
LATIN RESOURCES LIMITED

ACN 131 405 144

NOTICE OF ANNUAL GENERAL MEETING

TIME: 10:00 am (AEST)

DATE: 31 May 2016

PLACE: Stamford Plaza Melbourne
111 Little Collins Street
Melbourne VIC 3000

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.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 6181 9798.

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the meeting of the Shareholders to which this Notice of Meeting relates will be held at 10:00am (AEST) on 31 May 2016 at:

Stamford Plaza Melbourne

111 Little Collins Street MELBOURNE VIC 3000

YOUR VOTE IS IMPORTANT

The business of the Meeting affects your shareholding and your vote is important.

VOTING ELIGIBILITY

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 10:00am (AEST) on 29 May 2016.

VOTING IN PERSON

To vote in person, attend the Meeting at the time, date and place set out above.

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, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member 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:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes is set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Annual financial report of the Company for the year ended 31 December 2015 together with the Declaration of the directors, the Director's report, the Remuneration Report and the Auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the year ended 31 December 2015.”

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – RE-ELECTION OF MR DAVID VILENSKY AS DIRECTOR

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 13.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr David Vilensky, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF 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 ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 4,738,106 Shares to investors on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF CAPITAL RAISING FEE 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 ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 22,378,539 Capital Raising Fee Shares to investors on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF ASOF 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 ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 43,750,000 ASOF Shares to the Australian Special Opportunity Fund LP (ASOF) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. RESOLUTION 6 – 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 ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 60,000,000 Placement Shares to sophisticated and professional investors on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. RESOLUTION 7 – ISSUE OF 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 ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 200,000,000 Future Issue Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

9. RESOLUTION 8 – APPROVAL OF 10% PLACEMENT CAPACITY

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

DATED: 27 APRIL 2016

BY ORDER OF THE BOARD

**ANTHONY BEGOVICH
COMPANY SECRETARY**

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. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the Annual financial report of the Company for the year ended 31 December 2015 together with the Declaration of the directors, the Directors' report, the Remuneration Report and the Auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's Annual financial report is available on its website at www.latinresources.com.au.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of votes are cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

2.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

Proxy	Directions given	No directions given
Key Management Personnel ¹	Vote as directed	Unable to vote ³
Chair ²	Vote as directed	Able to vote at discretion of Proxy ⁴
Other	Vote as directed	Able to vote at discretion of Proxy

Notes:

1. Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member.
2. Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of such a member).
3. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.
4. The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

3. RESOLUTION 2 – RE-ELECTION OF MR DAVID VILENSKY AS DIRECTOR

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third AGM following the director's appointment or 3 years, whichever is the longer.

Clause 13.2 of the Constitution provides that:

- (a) at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election;
- (b) the Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots;
- (c) a Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election; and
- (d) in determining the number of Directors to retire, no account is to be taken of:

- (i) a Director who only holds office until the next annual general meeting pursuant to clause 13.4 of the Constitution; and/ or
- (ii) a Managing Director,

each of whom are exempt from retirement by rotation. However, if more than one Managing Director has been appointed by the Directors, only one of them (nominated by the Directors) is entitled to be excluded from any determination of the number of Directors to retire and/or retirement by rotation.

The Company has 2 Directors currently subject to rotation (this excludes Mr Christopher Gale as the Managing Director) and accordingly 1 must retire.

Mr David Vilensky, the Director longest in office since his last election, retires by rotation and seeks re-election.

Mr David Vilensky was appointed as Non-Executive Director on 2 October 2008. Mr Vilensky is a practicing corporate lawyer and the managing director of Perth law firm Bowen Buchbinder Vilensky. He has more than 30 years' experience in the areas of corporate and business law and in commercial and corporate management. Mr Vilensky practices mainly in the area of mining and resources, corporate and commercial law, trade practices law, contract law and complex dispute resolution. Mr Vilensky acts for a number of listed and private companies and is also the non-executive chairman of Zambezi Resources Limited, an ASX listed company focusing on copper exploration in Zambia.

The Board has considered Mr Vilensky's independence and considers that he is an independent Director.

The Board supports the re-election of Mr David Vilensky pursuant to Resolution 2.

4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES

4.1 General

As announced on 21 April 2016, the Company issued 4,738,106 Shares comprising of:

- (a) 2,000,000 Shares at a deemed issue price of \$0.006 in accordance with revised the sale agreement with the Guadalupito Vendors as announced on 28 March 2014; and
- (b) 2,738,106 Shares at a deemed issue price of \$0.005 in settlement of amounts owing to creditors by the Company.

