



LATIN RESOURCES LIMITED
ABN: 81 131 405 144

HALF YEAR REPORT

30 JUNE 2022

Contents

CORPORATE DIRECTORY	3
DIRECTOR'S REPORT	4
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	18
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	19
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	20
CONSOLIDATED STATEMENT OF CASH FLOWS	21
CONDENSED NOTES TO THE FINANCIAL STATEMENTS	22
DIRECTOR'S DECLARATION	29
AUDITOR'S INDEPENDENCE DECLARATION	30
INDEPENDENT AUDITOR'S REVIEW REPORT	31

Corporate Directory

Directors

Mr David Vilensky
(Non-Executive Chairman)

Mr Christopher Gale
(Managing Director)

Mr Brent Jones
(Non-Executive Director)

Mr Pablo Tarantini
(Non-Executive Director)

Company Secretary

Ms Sarah Smith

Principal & Registered Office

Unit 3, 32 Harrogate Street
West Leederville, WA 6007
Telephone: +61 8 6117 4798
E-mail: info@latinresources.com.au

Peru Office

Calle Cura Bejar 190
Oficina 303, San Isidro
Lima, Peru
Telephone: +51 1 207 0490

Argentina Office

Maipú 1210 Piso 8 (C1006ACT) CABA,
Buenos Aires, Argentina
Telephone: +54 11 4872 8142

Brazil Office

Machado Gobbo Advogados
SHIS QI 9 Conjunto 17 Casa 16
Lago Sul, Brasília-DF, 71.625-170
Telephone: +55 (61) 3321-0074

Stock Exchange

Australian Securities Exchange
(ASX: LRS, LRSOC)

Website

www.latinresources.com.au

Share Registry

Computershare Investor Services Pty Limited
Level 11, 172 St Georges Terrace
Perth, WA 6000
Telephone: +61 8 9323 2000

Solicitors

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
Perth, WA 6000

Bankers

Australia and New Zealand Banking Group (ANZ)
6/464 Hay Street
Subiaco, WA 6008

National Australia Bank (NAB)
100 St Georges Terrace
Perth, WA 6000

Auditors

Hall Chadwick Audit (WA) Pty Ltd
283 Rokeby Road
Subiaco, WA 6008

Director's Report

The Directors present their report together with the financial statements of the Group consisting of Latin Resources Limited (“Latin” or “the Company”) and its subsidiaries (collectively “the Group”) for the half-year ended 30 June 2022.

DIRECTORS

The names of Company's directors in office during the half-year and until the date of this report are set out below.

- Mr. David Vilensky
- Mr. Christopher Gale
- Mr. Brent Jones
- Mr. Pablo Tarantini

Directors were in office for this entire period unless otherwise stated.

DIVIDENDS

No dividends were paid or declared during the half year or in the period to the date of this report.

PRINCIPAL ACTIVITIES

The Group's principal activities during the course of the half year continued to be mineral exploration and evaluation.

OPERATING RESULTS

The result for the consolidated entity for the six months ended 30 June 2022 was a loss of \$5,718,251 (2021: loss of \$3,995,957).

REVIEW OF OPERATIONS

Latin Resources Limited (ASX: LRS) (“Latin” or “the Company”) is an Australian-based mineral exploration company, with projects in Australia and South America, that is developing mineral projects in commodities that progress global efforts towards Net Zero emissions.

In Latin America, the Company's focus is on its two Lithium (Li₂O) projects, the rapidly expanding Salinas Lithium Project in the state of Minas Gerais, Brazil and the other, the Catamarca Lithium Project in Argentina. Lithium is considered a critical commodity, with the mineral utilised in electric vehicles and battery storage.

The Australian projects include the Cloud Nine Halloysite-Kaolin Deposit. Cloud Nine halloysite continues to be analysed by CRC CARE Pty Ltd with intention to identify and refine halloysite usage in emissions reduction. Primary focal point for reduction of emissions remains with the intention to decrease methane emission from cattle.

1. SALINAS LITHIUM PROJECT, BRAZIL

Over the reporting period the Company had permits approved to commence diamond drilling¹, with a program designed to test target areas previously reported as returning high-grade results of Li₂O².

