

9 December 2024

Sale of Sylvania Project to Capricorn Metals Limited

Highlights

- Latitude 66 has entered into a binding agreement for the sale of the Sylvania Project to Capricorn Metals Limited (CMM)
- Consideration of A\$1.5 million of CMM shares and granted NSR Royalty at completion plus conditional milestone payments including:
 - Resource Payment - A\$750,000 one-off payment
 - Mining Payment - A\$750,000 with potential for multiple payments
- Sale of Sylvania Project to realise latent value of non-core asset via mix of upfront and conditional consideration payments

Latitude 66 Limited, ACN 115 768 986 (ASX: LAT) (“Lat66” or “the Company”) and its wholly owned subsidiary Lighthouse Resources Pty Ltd (“LRH”) are pleased to announce the signing of a Binding Agreement for the sale of the non-core Sylvania Project to Capricorn Metals Limited (ASX: CMM). The Sylvania Project is located in the Pilbara Region of Western Australia immediately to the west (approximately 60km) of CMM’s Karlawinda gold mine.

Latitude 66’s Managing Director, Grant Coyle, commented:

“With its nearby Karlawinda operation, Capricorn Metals Limited is a logical buyer for the Sylvania Project and we are pleased to be realising latent value for shareholders from this non-core asset.

“While our strategy remains firmly committed to our Finnish Projects, we look forward to finalising this transaction and pursuing opportunities to realise further value from our Australian assets.”

The transaction is unconditional and completion is to occur 5 Business Days following the execution of the Sales and Purchase Agreement being 6 December 2024. The transaction will provide further funding for the Company to focus on continued development of the Finnish projects, in particular the ongoing studies and exploration activities at the KSB Project.

Consideration

The consideration for the sale of the tenements comprising the Sylvania Project is:

(a) \$1,500,000 (plus GST) payable upon completion of the sale transaction, satisfied by the issue of fully paid ordinary shares in CMM at a deemed issue price equal to the 20 day VWAP prior to the completion of the transaction;

(b) \$750,000 (plus GST) payable upon the definition of a JORC compliant Mineral Resource Estimate of greater than 200,000 ounces of gold on one or more of the Sylvania Project tenements ("Resource Payment"); and

(c) \$750,000 (plus GST) payable on the date CMM makes a decision to commence a stand-alone commercial mining operation on one or a number of the Sylvania Project tenements ("Mining Payment"). The Mining Payment may be paid a number of times if separate stand-alone commercial mining operations are established with the Mining Payment only payable once in respect of each Tenement.

Net Smelter Royalty

On and from completion of the sale transaction, CMM will grant the Company a **1% NSR royalty** in respect of the sale of all precious minerals and a **1.5% NSR royalty** in respect of the sale of non-precious minerals extracted from the tenements comprising the Sylvania Project.

Crest Investment Group 3 Ltd minority interest acquired

Crest Investment Group 3 Limited ("Crest") holds a 10% interest in E52/3996, E52/3997 and E52/3780 ("Crest Tenements") which form part of the Sylvania project tenements.

Lighthouse Resources Pty Ltd ("LRH"), a wholly owned subsidiary of Lat66, and Crest have entered into a binding agreement whereby Latitdue 66 will acquire Crest's 10% interest in the Crest Tenements for cash consideration of A\$150,000. This interest is being onsold to CMM in the above mentioned transaction.

About the Sylvania Project

The Sylvania Project comprises thirteen granted exploration licences, which includes 3 tenements subject to a 90/10 JV and one exploration licence application. The project is located in the Pilbara Region of Western Australia, covering ~1,740km² and is centred approximately 50km southwest of the giant Iron Ore hub of Newman (Figure 1) and immediately to the west (approximately 60km) of the Karlawinda Gold Mine operated by Capricorn Metals Limited.

