholders who did not participate in the new issue	1,244,307,187	98.2%
Pre issue shareholders who participated in the new issue	-	0.0%
New shareholders who participated in the new issue	22,801,966	1.8%
Total	**1,267,109,153**	**100%**

b) The 22,801,966 shares issued under Listing Rule 7.1A were issued to sophisticated and professional investors as it was considered to be the most efficient mechanism for raising much needed funds at the time;
c) There were no underwriting arrangements entered into; and
d) Commission for the Placement was 6% (plus GST) of total funds raised.

A notice under s708A(5)(e) of the Corporations Act and Appendix 3B, in respect to the above shares issued is attached.

NOTICE UNDER SECTION 708A(5)(e) OF THE CORPORATIONS ACT

The Company gives this notice pursuant to Section 708A(5)(e) of the Corporations Act.

The securities were issued without disclosure to the investors under Part 6D.2 of the Corporations Act, in reliance on Section 708A(5) of the Corporations Act.

The Company, as at the date of this notice, has complied with:

a) the provisions of Chapter 2M of the Corporations Act as they apply to Company; and
b) Section 674 of the Corporations Act.

As at the date of this notice, there is no information that is "excluded information" for the purposes of Sections 708A(7) and (8) of the Corporations Act that is required to be disclosed for the purpose of Section 708A(6)(e) of the Corporations Act.

Yours faithfully

Sarah Smith
Company Secretary

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Latin Resources Limited

ABN

81 131 405 144

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	Fully paid ordinary shares (LRS)
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	309,090,911
3	Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	Shares rank pari passu with the existing quoted shares.

4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Yes (LRS)
5	Issue price or consideration	Issue price of $0.011 per share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	To secure the lithium bearing pegmatite properties identified in Argentina and further exploration work as well as working capital.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h *in relation to the +securities the subject of this Appendix 3B*, and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	31 May 2016
6c	Number of +securities issued without security holder approval under rule 7.1	96,288,945
6d	Number of +securities issued with security holder approval under rule 7.1A	Nil

+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	190,000,000 (pre-approved by shareholders at AGM held on 31 May 2016)
6f	Number of +securities issued under an exception in rule 7.2	N/a
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	22,801,966 Yes **15 Day VWAP:**$0.0147 **75%**: $0.011 **Source**: Commsec
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/a
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	7.1 – Nil 7.1A – 4,369,437
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	19 August 2016

		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the +securities in section 2 if applicable)	1,553,398,098	Ordinary fully paid shares (LRS)
		174,793,054	Options (LRSO) exercisable at $0.02 each on or before 9 March 2017

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (*including* the +securities in section 2 if applicable)	8,508,292	Incentive rights (LRSAS) issued pursuant to approved Incentive rights plan.
		8,897,230	Deferred rights (LRSAS) issued pursuant to approved Deferred rights plan.
		10,687,500	Options (LRSAU) exercisable at $0.0461 each on or before 1 December 2017.
		1	Convertible security (LRSAV)
		11,468,643	Options (LRSAX) exercisable at $0.0166 each on or before 22 May 2017.
		9,375,000	Options exercisable at $0.008 each on or before 30 November 2017.

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Nil

Part 2 - Pro rata issue

11	Is security holder approval required?	N/a
12	Is the issue renounceable or non-renounceable?	N/a
13	Ratio in which the +securities will be offered	N/a
14	+Class of +securities to which the offer relates	N/a
15	+Record date to determine entitlements	N/a
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/a

+ See chapter 19 for defined terms.

17	Policy for deciding entitlements in relation to fractions	N/a
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/a
19	Closing date for receipt of acceptances or renunciations	N/a
20	Names of any underwriters	N/a
21	Amount of any underwriting fee or commission	N/a
22	Names of any brokers to the issue	N/a
23	Fee or commission payable to the broker to the issue	N/a
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/a
25	If the issue is contingent on security holders' approval, the date of the meeting	N/a
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/a
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/a
28	Date rights trading will begin (if applicable)	N/a
29	Date rights trading will end (if applicable)	N/a
30	How do security holders sell their entitlements *in full* through a broker?	N/a

31	How do security holders sell *part* of their entitlements through a broker and accept for the balance?	N/a
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/a
33	+Issue date	N/a

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(*tick one*)

(a) ☑ +Securities described in Part 1

(b) ☐ All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought	N/a
39	+Class of +securities for which quotation is sought	N/a
40	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	N/a
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another +security, clearly identify that other +security)	N/a

		Number	+Class
42	Number and +class of all +securities quoted on ASX (*including* the +securities in clause 38)	N/a	

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

- There is no reason why those +securities should not be granted +quotation.

- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: Sarah Smith Date: 19/8/2016
(Company secretary)

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	384,599,770
Add the following: • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval	• 37,611,397 issued on 7/8/2015 • 8,927,411 issued on 11/8/2015 • 62,500,000 issued on 27/8/2015 • 61,250,000 issued on 28/8/2015 • 12,424,466 issued on 14/9/2015 • 20,937,500 issued on 24/9/2015 • 6,250 issued on 25/9/2015 • 17,862,250 issued on 9/10/2015 • 41,000,000 issued on 23/10/2015 • 48,514,157 issued on 12/11/2015 • 7,425,530 issued on 17/11/2015 • 6,375 issued on 30/6/2016. • 10,000,000 issued 28/07/2016 on exercise of Options approved by shareholders on 27/11/2015 • 10,714,286 issued on 13/7/2015 & approved on 27/11/2015) • 9,045,680 issued on 11/8/2015 & approved on 27/11/2015) • 10,000,000 issued on 13/8/2015 & approved on 27/11/2015) • 31,327,055 issued on 27/8/2015 & approved on 27/11/2015) • 26,562,500 issued on 28/8/2015 & approved on 27/11/2015) • 3,106,116 issued on 14/9/2015 & approved on 27/11/2015) • 11,839,875 issued on 24/9/2015 & approved on 27/11/2015) • 4,465,563 issued on 9/10/2015 & approved on 27/11/2015) • 37,626,115 issued on 30/11/2015 & approved on 27/11/2015) • 7,444,368 issued on 14/12/2015 & approved on 27/11/2015) • 15,000,000 issued on 17/12/2015 & approved on 27/11/2015) • 3,405,054 issued on 13/1/2016 & approved on 27/11/2015) • 3,000,000 issued on 1/2/2016 & approved on 27/11/2015) • 13,634,886 issued on 4/2/2016 & approved on 27/11/2015) • 48,906,234 issued on 26/2/2016 & approved on 27/11/2015) • 6,704,545 issued on 1/6/2016 & approved on 31/5/2016) • 10,000,000 issued 29 July 2016 & approved by shareholders on 31 May 2016

• Number of partly paid +ordinary securities that became fully paid in that 12 month period *Note:* • *Include only ordinary securities here – other classes of equity securities cannot be added* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	Nil
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
"A"	1,096,714,028

Step 2: Calculate 15% of "A"	
"B"	0.15 *[Note: this value cannot be changed]*
Multiply "A" by 0.15	164,507,104

Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period *not counting* those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 *Note:* • *This applies to equity securities, unless specifically excluded – not just ordinary securities* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	• 3,125,000 listed options issued on 28/08/2015 • 10,000,000 fully paid shares issued on 4/5/2016 • 7,000,000 fully paid shares issued on 9/5/2016 • 38,743,208 fully paid shares issued on 1/6/2016 • 8,194,444 fully paid shares issued on 4/7/2016 • 1,155,507 fully paid shares issued on 28/07/2016 • 96,288,945 fully paid ordinary shares issued on 18/08/2016
"C"	164,507,104

Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
"A" x 0.15 *Note: number must be same as shown in Step 2*	164,507,104
Subtract "C" *Note: number must be same as shown in Step 3*	164,507,104
Total ["A" x 0.15] – "C"	Nil *[Note: this is the remaining placement capacity under rule 7.1]*

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
"A" *Note: number must be same as shown in Step 1 of Part 1*	1,096,714,028

Step 2: Calculate 10% of "A"	
"D"	0.10 *Note: this value cannot be changed*
Multiply "A" by 0.10	109,671,403

Step 3: Calculate "E", the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A *Notes:* • *This applies to equity securities – not just ordinary securities* • *Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed* • *Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained* • *It may be useful to set out issues of securities on different dates as separate line items*	• 82,500,000 fully paid shares issued on 20/5/2016 • 22,801,966 fully paid ordinary shares issued on 18/08/2016
"E"	105,301,966

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 *Note: number must be same as shown in Step 2*	109,671,403
Subtract "E" *Note: number must be same as shown in Step 3*	105,301,966
Total ["A" x 0.10] – "E"	4,369,437 *Note: this is the remaining placement capacity under rule 7.1A*