



LATIN
RESOURCES

Lithium Update

August 2022

Developing minerals to provide the planet
with **environmentally sustainable products**

ASX:**LRS** FRA:**XL5**

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EV not a Concept **Electrification is Happening Now**



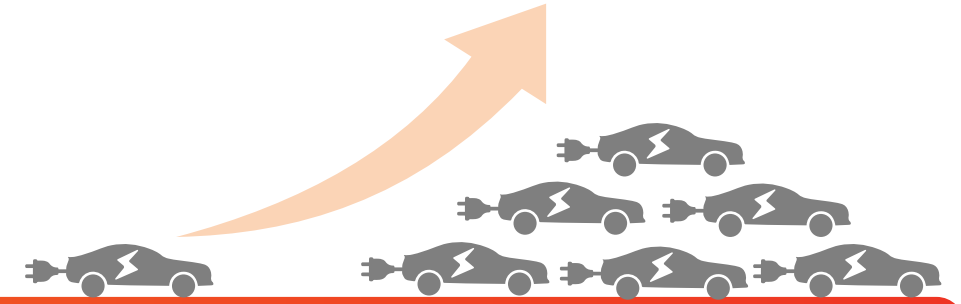
Fifth Avenue New York

1900

1913

American car ownership by household went from 8% to 80% in one decade

EV adoption forecasts are rapidly approaching reality



Global sales of EVs as % of new cars sold

2021


2030


2%

57%


Growth in Battery Demand

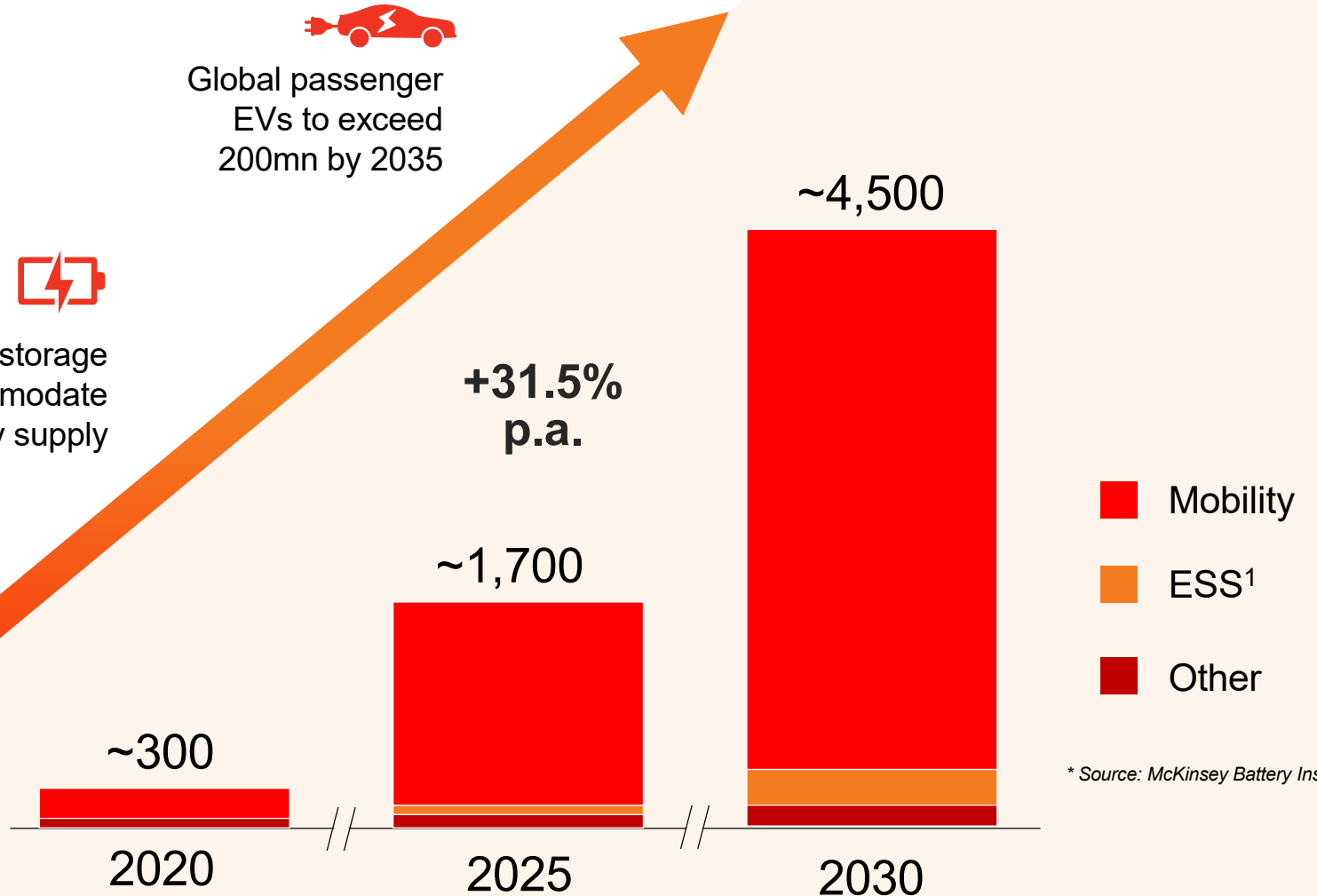
Global Li-ion battery cell demand is expected to grow by ~32% per year, exceeding 4,000 GWh in 2030


Global passenger EVs to exceed 200mn by 2035


Grid battery storage to accommodate renewable energy supply

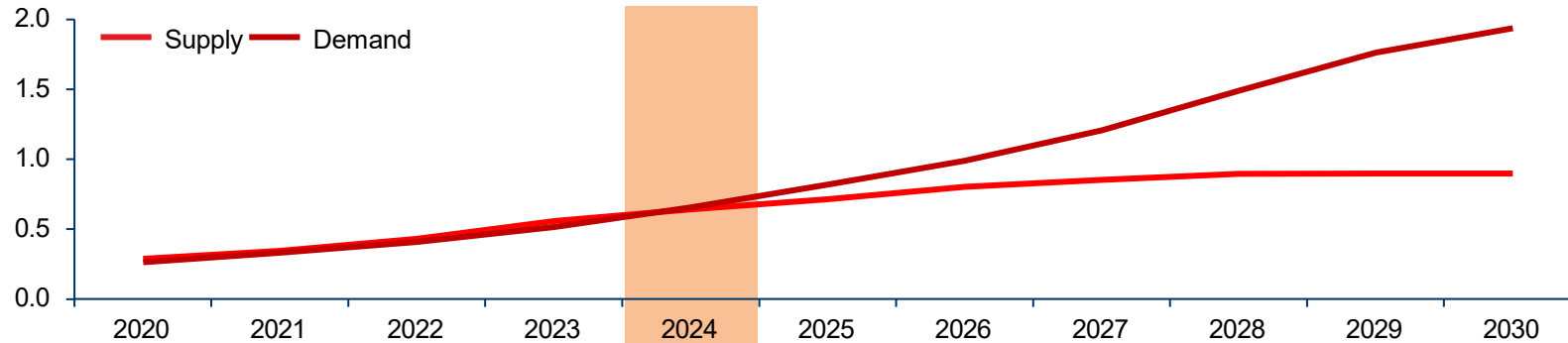
Growth drivers:


Cost of ownership parity between electric and diesel buses and trucks to converge