This Resolution seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification 1**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not

breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

4.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Ratification 1:

- (a) 4,738,106 Shares were issued;
- (b) the issue prices were:
 - (i) \$0.006 for the 2,000,000 Shares issued in accordance with revised the sale agreement with the Guadalupito Vendors as announced on 28 March 2014; and
 - (ii) \$0.005 for the 2,738,106 Shares at a deemed issue price of \$0.005 in settlement of amounts owing to creditors by the Company.
- (c) the Shares issued 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;
- (d) the Shares were issued to the parties set out in 4.1(a) and 4.1(b) above. None of these subscribers are related parties of the Company; and
- (e) no funds were raised from the issue of the Shares as they were issued in settlement of amounts owing to the parties set out in 4.1(a) and 4.1(b) above.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF CAPITAL RAISING FEE SHARES

5.1 General

Under a prospectus dated 29 June 2015 (**Prospectus**), the Company undertook a non-renounceable entitlement issue of one (1) Share for every one (1) Share held by eligible Shareholders at an issue price of \$0.008 per Share together with one (1) free attaching Option exercisable at \$0.02 on or before 9 March 2017 for every two (2) Shares subscribed for and issued to raise up to \$3,076,798 (**Entitlement Offer**).

On 7 August 2015 the Company announced that it had received applications for 36,382,117 Shares and 18,191,059 free attaching Options in accordance with the Entitlement Offer to raise a total of \$300,891.29. The remaining shortfall from the Entitlement Offer was 346,988,373 Shares and 173,494,179 free attaching Options for a total consideration of \$2,775,907 (**Shortfall**).

The Shortfall involves the Company issuing Shares at \$0.008 per Share together with one (1) free attaching Option that will be exercisable at \$0.02 at any time up to 9 March 2017 (being 3 months from the closing date of the Entitlement Offer), for every two (2) Shares subscribed for and issued (**Shortfall Offer**).

As indicated in the Prospectus, the Company agreed to pay a 5% capital raising fee on Shortfall subscription funds raised by brokers or other third parties (**Capital**

Raising Fees), together with the issue of one (1) Share for every four (4) Shares issued in respect of Shortfall subscription funds raised by a broker or third party (**Capital Raising Fee Shares**).

In accordance with the Shortfall Offer, the Company has issued 22,378,539 Capital Raising Fee Shares on 23 October 2015. 11,189,270 Capital Raising Fee Shares were issued under the Company's 15% placement capacity under ASX Listing Rule 7.1 and 11,189,269 Capital Raising Fee Shares were issued under the Company's additional 10% placement capacity under ASX Listing Rule 7.1A.

Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Capital Raising Fee Shares (**Ratification 2**).

5.2 ASX Listing Rule 7.1

A summary of ASX Listing Rule 7.1 and 7.4 is set out in section 4.1 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 and the additional 10% set out in ASX Listing Rule 7.1A without the requirement to obtain prior Shareholder approval.

5.3 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

Where an eligible entity obtains shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

- (a) will not be counted in variable "A" in the formula in ASX Listing Rule 7.1A; and
- (b) are counted in variable "E",

until their issue has been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issue.

By ratifying the issue the subject of Resolution 4, the base figure (ie variable "A") in which the Company's 15% and 10% annual placement capacities are calculated will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval. Although, it is noted that the Company's use of the 10% annual placement capacity following this Meeting remains conditional on Resolution 8 being passed by the requisite majority.

5.4 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Ratification 2:

- (a) 22,378,539 Shares were issued on the following basis:
 - (i) 11,189,270 Shares issued pursuant to ASX Listing Rule 7.1; and
 - (ii) 11,189,269 Shares issued pursuant to ASX Listing Rule 7.1A;
- (b) the Shares were issued for nil cash consideration for brokerage and other services provided to the Company;
- (c) the Capital Raising Fee Shares issued 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;
- (d) the Capital Raising Fee Shares were issued to brokers and other third parties (who are not related parties of the Company) as part of the capital raising fees payable in respect of the Shortfall Offer; and
- (e) no funds were raised from the issue of the Capital Raising Fee Shares as they were issued as part of the arrangement with brokers and other third parties involved in raising Shortfall subscription funds in accordance with the Prospectus.

6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF SHARES TO ASOF

6.1 General

On 13 November 2014, the Company announced that it had entered into a funding agreement of up to \$3.125 million (**Funding Agreement**) with The Australian Special Opportunity Fund LP (**ASOF**), an institutional investor managed by New York based The Lind Partners Australia LLC (together, **Lind Partners**).

The Funding Agreement comprises two unsecured convertible notes, with each convertible note being repayable by monthly repayments over an 18-month period from the date of draw down subject to the requirements of the Funding Agreement. Each repayment can be made, at the Company's option, either through cash or the issue of Shares or a combination of both. If the Company elects to repay via the issue of Shares, the deemed issue price of the Shares will be equal to 92.5% of the five day volume weighted average price (**VWAP**), to be chosen by Lind Partners, during the 20 days prior to each issue of Shares.

In accordance with the terms of the Funding Agreement, the Company issued:

- (a) 25,000,000 Shares at a deemed issue price of \$0.003 per Share on 13 January 2016; and
- (b) 18,750,000 Shares at a deemed issue price of \$0.004 per Share on 11 April 2016.

in satisfaction of its obligations under the Funding Agreement (together the **ASOF Shares**).