A large systematic drilling campaign commenced over the Colina Prospect. Results are aimed at providing sufficient data to establish a maiden Mineral Resource Estimate (“MRE”) for the Salinas Lithium Project.

Positive assay results continued to demonstrate continuity of mineralisation along strike and down dip, with the emerging pegmatite swarm remaining open in all directions, which prompted the Company to secure additional drilling rigs in order to accelerate systematic mineral resource definition drilling^{3 4 5 6 7}.

In a strategic move following continued high-tenor lithium grades of the spodumene pegmatites in the region throughout preliminary drilling programs, the Company secured four additional landholdings throughout the period. The acquisitions cover the prospective Bananal Valley district in eastern Brazil, expanding the Company’s footprint to over 6,341 hectares via its 100% owned subsidiary Belo Lithium Mineracao Ltda (“Belo”).

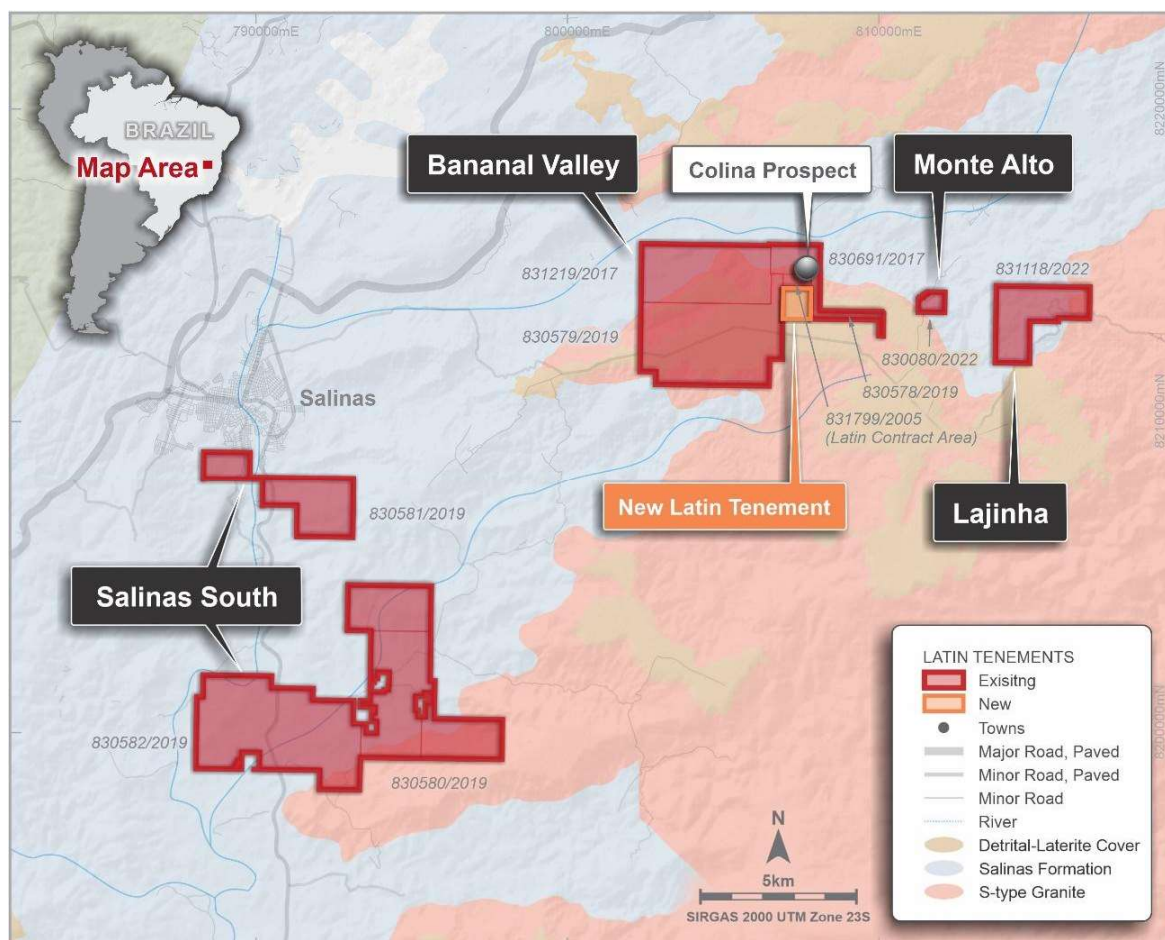


Figure 1: Salinas Lithium Project locations Minas Gerais District, Brazil

1.1. Colina ^{8 9 10 11}

The acquisition of tenement 830.691/2017, subsequently renamed the Colina Prospect, has seen exploration return high-tenor lithium grades of the spodumene pegmatites within the region, with a peak grade of 3.22% Li₂O. Regional mapping has also identified a third outcropping pegmatite system further to the west, and the potential convergence of the Colina and Colina West pegmatite systems.