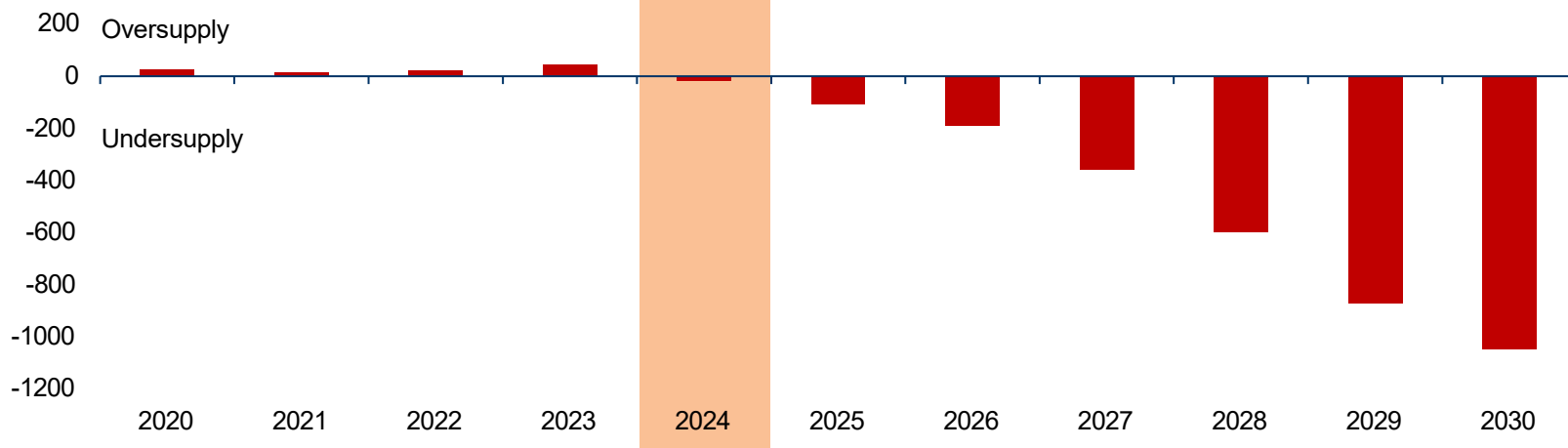


Lithium Market Deficit

Global lithium market balance (battery grade)¹, 2020-30, Mt LCE ■ Accelerated KV production commencement



Supply/demand balance, 2020-30, Mt LCE



>1 Mt
LCE Shortfall in Supply by 2030

EVs and battery storage account for c50% mineral demand growth in clean technologies over the next 2 decades

The IEA SDS (Sustainable Development Scenario, where current Net Zero goals are met), has mineral demand by weight in 2040 dominated by graphite, copper and nickel

Lithium sees the fastest growth rate, with demand growing by over 40 times in the SDS

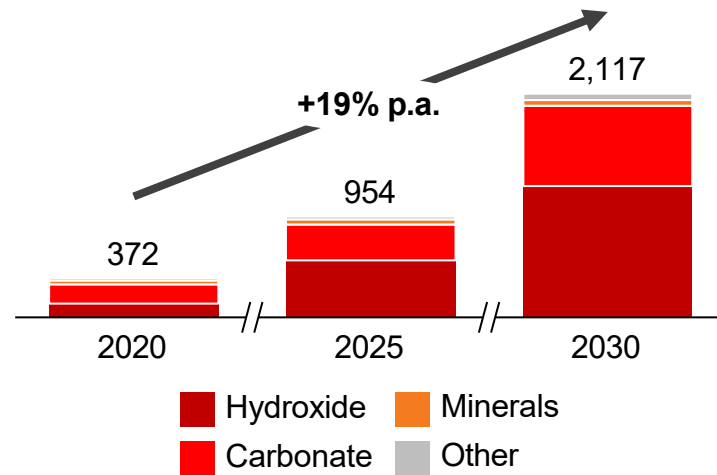
IEA - The Role of Critical World Energy Outlook Special Report Minerals in Clean Energy Transitions- March 2022

Spodumene to Lithium Hydroxide Advantage

Hydroxide needs spodumene

25% forecast CAGR for lithium hydroxide emerging as preferred product for cathodes

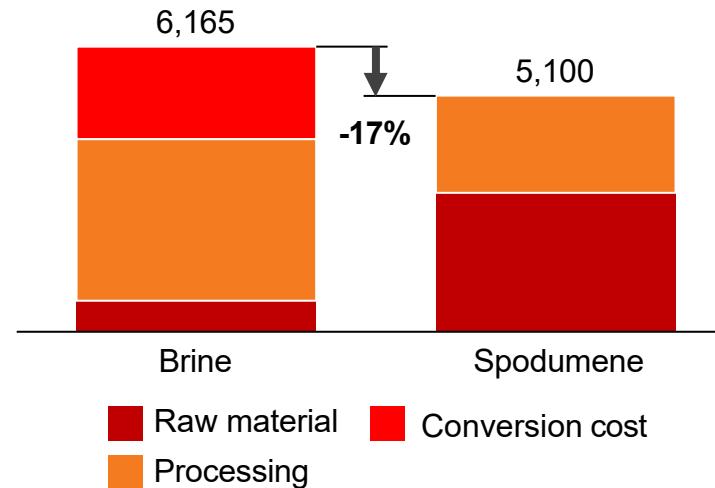
Global lithium demand², kt LCE



Brine vs Spodumene

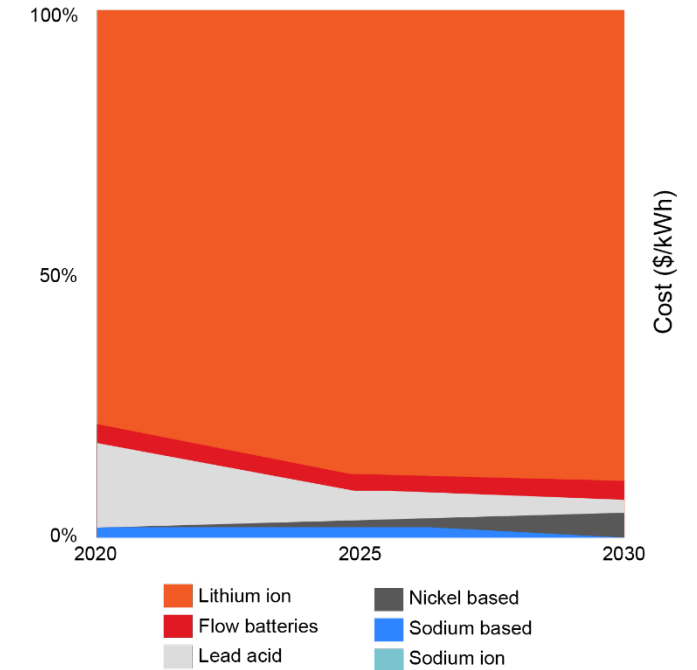
17% cost advantage when producing Li₂O from spodumene source

Cost of lithium hydroxide production¹, US\$ LCE



Lithium Iron Phosphate (LFP) batteries will be chemistry of choice

The emerging chemistries



1: Costs represent indicative 2025 cost base for typical brine and spodumene operations; Source: MineSpans.

2: Source: Roskill.