The ASOF Shares were issued under the Company's 15% placement capacity under ASX Listing Rule 7.1.

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those 43,750,000 ASOF Shares (**Ratification 3**).

A summary of ASX Listing Rules 7.1 and 7.4 is set out in section 4.1 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

6.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Ratification 3:

- (a) 43,750,000 ASOF Shares were issued to ASOF as indicated in section 6.1;
- (b) the deemed issue prices of the ASOF Shares issued to ASOF ranged from \$0.003 to \$0.004 as indicated in section 6.1;
- (c) the ASOF Shares issued 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;
- (d) the ASOF Shares were issued to ASOF, who is not a related party of the Company; and
- (e) no funds were raised from the issue of the ASOF Shares as they were issued in connection with the Funding Agreement. The funds raised from the Funding Agreement were used primarily to fund the Company's strategy of developing its Ilo Copper projects and the Guadalupito Andalusite project.

7. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

7.1 General

Prior to the date of the Meeting, the Company proposes to issue 60,000,000 Shares (**Placement Shares**) at an issue price of \$0.005 per Share pursuant to a capital raising of \$300,000 (before costs) (**Capital Raising**).

Resolution 6 seeks Shareholder ratification, pursuant to ASX Listing Rule 7.4, for the issue of those Placement Shares (**Ratification 4**).

A summary of ASX Listing Rules 7.1 and 7.4 is set out in section 4.1 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

7.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Ratification 4:

- (a) 60,000,000 Placement Shares were issued;
- (b) the issue price was \$0.005 per Placement Share;
- (c) the Placement Shares issued 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;

- (d) the Placement Shares were issued to sophisticated and professional investors, who are not related parties of the Company; and
- (e) the Company intends to use the funds raised from the Capital Raising to progress its projects in South America and for general working capital.

8. RESOLUTION 7 – ISSUE OF SHARES

8.1 General

Resolution 7 seeks Shareholder approval, under ASX Listing Rule 7.1, for the Company to issue up to 200,000,000 Shares (**Future Issue Shares**).

A summary of ASX Listing Rule 7.1 is set out in section 4.1 above.

The effect of Resolution 7 will be to allow the Company to issue the Future Issue Shares pursuant to Resolution 7 during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

8.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 7:

- (a) the maximum number of Future Issue Shares to be issued is 200,000,000 Future Issue Shares;
- (b) the Future Issue Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Future Issue Shares will occur progressively;
- (c) the issue price will be not less than 80% of the volume weighted average market price for Shares calculated over the 5 days on which sales in the Shares are recorded before the day on which the issue is made or, if there is a disclosure document, over the last 5 days on which sales in the securities were recorded before the date the disclosure document is signed;
- (d) the Directors will determine to whom the Future Issue Shares will be issued but these persons will not be related parties of the Company;
- (e) the Future Issue Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to use the funds raised from the issue of the Future Issue Shares:
 - (i) for general working capital, including any development expenses associated with its exploration projects and repayment of debt;
 - (ii) as consideration for, or to develop, any acquisitions of new resources, assets and investments that the Company may undertake (although none are currently planned) including expenses associated with such an acquisition; and

- (iii) for costs associated with a possible AIM listing on the London Stock Exchange.

8.3 Dilution

Assuming no Options are exercised or other Shares issued and the maximum number of Future Issue Shares as set out above are issued, the number of Shares on issue would increase from 373,352,682 (being the number of Shares on issue as at the date of this Notice) to 573,352,682 and the shareholding of existing Shareholders would be diluted by 34.88%.

9. RESOLUTION 8 – APPROVAL OF 10% PLACEMENT CAPACITY

9.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 8, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in section **Error! Reference source not found.** above).

The effect of Resolution 8 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under ASX Listing Rule 7.1.

Resolution 8 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 8 for it to be passed.

9.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of approximately \$6,000,000 based on the number of Shares on issue and closing price of Shares on 20 April 2016.

Any Equity Securities issued must be in the same class as an existing class of Equity Securities quoted on ASX. The Company currently two listed classes of Equity Securities on issue, being the Shares (ASX Code: LRS) and Options (ASX Code:

LRSO). As at the date of this Notice of Meeting, the Company has 1,010,003,108 quoted Shares and 174,799,429 quoted Options on issue. We note that the Company also has the following unquoted securities on issue: 14,292,886 Incentive Rights; 8,897,230 Deferred Rights; 2 Convertible Securities; and 41,531,143 Options.

The exact number of Equity Securities that the Company may issue under an approval under ASX Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
- (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
 - (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;
 - (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under ASX Listing Rules 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval; and
 - (iv) less the number of Shares cancelled in the previous 12 months.
- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

9.3 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 8:

(a) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in section 9.3(a)(i), the date on which the Equity Securities are issued.