Positive assay results from the Colina resource definition drilling facilitated fast tracking of systematic mineral resource definition drilling.

The Company secured further explorative rights covering the area directly along strike to the south of the high-grade Colina Prospect (831799/2005), where drilling has confirmed the presence of thick, high-grade, near surface pegmatites. The new option agreement extends the Company’s 100% tenure a further 1.2 kilometres to the south, where drilling shows the pegmatites remain open. The consideration for the acquisition was USD \$200,000 in cash and confirmed as paid within 30 days from the date of the exercise in line with terms.

1.1.1. Colina Prospect Resource Definition Drilling ^{12 13 14 15 16}

During the period, extensive resource definition drilling was well underway at the Company’s Colina Prospect in Brazil. Positive assay results continued to demonstrate continuity of the mineralisation along strike and down dip, with the emerging pegmatite swarm remaining open in all directions. These ongoing positive results provided Latin with the confidence to expand the drilling team to facilitate the fast tracking of systematic mineral resource definition drilling (Figure 2, Table 1).

Q2 saw the report of the first hole of the new program (SADD016) intersecting a very wide, 27.78m pegmatite with a central core of over 21m logged with significant >20% spodumene (Figure 3). The intersection was determined as markedly wider than previous intersections in adjacent drillholes (Figure 2, Table 1).

Further positive assay results from the northern limits of the Colina Prospect extended the mineralised strike length to over 1km and confirmed a new pegmatite zone at depth.

The resource definition drilling campaign comprises an estimated 100 holes for approximately 22,000 - 25,000m, and will focus on the original one kilometre strike extent of the Colina Prospect, as well as the new tenure which expands this to over two kilometres.

The current resource definition drilling aims to test the strike extent, to approximately 400m down dip, with 100m x 50m drill spacing. Data from this drilling will be used in the calculation of the maiden JORC Mineral Resource Estimate (MRE) for the Salinas Lithium Project.

Subsequent to the period, the Company reported the appointment of leading mining consultant SGS Geological Services (SGS) to carry out Metallurgical test work, JORC Mineral Resource Estimation and a Preliminary Economic Assessment (PEA) on the Colina Prospect.