3: Source: RhoMotion



Lithium and Copper Projects South America

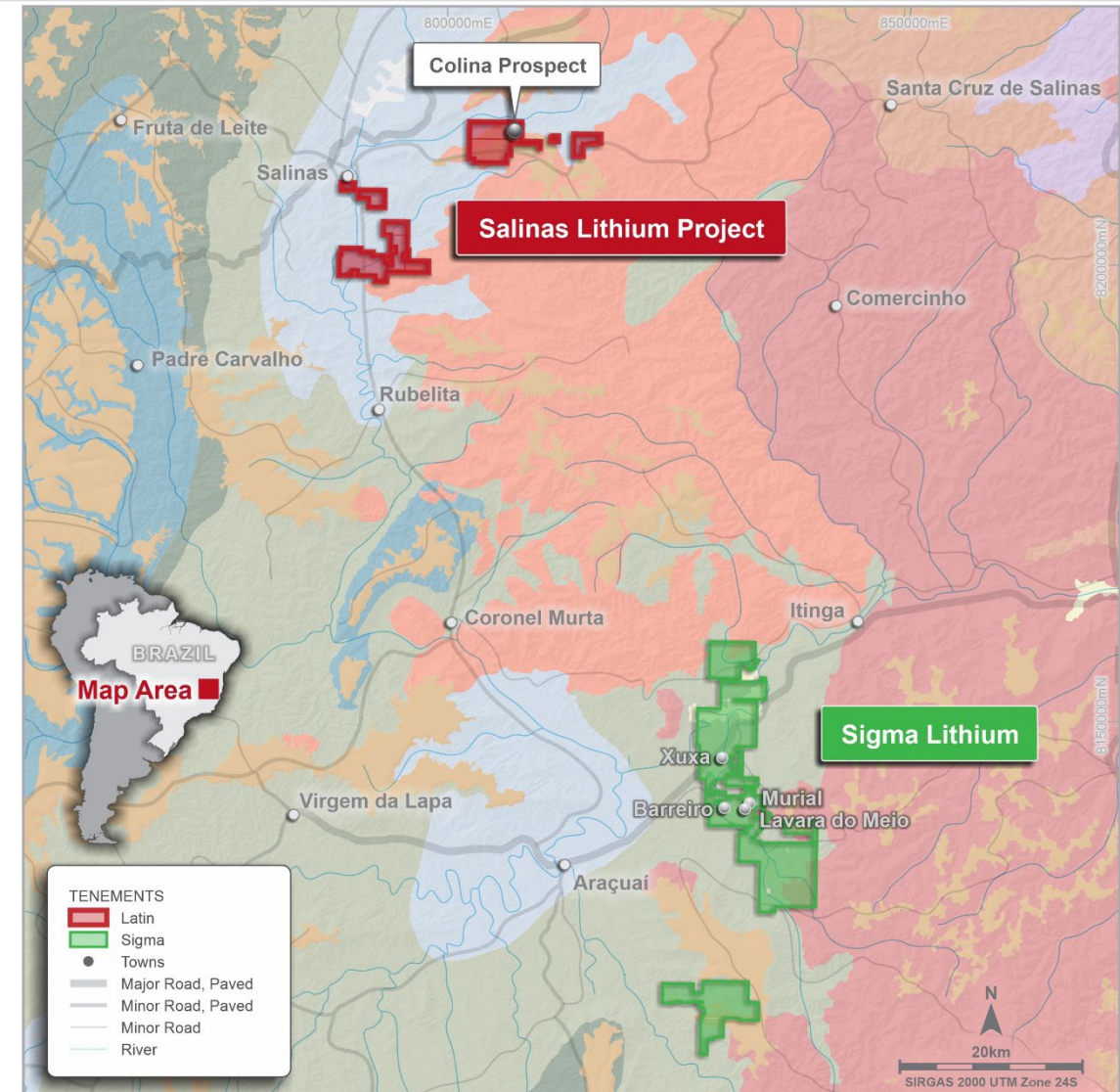
Lithium in Brazil

Opportunity and Lithium Potential in Minas Gerais District

- ▶ Brazil is the 8th largest global economy
- ▶ Latin America's largest pro-mining jurisdiction
- ▶ Over 65% of Brazil's electricity comes from **Hydro Power**
- ▶ **Sigma Lithium Resources** is the most active lithium explorer in the region with a world-class lithium resource base* of **85.7Mt @ 1.43% Li₂O** and a **\$3 billion market cap**
- ▶ **Sigma** has potential to be amongst the **lowest-cost producers of lithium concentrate globally**

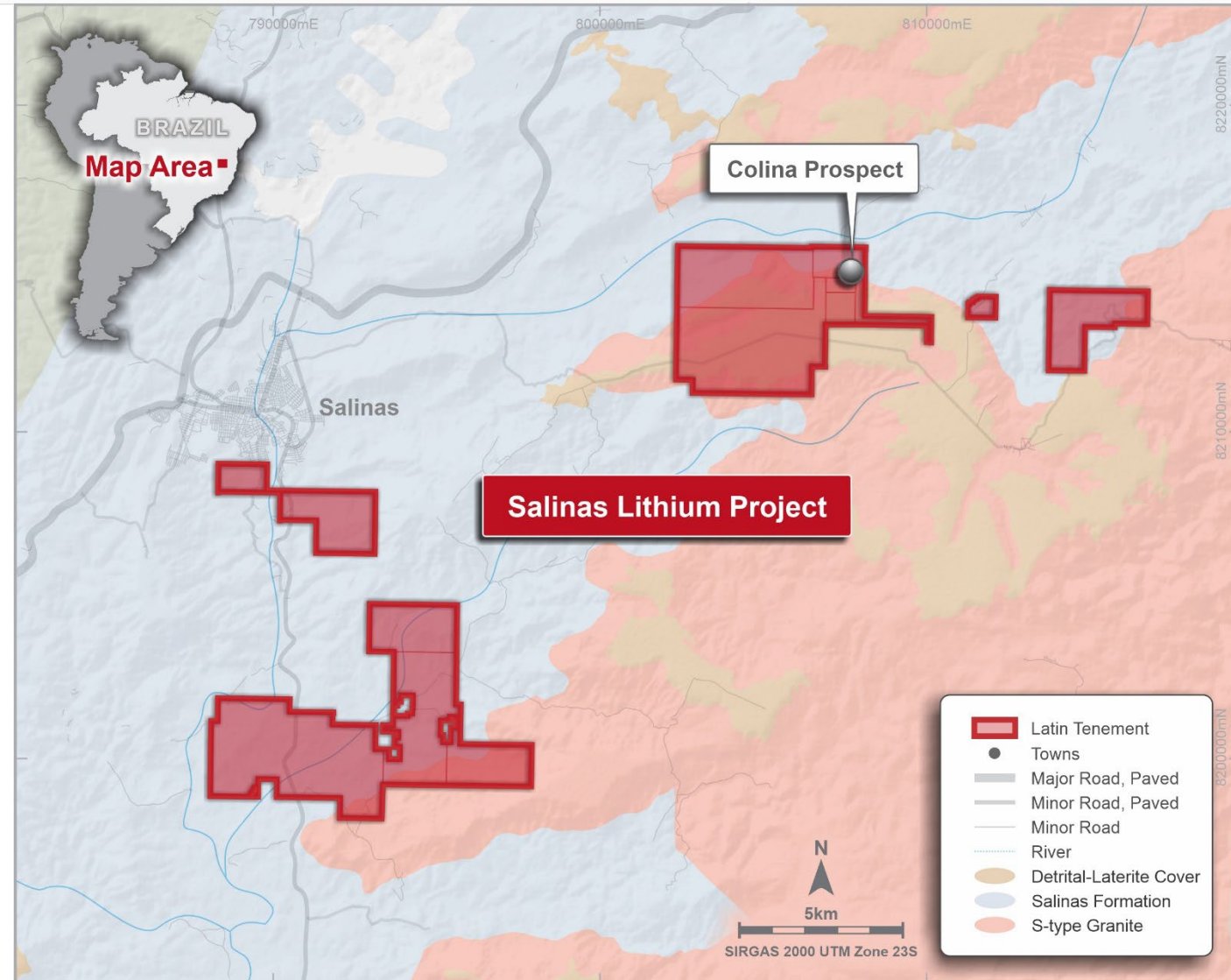
The Company notes that details of neighbouring projects to the Company's projects are set out for information purposes only and is not an indication of the prospectivity of the geology of the Company's projects.

- Refer to Sigma Lithium TSX announcement dated 22 June 2022
- Refer to Sigma Lithium TSX announcement dated 12 July 2022
- Refer to Sigma Lithium TSX announcement dated 11 April 2022, updated Feasibility Study



Salinas Lithium Project

- ▶ **Latin Resources 100% owned subsidiary Belo Lithium holds over 6,341 hectares** in the premier spodumene district of **Minas Gerais**
- ▶ **JORC Resource Definition drilling** is underway at the Colina Prospect
- ▶ Latin holds **multiple exploration targets** including the Salinas South tenement area which has outcropping pegmatites containing spodumene over a strike of 4km
- ▶ **Maiden JORC Mineral Resource Estimate** targeted for end of 2022
- ▶ **PEA** planned for completion **March 2023**
- ▶ **DFS** planned for completion by **December 2023**