(b) **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under ASX Listing Rule 7.1A ceases to be valid),

(10% Placement Capacity Period).

(c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 8 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	\$0.003 50% decrease in Issue Price	\$0.006 Issue Price	\$0.012 100% increase in Issue Price
1,010,003,108 (Current Variable A)	Shares issued - 10% voting dilution	101,000,311 Shares	101,000,311 Shares	101,000,311 Shares
	Funds raised	\$303,001	\$606,002	\$1,212,004
1,515,004,662 (50% increase in Variable A)	Shares issued - 10% voting dilution	151,500,466 Shares	151,500,466 Shares	151,500,466 Shares
	Funds raised	\$454,501	\$909,003	\$1,818,006
2,020,006,216 (100% increase in Variable A)	Shares issued - 10% voting dilution	202,000,622 Shares	202,000,622 Shares	202,000,622 Shares
	Funds raised	\$600,002	\$1,200,004	\$2,400,007

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under ASX Listing Rule 7.1.

The table above uses the following assumptions:

1. This assumes there are 1,010,003,108 Shares on issue, being the number of Share on issue as at the date of this Notice of Meeting.
2. The issue price set out above is the closing price of the Shares on the ASX on 21 April 2016.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) Purpose of Issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for the acquisition of new resources, assets and investments (including expenses associated with such an acquisition), continued exploration expenditure on the Company's projects in South America, repayment of debt and for general working capital purposes; or

- (ii) as non-cash consideration for the acquisition of new resources, assets and investments (including expenses associated with such an acquisition), continued exploration expenditure on the Company's projects in South America, repayment of debt and for general working capital purposes but in which circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

(e) **Allocation policy under the 10% Placement Capacity**

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(f) **Previous Approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 27 May 2015 (**Previous Approval**).

The Company has issued 47,126,334 Shares pursuant to the Previous Approval.

During the 12 month period preceding the date of the Meeting, being on and from 31 May 2015, the Company otherwise issued a total of 600,153,338 Shares and 179,930,679 Options which represents

approximately 203.23% of the total diluted number of Equity Securities on issue in the Company on 31 May 2015, which was 383,849,770.

Further details of the issues of Equity Securities by the Company during the 12 month period preceding the date of the Meeting are set out in the Schedule .

(g) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with ASX Listing Rule 7.1A.4; and
- (ii) the information required by ASX Listing Rule 3.10.5A for release to the market.

9.4 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 8.

GLOSSARY

\$ means Australian dollars.

10% Placement Capacity has the meaning given in section 9.1 of the Explanatory Statement.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

ASIC means the Australian Securities and Investments Commission.

ASOF Shares has the meaning given in Section 6.1 of the Explanatory Statement.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Capital Raising Fee Shares has the meaning given in Section 5.1 of the Explanatory Statement.

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.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

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.

Future Issue Shares has the meaning given in Section 8.1 of the Explanatory Statement.

Group means the Company and its subsidiaries.

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.

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.

Ordinary Securities has the meaning set out in the ASX Listing Rules.

Placement Shares has the meaning given in Section 7.1 of the Explanatory Statement.

Proxy Form means the proxy form accompanying the Notice.

Quarter means a quarter of each calendar year, each quarter ending on 31 March, 30 June, 30 September and 31 December each year.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 31 December 2014.

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.

Variable A means "A" as set out in the calculation in section 9.2 of the Explanatory Statement.

VWAP means the volume weighted average price.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE - ISSUES OF EQUITY SECURITIES SINCE 31 MAY 2015

Issue Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
Issue – 11/06/2015 Appendix 3B – 10/06/2015	750,000	Shares ²	Issued in part consideration of broker fees in relation to Placement announced on 10 March 2015	Deemed issue price of \$0.02 No discount to market price	Consideration: for broker fees in relation to Placement announced on 10 March 2015 Current value ⁵ : \$5,250
Issue – 14/07/2015 Appendix 3B – 13/06/2015	10,714,286	Shares ²	Issued in accordance with Funding Agreement announced on 13 November 2014.	Deemed issue price of \$0.007 per share	Consideration: Nil consideration raised as issued pursuant to the Funding Agreement Current value ⁵ : \$75,000
Issue – 24/07/2015 Appendix 3B – 07/08/2015	18,805,707	Quoted Options ⁶	Issued pursuant to the Company's non-renounceable entitlement issue prospectus lodged with ASIC on 29 June 2015 and Shortfall Offer.	No issue price as they were free attaching Options	Consideration: Nil as they were free attaching options. Current value ⁵ : \$18,805.7
Issue – 24/07/2015 Appendix 3B – 07/08/2015	37,611,397	Shares ²	Issued pursuant to the Company's non-renounceable entitlement issue prospectus lodged with ASIC on 30 June 2015 and Shortfall Offer.	\$0.008 No discount to market price	Consideration: \$300,891.29 was raised pursuant to the issue. Amount spent = All Use of funds - The Company has used all of these funds for exploration and evaluation at its projects in South America (approx. 50%) and for working capital purposes (approx.50%). Amount remaining = \$Nil
Issue – 11/08/2015 Appendix 3B – 10/08/2015	8,927,411	Shares ²	Shares issued in accordance with approved Director and Employee Share plan to compensate directors and staff who have accepted a 20% reduction in their cash remuneration for the June 2015 quarter.	Deemed issue price of \$0.009 per share No discount to market price	Consideration: Nil as issued under the approved Director and Employee Share Plan Current value ⁵ : \$62,492
Issue – 11/08/2015 Appendix 3B – 10/08/2015	9,045,680	Shares ²	Issued in accordance with Funding Arrangement announced on 8 May 2015.	Deemed value of \$0.004 per share Discount to market price of 50%	Consideration: Nil consideration raised as issued pursuant to the Funding Agreement Current value ⁵ : \$63,320
Issue – 13/08/2015 Appendix 3B – 13/08/2015	10,000,000	Shares ²	Issued in accordance with Funding Agreement announced on 13 November 2014.	Deemed issue price of \$0.005 per share Discount to market price of 37.5%	Consideration: Nil consideration raised as issued pursuant to the Funding Agreement Current value ⁵ : \$70,000