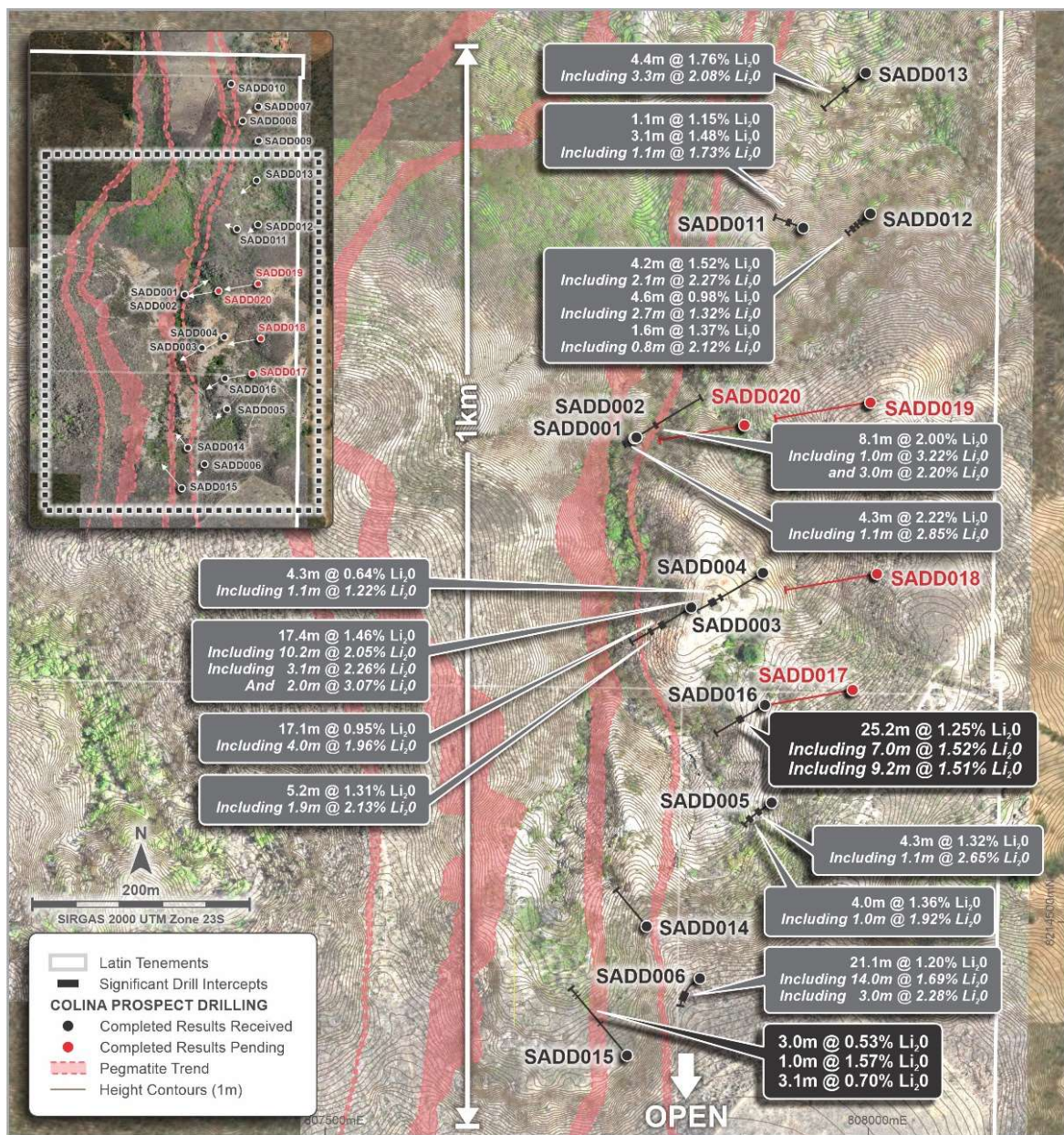


Figure 2: Colina Prospect area, showing completed drill collars and significant intersections received during the period

Table 1: Colina Prospect - significant diamond drill results

Hole ID	From (m)	To (m)	Interval (m)	Li ₂ O (%)
SADD001	24.22	26.22	2.00	0.56
SADD001	83.82	88.13	4.31	2.22
SADD002	48.50	54.95	6.45	0.78
SADD002	111.30	119.43	8.13	2.00
<i>Including:</i>	<i>112.30</i>	<i>113.3</i>	<i>1.00</i>	<i>3.22</i>
	115.30	118.30	3.00	2.20
SADD003	65.65	82.70	17.05	0.95
<i>Including:</i>	<i>69.65</i>	<i>73.65</i>	<i>4.00</i>	<i>1.96</i>
	98.35	103.50	5.15	1.31
<i>Including:</i>	<i>98.35</i>	<i>100.25</i>	<i>1.90</i>	<i>2.13</i>
SADD004	119.80	137.18	17.38	1.46
<i>Including:</i>	<i>120.95</i>	<i>131.15</i>	<i>10.20</i>	<i>2.05</i>
<i>Including:</i>	<i>120.95</i>	<i>124.00</i>	<i>3.05</i>	<i>2.26</i>
	127.00	129.00	2.00	3.07
SADD005	125.4	129.65	4.25	1.32
<i>Including:</i>	<i>127.55</i>	<i>128.60</i>	<i>1.05</i>	<i>2.65</i>
	159.10	163.10	4.00	1.36
<i>Including:</i>	<i>161.10</i>	<i>162.10</i>	<i>1.00</i>	<i>1.92</i>
SADD006	208.80	229.90	21.10	1.26
<i>Including:</i>	<i>210.90</i>	<i>224.90</i>	<i>14.00</i>	<i>1.69</i>
<i>Including:</i>	<i>214.90</i>	<i>217.90</i>	<i>3.00</i>	<i>2.28</i>
SADD007	No Significant results			
SADD008	No Significant results			
SADD009	No Significant results			
SADD010	No Significant results			
SADD011	49.90	51.00	1.10	1.15
	60.82	63.95	3.13	1.48
<i>including:</i>	<i>60.82</i>	<i>61.95</i>	<i>1.13</i>	<i>1.73</i>
SADD012	64.80	69.03	4.23	1.52
<i>Including:</i>	<i>64.80</i>	<i>66.90</i>	<i>2.10</i>	<i>2.27</i>
	97.95	102.50	4.55	0.98
<i>Including:</i>	<i>98.86</i>	<i>101.59</i>	<i>2.73</i>	<i>1.32</i>
	110.05	111.60	1.55	1.37
<i>Including:</i>	<i>110.05</i>	<i>110.85</i>	<i>0.80</i>	<i>2.12</i>
SADD013	36.75	41.10	4.35	1.76
<i>Including:</i>	<i>36.75</i>	<i>40.05</i>	<i>3.30</i>	<i>2.08</i>
SADD014	No Significant results			
SADD015	97.87	100.87	3.00	0.53
	183.53	184.50	0.97	1.57
	189.78	192.88	3.10	0.70
SADD016	94.14	119.38	24.24	1.25
<i>Including:</i>	<i>97.00</i>	<i>104.00</i>	<i>7.00</i>	<i>1.52</i>
<i>And:</i>	<i>109.00</i>	<i>118.19</i>	<i>9.19</i>	<i>1.51</i>