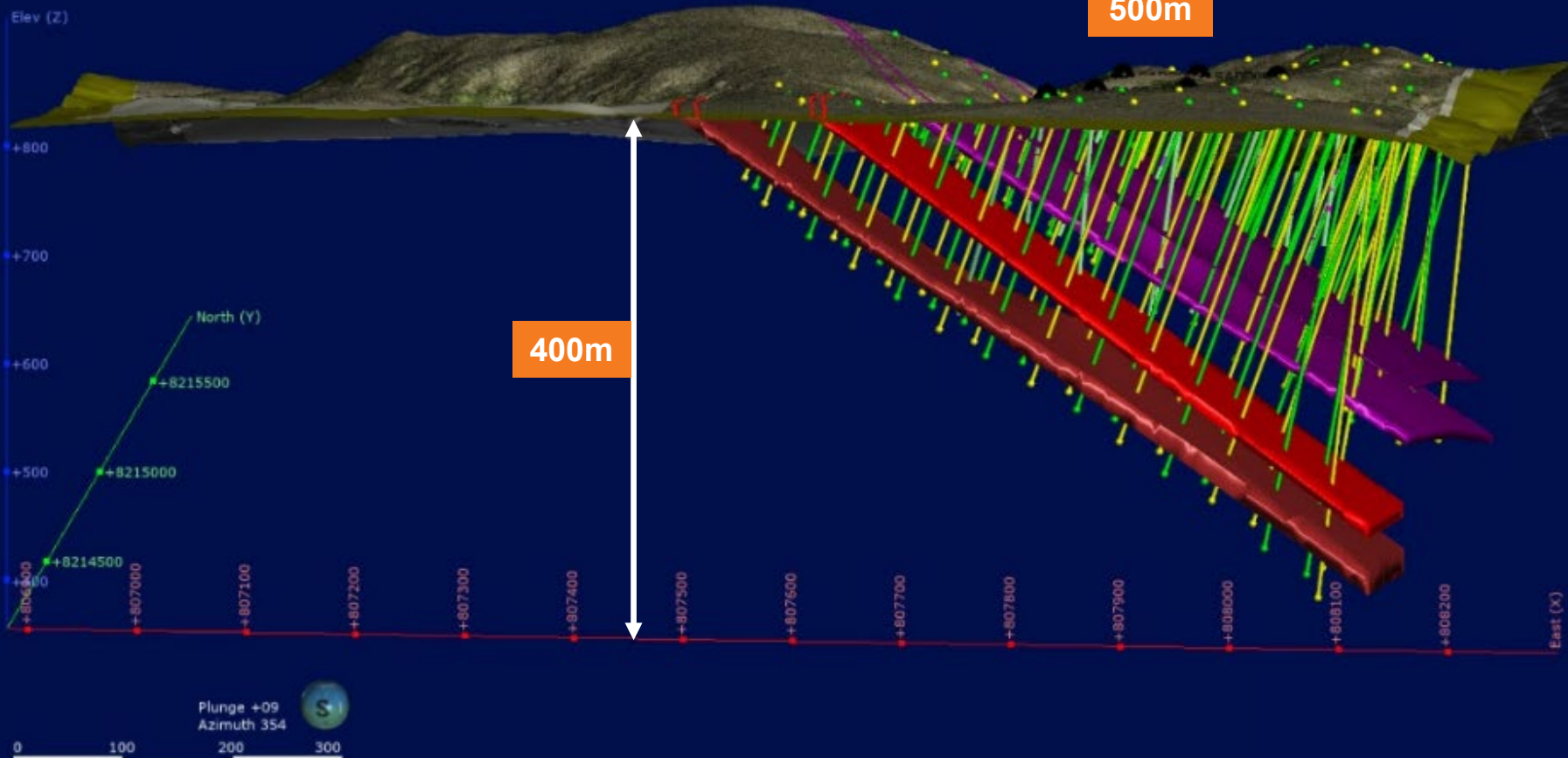
Colina Prospect Resource Definition Drilling

Colina West Prospect

Colina Prospect

500m

400m



- ▶ 25,000m Resource Definition Drilling campaign underway
- ▶ 7,300m drilled to date

Selected significant intersections:

SADD004:

17.38m @ 1.46% Li₂O from 119.80m
2.00m @ 3.07% Li₂O from 127.00m

SADD006:

21.1m @ 1.20% Li₂O from 208.80m
3.00m @ 2.28% Li₂O from 214.90m

SADD0017:

8.87m @ 1.09% Li₂O from 137.00m
13.86m @ 1.33% Li₂O from 173.29m

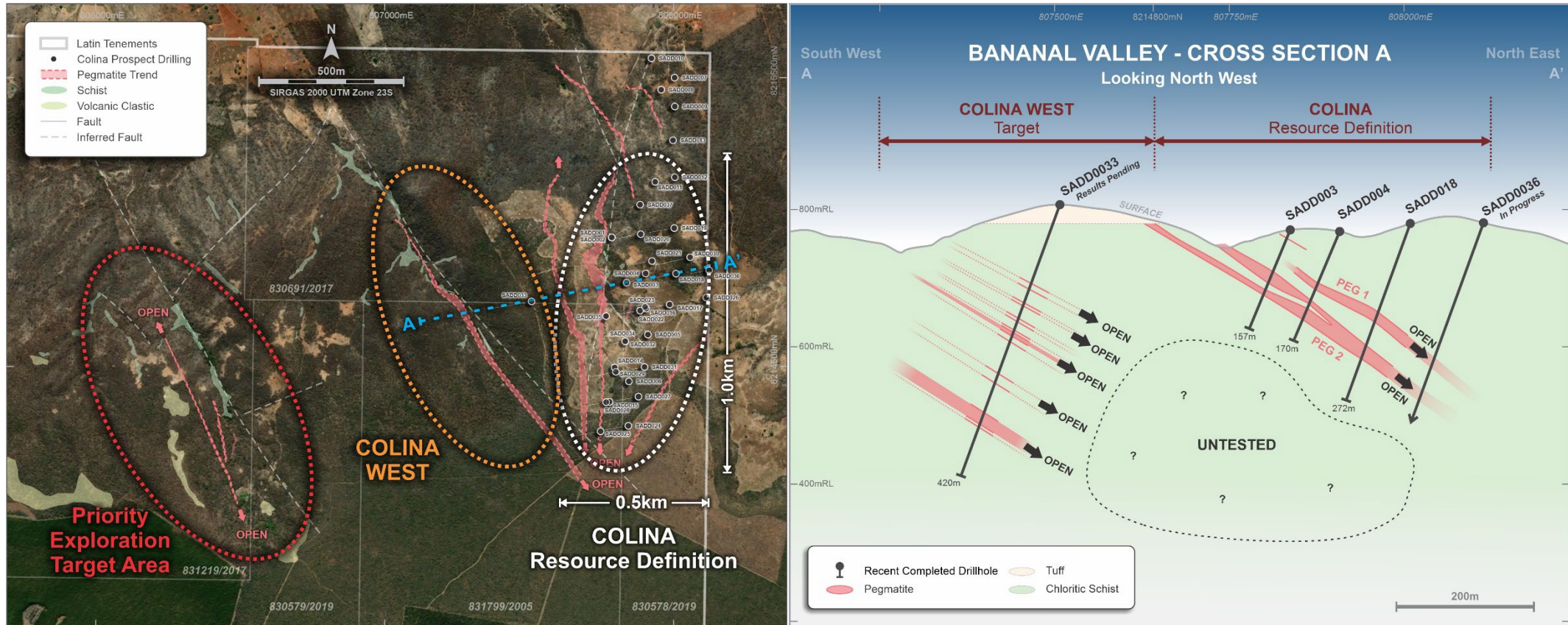
SADD019:

11.96m @ 1.64% Li₂O from 206.24m

SADD0020:

2.35m @ 3.57% Li₂O from 120.33m

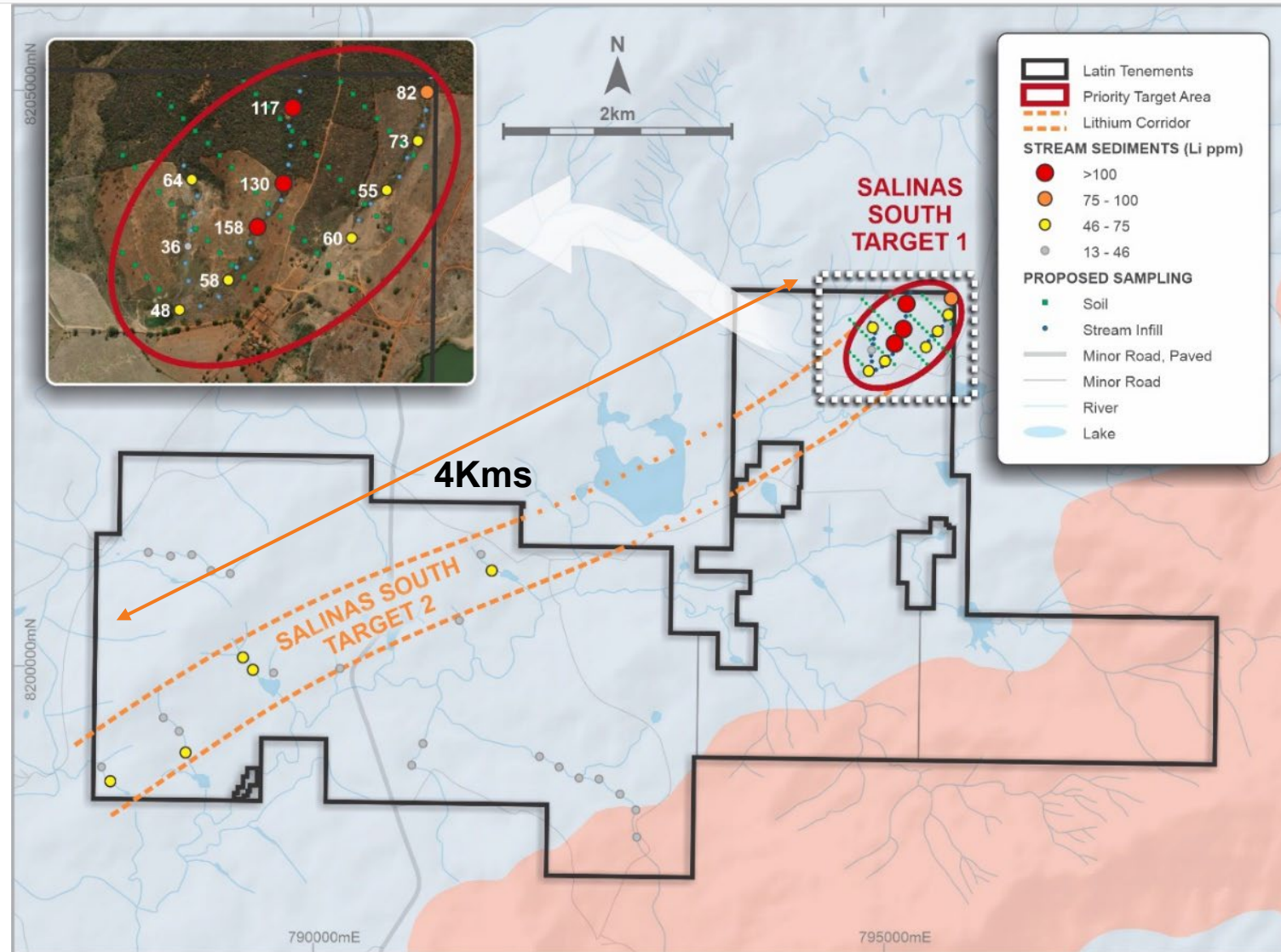
Colina Prospect Significant Scale Implications