Issue Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form consideration of
Issue – 27/08/2015 Appendix 3B – 27/08/2015	62,500,000	Shares ²	Issued in accordance with Entitlement Issue Shortfall Offer announced on 7 August 2015.	\$0.008 No discount to market price	Consideration: \$500,000 was raised pursuant to the issue. Amount spent = All Use of funds - The Company has used all of these funds for repayment of debt (approx. 80%) and exploration and evaluation at its projects in South America (approx. 10%) and for working capital purposes (approx. 10%). Amount remaining = Nil
Issue – 27/08/2015 Appendix 3B – 27/08/2015	29,186,644	Shares ²	Issued in settlement of amounts owed to creditors	\$0.008 No discount to market price	Consideration: Nil consideration raised as in settlement of amounts owed to creditors. Current value ⁵ : \$204,307
Issue – 27/08/2015 Appendix 3B – 27/08/2015	31,250,000	Quoted Options ⁶	Issued in accordance with Entitlement Issue Shortfall Offer announced on 7 August 2015.	Nil as the Options were issued as free attaching Options under the Shortfall Offer	Consideration: Nil as they were free attaching options. Current value ⁵ : \$31,250
Issue – 28/08/2015 Appendix 3B – 31/08/2015	55,000,000	Shares ²	Issued in accordance with Entitlement Issue Shortfall Offer announced on 7 August 2015.	\$0.02 No discount to market price	Consideration: \$1.1 million. Amount spent = \$1.1million Use of funds To settle amounts owed to a convertible note holder. Amount remaining = Nil
Issue – 28/08/2015 Appendix 3B – 31/08/2015	6,250,000	Shares ²	Issued in accordance with Entitlement Issue Shortfall Offer announced on 7 August 2015.	\$0.008 No discount to market price	Consideration: \$50,000 was raised pursuant to the issue. Amount spent = All Use of funds - The Company has used all of these funds for exploration and evaluation at its projects in South America (approx. 50%) and for working capital purposes (approx. 50%). Amount remaining = Nil
Issue – 28/08/2015 Appendix 3B – 31/08/2015	30,625,000	Quoted Options ⁶	Issued in accordance with Entitlement Issue Shortfall Offer announced on 7 August 2015.	Nil as the Options were issued as free attaching Options under the Shortfall Offer	Consideration: Nil as they were free attaching options. Current value ⁵ : \$30,625