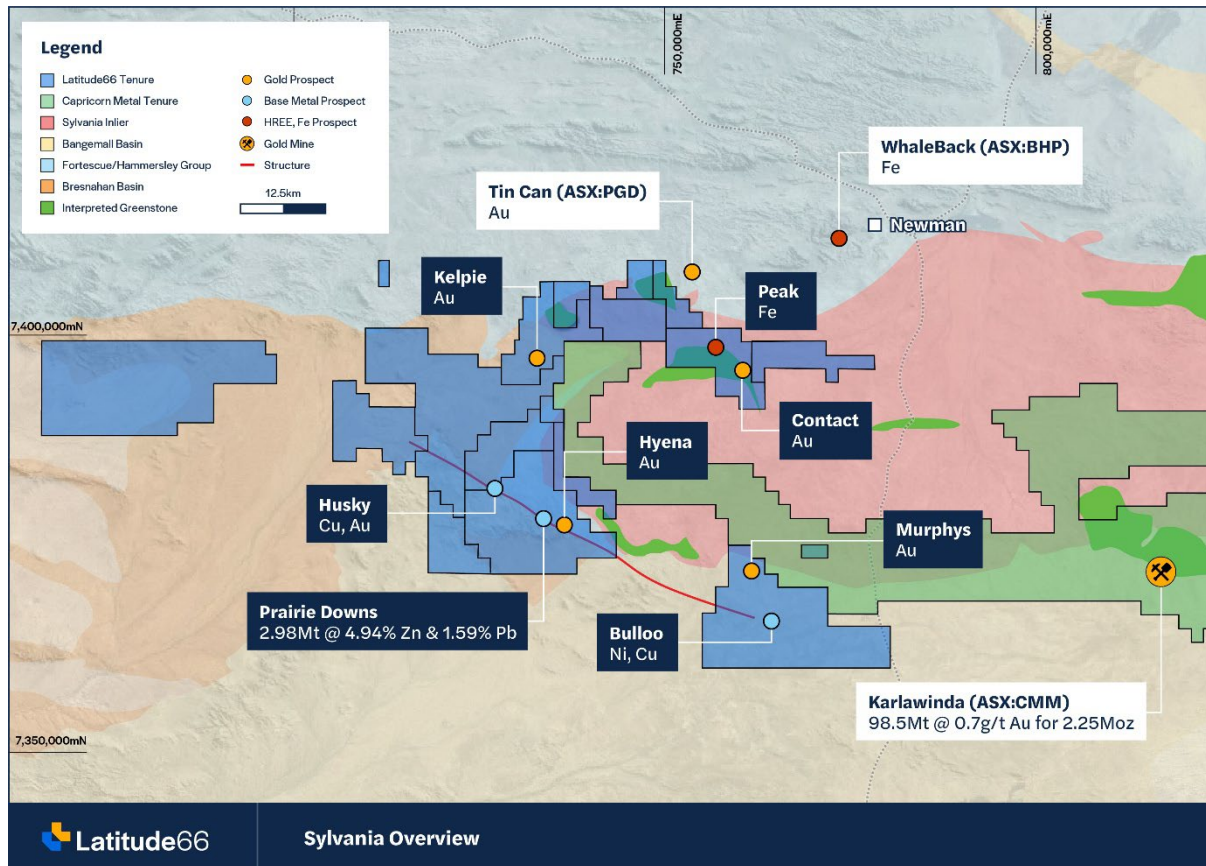


Figure 1: Sylvania Project tenement area map

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This announcement has been authorised for release by the Board of Latitude 66 Limited.

For Investor Queries:

Grant Coyle - Managing Director
Latitude 66 Limited
E: grant@lat66.com
T: +61 8 9380 9440

For Broker and Media Queries:

Amalie Schreurs – +61 0431 636 033
Jason Mack - +61 400 643 799
White Noise Communications
E: amalie@whitenoisecomms.com

About Latitude 66

Latitude 66 is a Finnish and Australian based company, focusing on the exploration and development of gold and critical minerals. The Company's primary focus lies in the Kuusamo Schist Belt Project (KSB Project) situated in Northern Finland. This flagship project boasts a substantial high-grade gold-cobalt mineral resource, with over 85% categorised as Indicated, totalling 650,000 ounces of gold at 2.7 grams per tonne (g/t) and 5,800 tonnes of cobalt at 0.08%. The information in this announcement that relates to mineral resources estimates for the K1-3 projects are extracted from the Company's previous announcement on 26 April 2024 titled "Prospectus". The Company confirms that it is not aware of any new information or data that materially affects the information included in this previous market announcement and the Company confirms that all material assumptions and technical parameters underpinning the mineral resources estimates continue to apply and have not materially changed.

Beyond the KSB, Latitude 66 is conducting regional exploration activities in Finland at the highly prospective Peräpohja Schist Belts (PSB), Kainuu Schist Belts (Kainuu) and Central Lapland Greenstone Belt (Kola and Kolari).

Latitude 66 holds a 17.5% free-carried interest in Carnaby Resources' Greater Duchess Project, strategically located in the Mt Isa Copper district in Australia. Furthermore, Latitude 66 is actively engaged in the exploration of two promising gold projects in Western Australia: the Sylvania and Edjudina Projects.

Forward Looking Statements

The forward-looking statements in this announcement are based on the Company's current expectations about future events. They are, however, subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company and its Directors, which could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by the forward-looking statements.