- ▶ Additional lithium spodumene discoveries to the west of the Colina Prospect
- ▶ Potential parallel mineralised pegmatite systems have significant scale implications for the Salinas Lithium Project

Salinas South Lithium Corridor

- ▶ Latin has identified outcropping pegmatites containing spodumene over a strike of 4km.
- ▶ Regional reconnaissance stream sediment sampling of the Salinas South Project to the southwest has highlighted an anomalous lithium corridor extending across the Project.
- ▶ Further drilling of 5000 metres planned along strike after Salinas South completed.
- ▶ Additional tenure acquisitions have increased landholding to 4,088 hectares.



Positive Preliminary Metallurgical Testwork Results

78.72% Recovery to 6.57% Li₂O Concentrate

Extremely positive first pass sighter metallurgical test work results on the Colina lithium pegmatite sample with:

- ▶ High recovery of **78.72% of Li₂O**
- ▶ Production of an extremely high-grade Li₂O concentrate (up to **6.57%**) from simple Heavy Liquid Separation (HLS)

Potential for high-quality concentrate with less complex and lower cost processing, due to high recovery rates at a relatively coarse crush

- ▶ High Li₂O recovery rates from simple HLS, may reduce initial project capital requirements, and ongoing operational processing costs
- ▶ Sample provided was only @ 1.25% Li₂O
- ▶ Test work is ongoing as part of the PEA



Refer to ASX announcement dated 24 August 2022

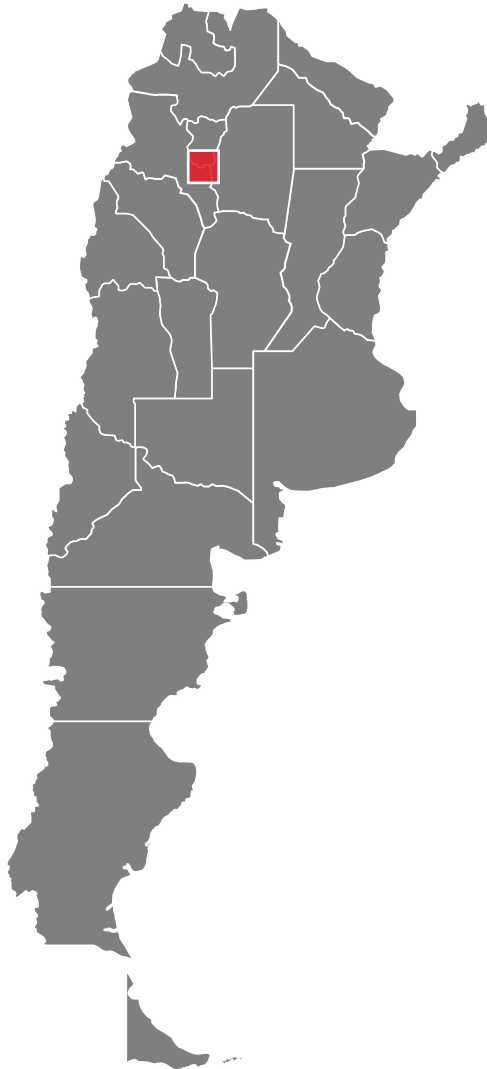
Argentina Lithium Project

Catamarca Lithium Exploration

- ▶ LRS has the largest hard rock spodumene landholding in Argentina
 - Over 70,000 hectares controlled by LRS
- ▶ Under-explored spodumene pegmatite swarms
- ▶ Potential to host world class lithium deposit
- ▶ **JV with Integra Capital**
- ▶ **New 2022 work plans currently being finalised with field work to commence in 2H 2022**



Catamarca NW Alto / North Ancasti Over 70,000 Hectares



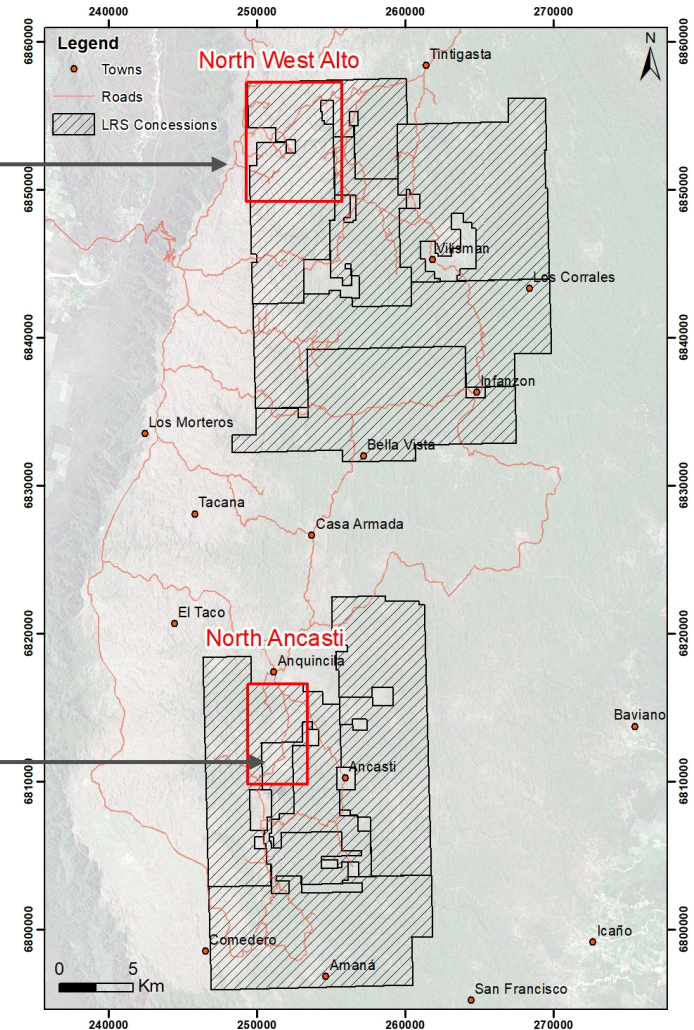
North West Alto
New Exploration Q3 2022

Villisman Project

Previous drilling intercepts include*:

- ▶ 3m @ 2.98% Li₂O
- ▶ 5.2m @ 1.62% Li₂O
- ▶ 6m @ 2.40% Li₂O
- ▶ 7m @ 2.17% Li₂O