Issue Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form consideration of
Issue – 28/08/2015 Appendix 3B – 31/08/2015	25,000,000	Shares ²	Issued in settlement of amounts owed to creditors	Deemed issue price of \$0.02 No discount to market price	Consideration: \$500,000 Amount spent = \$500,000 Use of funds To settle amounts owed to a convertible note holder. Amount remaining = Nil
Issue – 28/08/2015 Appendix 3B – 31/08/2015	1,562,500	Shares ²	Issued in settlement of amounts owed to creditors	Deemed issue price of \$0.008 No discount to market price	Consideration: Nil consideration raised as in settlement of amounts owed to creditors. Current value ⁵ : \$10,938
Issue – 27/08/2015 Appendix 3B – 9/09/2015	2,140,411	Shares ²	Issued in settlement of amounts owed to creditors	Deemed issue price of \$0.008 No discount to market price	Consideration: Nil consideration raised as in settlement of amounts owed to creditors. Current value ⁵ : \$14,983
Issue – 27/08/2015 Appendix 3B – 9/09/2015	7,500,000	Quoted Options ⁶	Issued in accordance with Entitlement Issue Shortfall Offer announced on 7 August 2015.	Nil as the Options were issued as free attaching Options under the Shortfall Offer	Consideration: Nil as they were free attaching options. Current value ⁵ : \$7,500
Issue – 11/09/2015 Appendix 3B – 16/09/2015	12,424,466	Shares ²	Issued in accordance with Entitlement Issue Shortfall Offer announced on 7 August 2015.	\$0.008 No discount to market price	Consideration: \$99,396 was raised pursuant to the issue. Amount spent = all Use of funds - exploration and evaluation (approx 50%) and working capital (approx. 50%) Amount remaining = \$nil Proposed use of remaining funds – N/A
Issue – 11/09/2015 Appendix 3B – 16/09/2015	3,106,116	Shares ²	Issued in settlement of amounts owed to creditors	Deemed issue price of \$0.008 No discount to market price	Consideration: Nil consideration raised as in settlement of amounts owed to creditors. Current value ⁵ : \$21,743
Issue – 12/09/2015 Appendix 3B – 16/09/2015	1,837,233	Quoted Options ⁶	Issued in accordance with Entitlement Issue Shortfall Offer announced on 7 August 2015.	Nil as the Options were issued as free attaching Options under the Shortfall Offer	Consideration: Nil as they were free attaching options. Current value ⁵ : \$1,837
Issue – 25/09/2015 Appendix 3B – 24/09/2015	10,468,750	Quoted Options ⁶	Issued in accordance with Entitlement Issue Shortfall Offer announced on 7 August 2015.	Nil as the Options were issued as free attaching Options under the Shortfall Offer	Consideration: Nil as they were free attaching options. Current value ⁵ : \$10,469

Issue Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
Issue – 25/09/2015 Appendix 3B – 24/09/2015	20,937,500	Shares ²	Issued in accordance with Entitlement Issue Shortfall Offer announced on 7 August 2015.	\$0.008 No discount to market price	Consideration: \$167,500 was raised pursuant to the issue. Amount spent = all Use of funds - exploration and evaluation (approx 50%) and working capital (approx. 50%) Amount remaining = \$Nil Proposed use of remaining funds – N/A
Issue – 25/09/2015 Appendix 3B – 24/09/2015	5,234,375	Shares ²	Issued in settlement of amounts owed to creditors	Deemed issue price of \$0.008 No discount to market price	Consideration: Nil consideration raised as in settlement of amounts owed to creditors. Current value ⁵ : \$36,641
Issue – 25/09/2015 Appendix 3B – 24/09/2015	6,250	Shares ²	Issued upon conversion of Options	\$0.02 No discount to market price	Consideration: Nil as issued upon conversion of Options. Current value ⁵ : \$43.75
Issue – 25/09/2015 Appendix 3B – 24/09/2015	6,605,500	Shares ²	Issued in accordance with Funding Arrangement announced on 8 May 2015.	Deemed issue price of \$0.005 Discount to market price of 28.57%	Consideration: Nil consideration raised as issued pursuant to the Funding Agreement Current value ⁵ : \$46,239
Issue – 9/10/2015 Appendix 3B – 9/10/2015	17,862,250	Shares ²	Issued in accordance with Entitlement Issue Shortfall Offer announced on 7 August 2015.	\$0.008 Issue price equal to market price	Consideration: \$142,898 was raised pursuant to the issue. Amount spent = All Use of funds The Company has used all of these funds for exploration and evaluation at its projects in South America (approx. 50%) and for working capital purposes (approx.50%). Amount remaining = Nil
Issue – 9/10/2015 Appendix 3B – 9/10/2015	4,465,563	Shares ²	Issued in settlement of amounts owed to creditors	Deemed issue price of \$0.008 Issue price equal to market price	Consideration: Nil consideration raised as in settlement of amounts owed to creditors. Current value ⁵ : \$31,259
Issue – 9/10/2015 Appendix 3B – 9/10/2015	8,931,125	Quoted Options ⁶	Issued in accordance with Entitlement Issue Shortfall Offer announced on 7 August 2015.	Nil as the Options were issued as free attaching Options under the Shortfall Offer	Consideration: Nil as they were free attaching options. Current value ⁵ : \$8,931