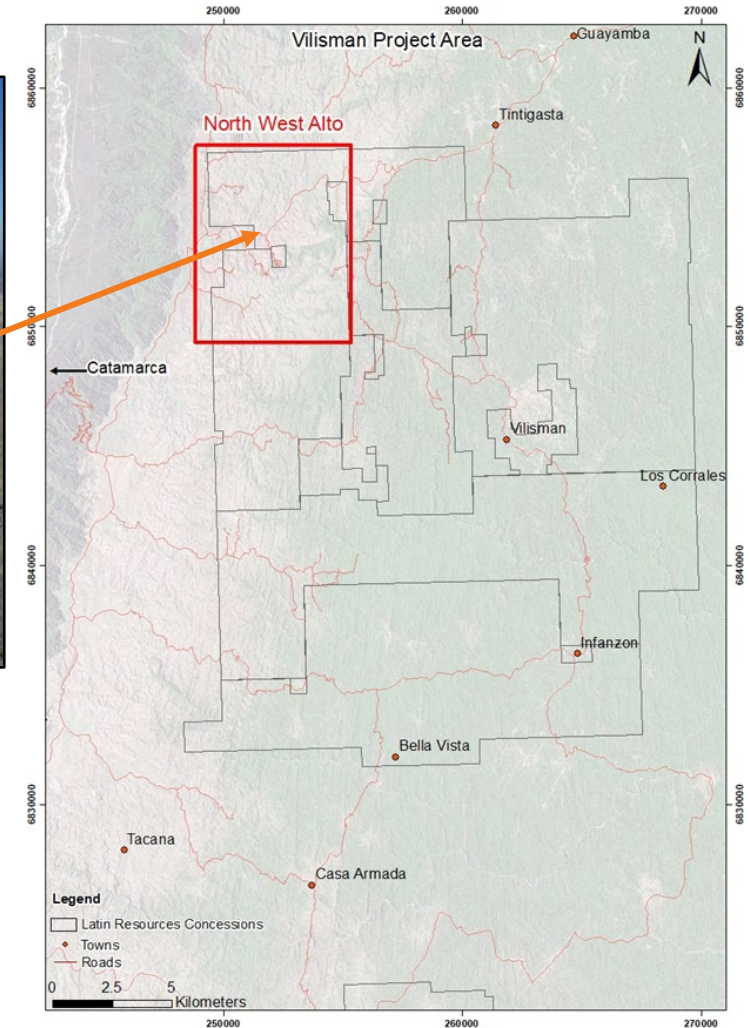
Ancasti Project
North Ancasti



Catamarca NW Alto New Exploration Work 2022

North West Alto

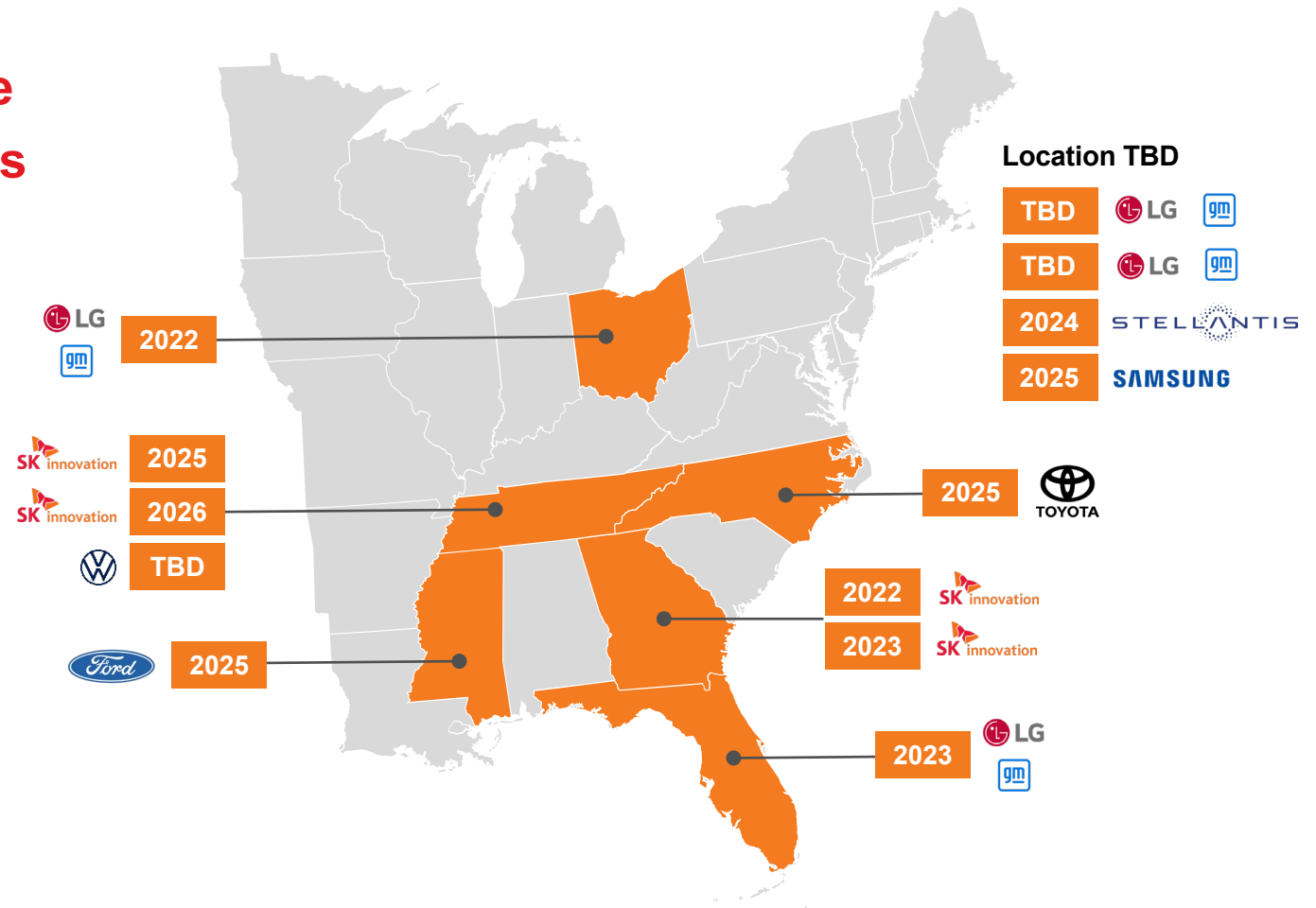
- ▶ Highly prospective for lithium bearing pegmatites of considerable size
- ▶ External zones exposed to geologists for mapping – therefore methods of fractionation interpretation are employed
- ▶ Rock chipping and soil sampling continues over the region
- ▶ Recently identified lithium of 1.219% Li_2O in the only exposed mine of the area
- ▶ Encouraged by the presence of lithium in the NW Alto system
- ▶ Further work being conducted to identify drill targets



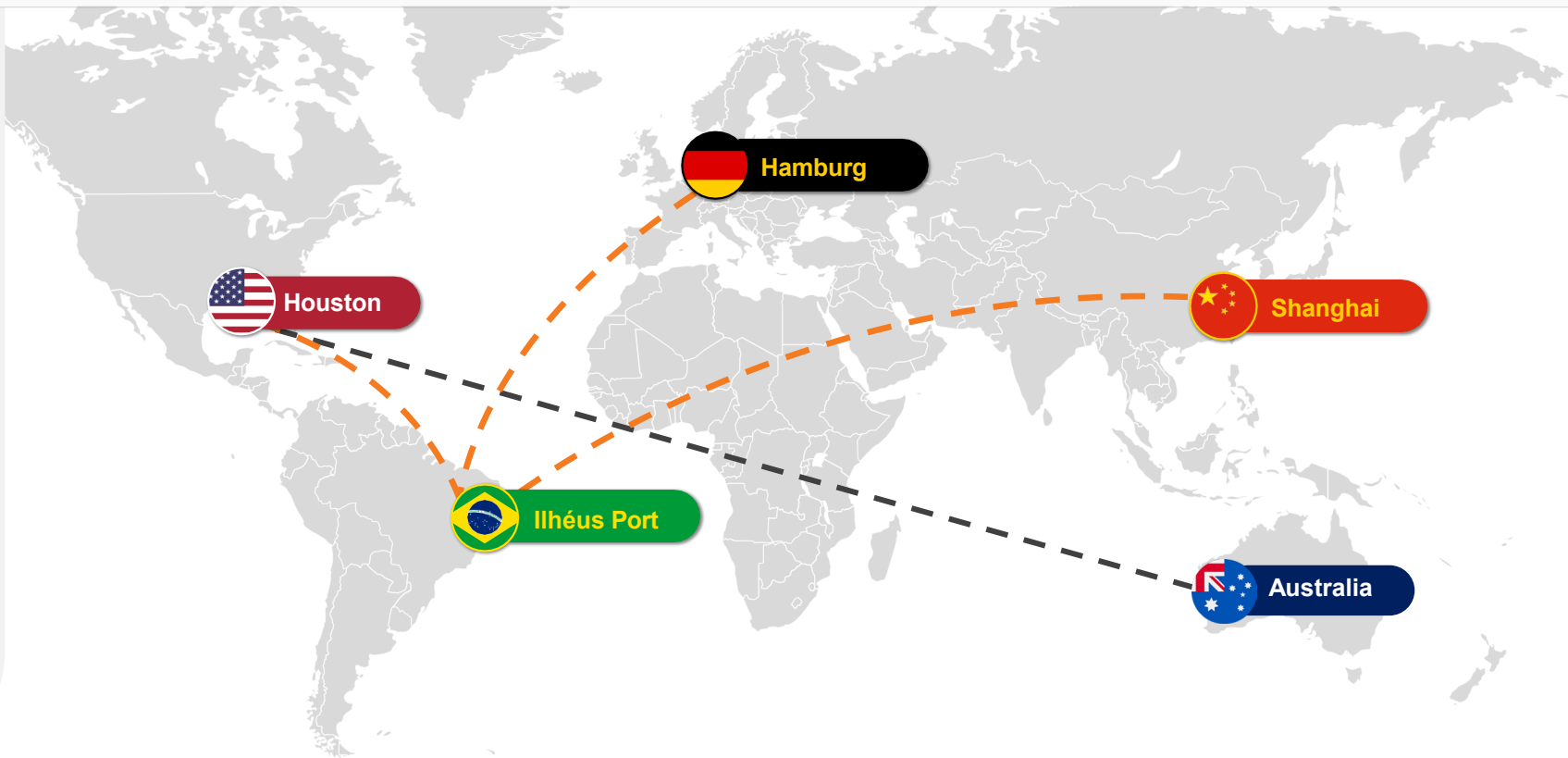
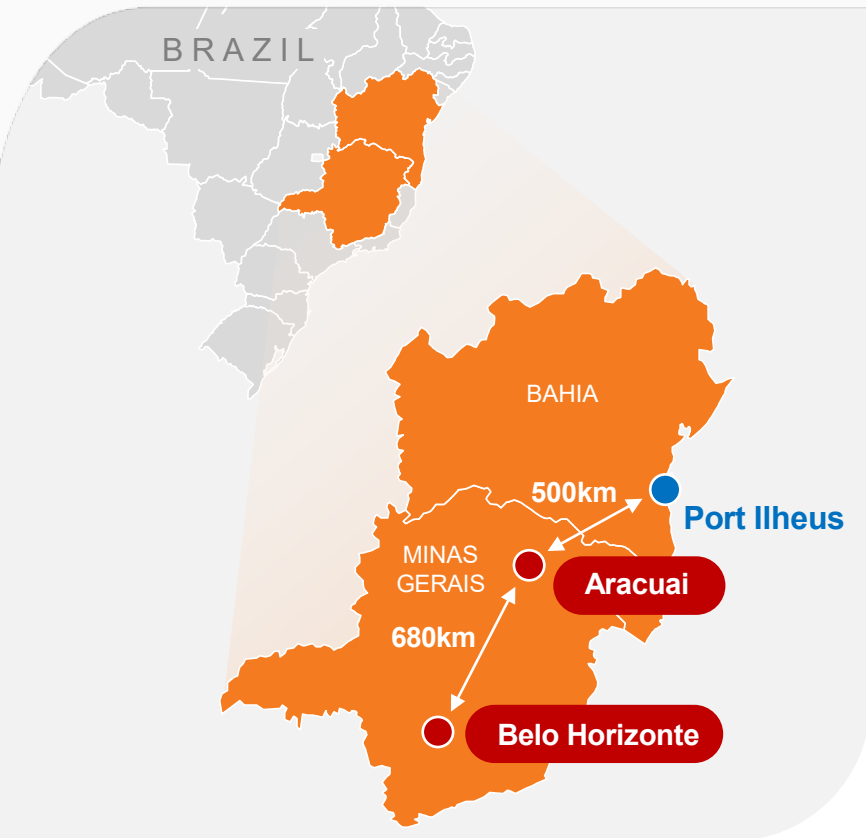
The Rise of Gigafactories **Brazil Advantage**

13 additional Gigafactories will become operational in the US in the next 5 years

- ▶ New US climate bill[^] will incentivise expanding renewable energy and include EV tax credits*
- ▶ Requires EV production meets stringent sourcing constraints, including supply from US or countries with free trade agreement (including Brazil)
- ▶ Latin is in discussions with car and battery manufacturers

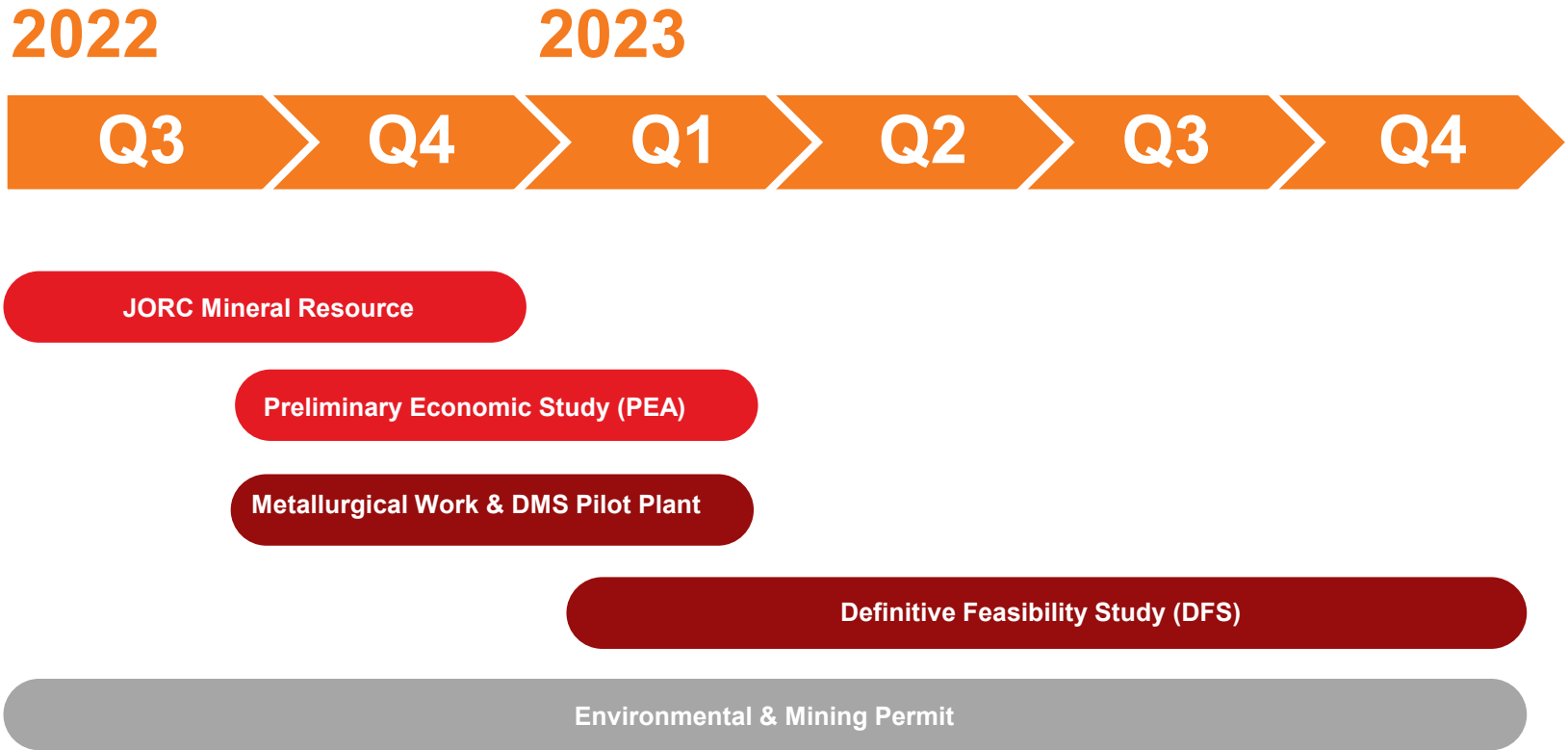


Advantageous Location



- ▶ Located in one of the world's largest mining provinces with existing infrastructure including roads and port access
- ▶ Brazil is a very short distance to the USA. Atlantic port access brings the advantage of faster delivery, reduced shipping costs and lower carbon footprint
- ▶ Brazil offers an alternative source of supply compared to the majority of current supply of spodumene coming from Australia