Issue Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form consideration of
Issue – 23/10/2015 Appendix 3B – 26/10/2015	41,000,000	Shares ²	Issued in accordance with Entitlement Issue Shortfall Offer announced on 7 August 2015.	\$0.008 Issue price equal to market price	Consideration: \$328,000 was raised pursuant to the issue. Amount spent = All Use of funds The Company has used all of these funds for exploration and evaluation at its projects in South America (approx. 50%) and for working capital purposes (approx.50%). Amount remaining = Nil
Issue – 23/10/2015 Appendix 3B – 26/10/2015	20,500,000	Quoted Options ⁶	Issued in accordance with Entitlement Issue Shortfall Offer announced on 7 August 2015.	Nil as the Options were issued as free attaching Options under the Shortfall Offer	Consideration: Nil as they were free attaching options. Current value ⁵ : \$20,500
Issue – 23/10/2015 Appendix 3B – 26/10/2015	10,250,000	Shares ²	Issued in settlement of amounts owed to creditors	Deemed issue price of \$0.008 Issue price equal to market price	Consideration: Nil consideration raised as in settlement of amounts owed to creditors. Current value ⁵ : \$71,750
Issue – 12/11/2015 Appendix 3B – 12/11/2015	48,514,157	Shares ²	Issued in accordance with Entitlement Issue Shortfall Offer announced on 7 August 2015.	\$0.008 No discount to market price	Consideration: \$388,113 was raised pursuant to the issue. Amount spent = All Use of funds The Company has used all of these funds for exploration and evaluation at its projects in South America (approx. 50%) and for working capital purposes (approx.50%). Amount remaining = Nil
Issue – 12/11/2015 Appendix 3B – 12/11/2015	24,257,079	Quoted Options ⁶	Issued in accordance with Entitlement Issue Shortfall Offer announced on 7 August 2015.	Nil as the Options were issued as free attaching Options under the Shortfall Offer	Consideration: Nil as they were free attaching options. Current value ⁵ : \$24,257
Issue – 12/11/2015 Appendix 3B – 12/11/2015	12,128,539	Shares ²	Issued in settlement of amounts owed to creditors	Deemed issue price of \$0.008 No discount to market price	Consideration: Nil consideration raised as in settlement of amounts owed to creditors. Current value ⁵ : \$84,900

Issue Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
Issue – 17/11/2015 Appendix 3B – 16/11/2015	7,425,530	Shares ²	Shares issued in accordance with approved Director and Employee Share plan to compensate staff who have accepted a 20% reduction in their cash remuneration for the September 2015 quarter	Deemed issue price of \$0.007 per share Issue price equal to market price	Consideration: Nil as issued under the approved Director and Employee Share Plan Current value ⁵ : \$51,979
Issue – 30/11/2015 Appendix 3B – 27/11/2015	37,626,115	Shares ²	Issued in settlement of amounts owed to creditors	Deemed issue price ranges from \$0.02 to \$0.007 Issue price of \$0.007 represents a discount to market price of 12.5% Issue price of \$0.02 carries no discount to market price	Consideration: Nil consideration raised as issued in settlement of amounts owed to creditors. Current value ⁵ : \$263,383
Issue – 30/11/2015 Appendix 3B – 27/11/2015	4,285,122	Quoted Options ⁶	Issued in settlement of amounts owed to creditors	Nil as they were issued in settlement of amounts owed to creditors	Consideration: Nil consideration raised as issued in settlement of amounts owed to creditors. Current value ⁵ : \$4,285
Issue – 30/11/2015 Appendix 3B – 27/11/2015	10,000,000	Unquoted Options ³	Issued in settlement of amounts owed to creditors	Nil as they were issued in settlement of amounts owed to creditors	Consideration: Nil consideration raised as issued in settlement of amounts owed to creditors. Current value ⁵ : \$55,335
Issue – 30/11/2015 Appendix 3B – 27/11/2015	9,375,000	Unquoted Options ⁴	Issued in settlement of amounts owed to creditors	Nil as they were issued in settlement of amounts owed to creditors	Consideration: Nil consideration raised as issued in settlement of amounts owed to creditors. Current value ⁵ : \$54,079
Issue – 14/12/2015 Appendix 3B – 14/12/2015	857,143	Shares ²	Issued in settlement of amounts owed to creditors	Deemed issue price of \$0.007 No discount to market price	Consideration: Nil consideration raised as issued in settlement of amounts owed to creditors. Current value ⁵ : \$6,000
Issue – 14/12/2015 Appendix 3B – 14/12/2015	533,169	Quoted Options ⁶	Issued in settlement of amounts owed to creditors	Nil as they were issued in settlement of amounts owed to creditors	Consideration: Nil consideration raised as issued in settlement of amounts owed to creditors. Current value ⁵ : \$533

Issue Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form consideration of
Issue – 14/12/2015 Appendix 3B – 14/12/2015	6,587,225	Shares ²	Issued in accordance with Funding Arrangement announced on 8 May 2015.	Deemed issue price of \$0.00525 Discount to market price of 12.5%	Consideration: Nil consideration raised as issued in accordance with Funding Arrangement announced on 8 May 2015. Current value ⁵ : \$46,111
Issue – 17/12/2015 Appendix 3B – 17/12/2015	15,000,000	Shares ²	Issued in accordance with Funding Agreement announced on 13 November 2014.	Deemed issue price of \$0.005 Issue price equal to market price	Consideration: Nil consideration raised as issued in accordance with Funding Agreement announced on 13 November 2014. Current value ⁵ : \$105,000
Issue – 13/01/2016 Appendix 3B – 18/01/2016	3,405,054	Shares ²	Issued in settlement of amounts owed to creditors	Deemed issue price of \$0.006 Issue price equal to market price	Consideration: Nil consideration raised as issued in settlement of amounts owed to creditors Current value ⁵ : \$23,835
Issue – 13/01/2016 Appendix 3B – 18/01/2016	25,000,000	Shares ²	Issued in accordance with Funding Agreement announced on 13 November 2014.	Deemed issue price of \$0.003 Discount to market price of 50%	Consideration: Nil consideration raised as issued in accordance with Funding Agreement announced on 13 November 2014. Current value ⁵ : \$175,000
Issue – 01/02/2016 Appendix 3B – 01/02/2016	3,000,000	Shares ²	Issued in settlement of amounts owed to creditors	Deemed issue price of \$0.005 No discount to market price	Consideration: Nil consideration raised as issued in settlement of amounts owed to creditors Current value ⁵ : \$21,000
Issue – 09/02/2016 Appendix 3B – 09/02/2016	13,634,886	Shares ²	Issued in settlement of amounts owed to creditors	Deemed issue price of \$0.005 Issue price equal to market price	Consideration: Nil consideration raised as issued in settlement of amounts owed to creditors Current value ⁵ : \$95,444
Issue – 26/02/2016 Appendix 3B – 02/03/2016	26,000,000	Shares ²	Issued pursuant to a Placement	\$0.005 No discount to market price	Consideration: \$130,000 was raised pursuant to the issue. Amount spent = All Use of funds The Company has used all of these funds for exploration and evaluation at its projects in South America (approx. 50%) and for working capital purposes (approx.50%). Amount remaining = Nil

Issue Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form consideration of
Issue – 26/02/2016 Appendix 3B – 02/03/2016	6,500,000	Shares ²	Issued pursuant to a Placement	Nil	Consideration: Nil consideration raised as issued in settlement of amounts owed to creditors Current value ⁵ : \$45,500
Issue – 26/02/2016 Appendix 3B – 04/03/2016	3,906,234	Shares ²	Issued in settlement of amounts owed to Directors	Deemed issue price of \$0.006 No discount to market price	Consideration: Nil consideration raised as issued in settlement of amounts owed to Directors Current value ⁵ : \$27,343
Issue – 26/02/2016 Appendix 3B – 04/03/2016	12,500,000	Shares ²	Issued pursuant to a Placement	\$0.004 Issue price equal to market price	Consideration: \$50,000 was raised pursuant to the issue. Amount spent = All Use of funds The Company has used all of these funds for exploration and evaluation at its projects in South America (approx. 50%) and for working capital purposes (approx. 50%). Amount remaining = Nil
Issue – 26/02/2016 Appendix 3B – 04/03/2016	1,562,494	Quoted Options ⁶	Issued in settlement of amounts owed to Directors	Nil as they were issued in settlement of amounts owed to Directors	Consideration: Nil consideration raised as issued in settlement of amounts owed to Directors Current value ⁵ : \$1,562
Issue – 11/04/2016 Appendix 3B – 11/04/2016	18,750,000	Shares ²	Issued in accordance with Funding Agreement announced on 13 November 2014.	Deemed issue price of \$0.004 Discount to market price of 33.33%	Consideration: Nil consideration raised as issued in accordance with Funding Agreement announced on 13 November 2014. Current value ⁵ : \$131,250
Issue – 21/04/2016 Appendix 3B – 21/04/2016	2,000,000	Shares ²	Issued in accordance with revised sale agreement with Guadalupito vendors announced on 28 March 2014.	Deemed issue price of \$0.006 Issue price equal to market price	Consideration: Nil consideration raised as issued in accordance with revised sale agreement with Guadalupito vendors announced on 28 March 2014. Current value ⁵ : \$14,000
Issue – 21/04/2016 Appendix 3B – 21/04/2016	2,738,106	Shares ²	Issued in settlement of amounts owed to creditors	Deemed issue price of \$0.005 Discount to market price of 16.67%	Consideration: Nil consideration raised as issued in settlement of amounts owed to creditors Current value ⁵ : \$19,167

Notes:

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: LRS (terms are set out in the Constitution).
3. Unquoted Options exercisable at \$0.01 each on or before 25 December 2016. Any shares issued on conversion of the Options will rank equally in all respects with the existing class of quoted fully paid ordinary shares.
4. Unquoted Options exercisable at \$0.008 each on or before 30 November 2018. Any shares issued on conversion of the Options will rank equally in all respects with the existing class of quoted fully paid ordinary shares.
5. In respect of quoted Equity Securities the value is based on the closing price of the Shares (\$0.007 and Options (\$0.001) on ASX on 20 April 2016. In respect of unquoted Equity Securities the value of Options, Retention Rights, Performance Rights and Deferred Rights is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the impact of dilution, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option. No account is taken of any performance conditions included in the terms of the Option other than market based performance conditions (i.e. conditions linked to the price of Shares).
6. Quoted Options exercisable at \$0.02 each on or before 9 March 2017.