Progressing the Salinas Lithium Project



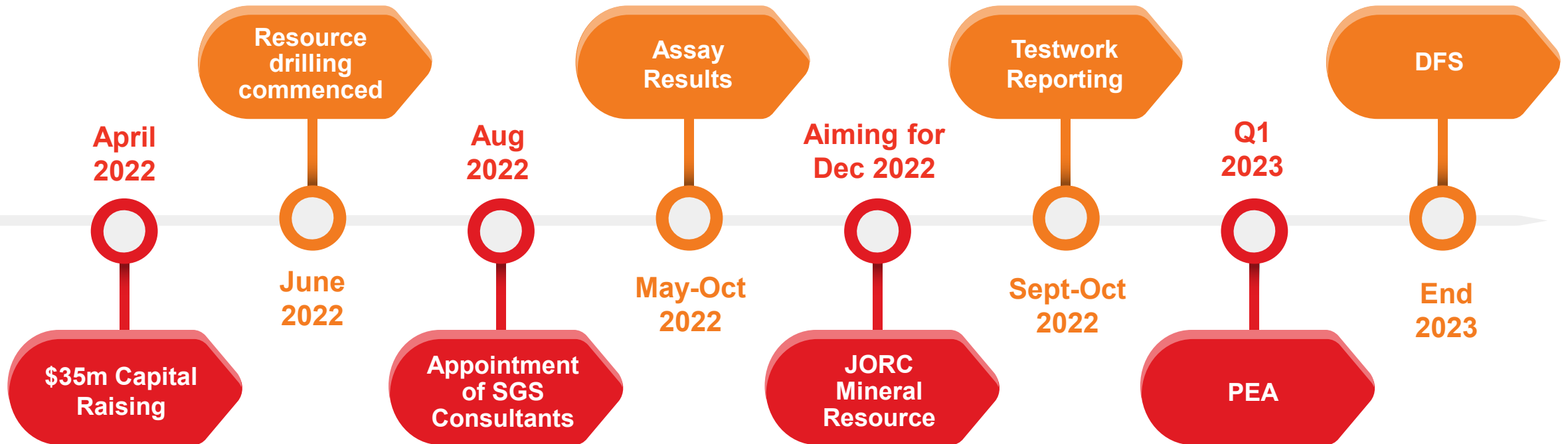
Project Manager SGS Geological Services appointed* for:

- ▶ Metallurgical test work
- ▶ JORC Mineral Resource Estimation
- ▶ Preliminary Economic Assessment (PEA)
- ▶ Commission of pilot plant for lithium concentrate product

SGS recently completed the Sigma Lithium DFS (NPV8% of US\$5.1 Billion)*

*Refer to ASX Announcement dated 9 August 2022
 *Refer to Sigma TSX Announcement dated 26 May 2022

Salinas Lithium Project *At a Glance*



To fast track Salinas Lithium Project drilling to JORC Mineral Resource Estimate

for MRE & Feasibility Studies

Corporate Overview

LRS
ASX Code

XL5
FRA Code

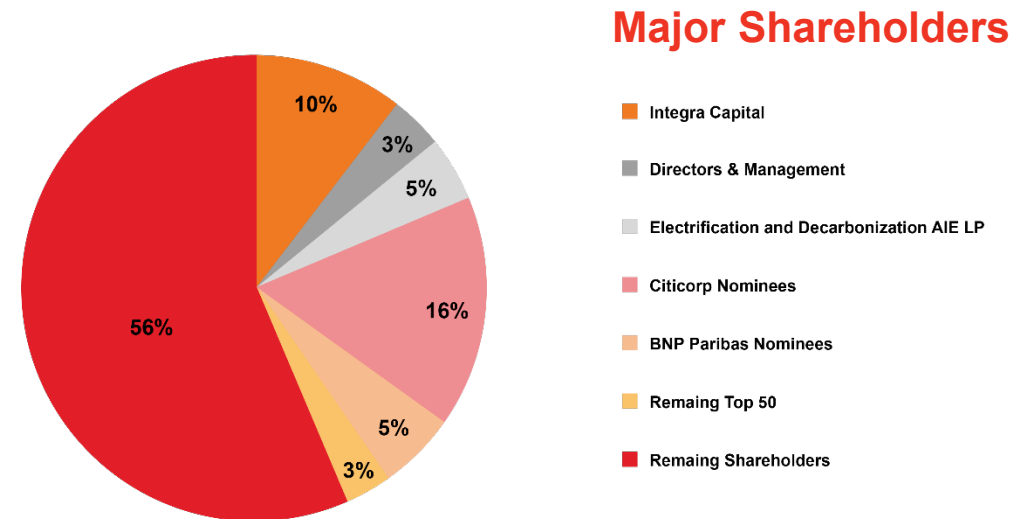
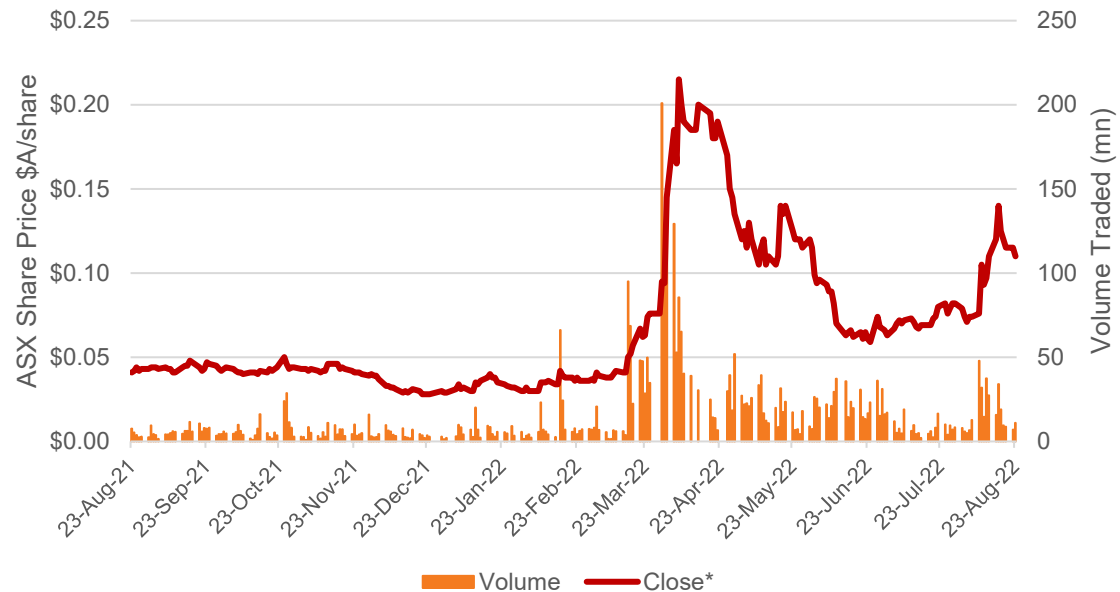
\$33.5m
Cash*

\$214m
Market Cap (Share price \$0.11 23/08/2022)

1,945m
Shares on Issue

232m
Listed Options
(\$0.012 expiry) December 2022

\$180m
Enterprise Value



The Growth Opportunity

Lithium Spodumene Companies



Latin Resources goal is to become a world-class lithium producer with ESG credentials



By developing Salinas Lithium Project into a long-life Tier 1 asset

- Aiming to define a maiden JORC Mineral Resource and establish scale rapidly
- Compelling lithium discovery located close to key infrastructure in an excellent mining jurisdiction



Strong market fundamentals

- Market being driven by rapidly growing EV battery demand
- Exceptional growth in the lithium hydroxide segment, providing a competitive advantage for spodumene producers



EV growth provides supply advantage to producers with a ESG focus

- Latin Resources has commenced disclosing its Environmental, Social, and Governance (ESG) metrics using the World Economic Forum ESG universal framework.
- Latin's ESG focus will drive strong partnerships with industry leading battery producers and offtake agreements



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Competent Person Statement

The information in this report that relates to Geological Data and Exploration Results is based on information compiled by Mr Anthony Greenaway, who is a Member of the Australian Institute of Mining and Metallurgy. Mr Greenaway sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Greenaway consents to the inclusion in this report of the matters based on his information, and information presented to him, in the form and context in which it appears.

All information relating to exploration results has been previously released to the market and is appropriately referenced in this document.