Figure 3: SADD016, selected large fresh light green spodumene crystals

1.1.2. Metallurgical Test Work at Colina Prospect^{14 17}

Subsequent to the period, receipt of samples at the laboratory in Brazil enabled commencement of preliminary metallurgical test work on the Colina lithium pegmatite.

Future test work is reported to include Dense Media Separation (“DMS”) and flotation testing to verify lithium recovery into final concentrates. Further comprehensive mineralogical and petrological studies are scheduled to confirm individual mineral species present in the Colina pegmatite.

This initial or “sighter” test work results were reported subsequent to this period, confirming high recovery of 78.72% of Li_2O and production of an extremely high-grade Li_2O concentrate (up to 6.57%) from Heavy Liquid Separation (“HLS”). The uncomplicated liberation and high recovery rate of the Colina spodumene, at a relatively coarse crush has potential to drive tremendous positive outcomes for project economics, as a result of potentially eliminating the need for complex and costly flotation processing to achieve high-quality concentrate.

The very high Li_2O recovery rates from simple HLS, may have significant implication for both the initial project capital requirements, and ongoing operational processing costs. Selection and collection of a larger +500kg sample to be completed, with test work to be undertaken at SGS Lakefield Canada as part of the PEA study. This will be used to determine future definitive analytical work programs at a greater scale, with results feeding into planned PEA scheduled for Q1 of 2023.

1.2. Lajinha¹⁸

The Company confirmed an exclusive and binding 24-month option agreement over a 470 hectare concession in the Bananal Valley (831.118/2008) from Mineracao Salinas Ltda. The Company has the option to acquire a 100% interest in this tenement to the east of the Company’s existing Salinas Lithium Project.

1.3. Monte Alto^{19 15}

The Company secured an exclusive and binding 12-month option agreement over the new 50 hectare concession in the Bananal Valley (830.080/2022) from MSL Ltda whereby Latin may acquire a 100% interest in this new, tenement to the east of the Company’s existing Salinas Lithium Project. During the period, a 2,000m drilling campaign was completed at Monte Alto to test the strike extent of the outcropping spodumene bearing pegmatites.

Results from preliminary drilling of the nine holes (Figure 4, Table 2) at Monte Alto indicated that the pegmatites mapped at surface were somewhat continuous at depth. Further findings indicated no material spodumene occurrences were logged in the core. As reported, the determination of these results suggest pegmatites may represent a zoned heterogeneous pegmatite; an interpretation that is supported by the presence of some exotic minerals. Assay results from sampling did not return any significant results, consistent with the lack of spodumene logged in the drill core.

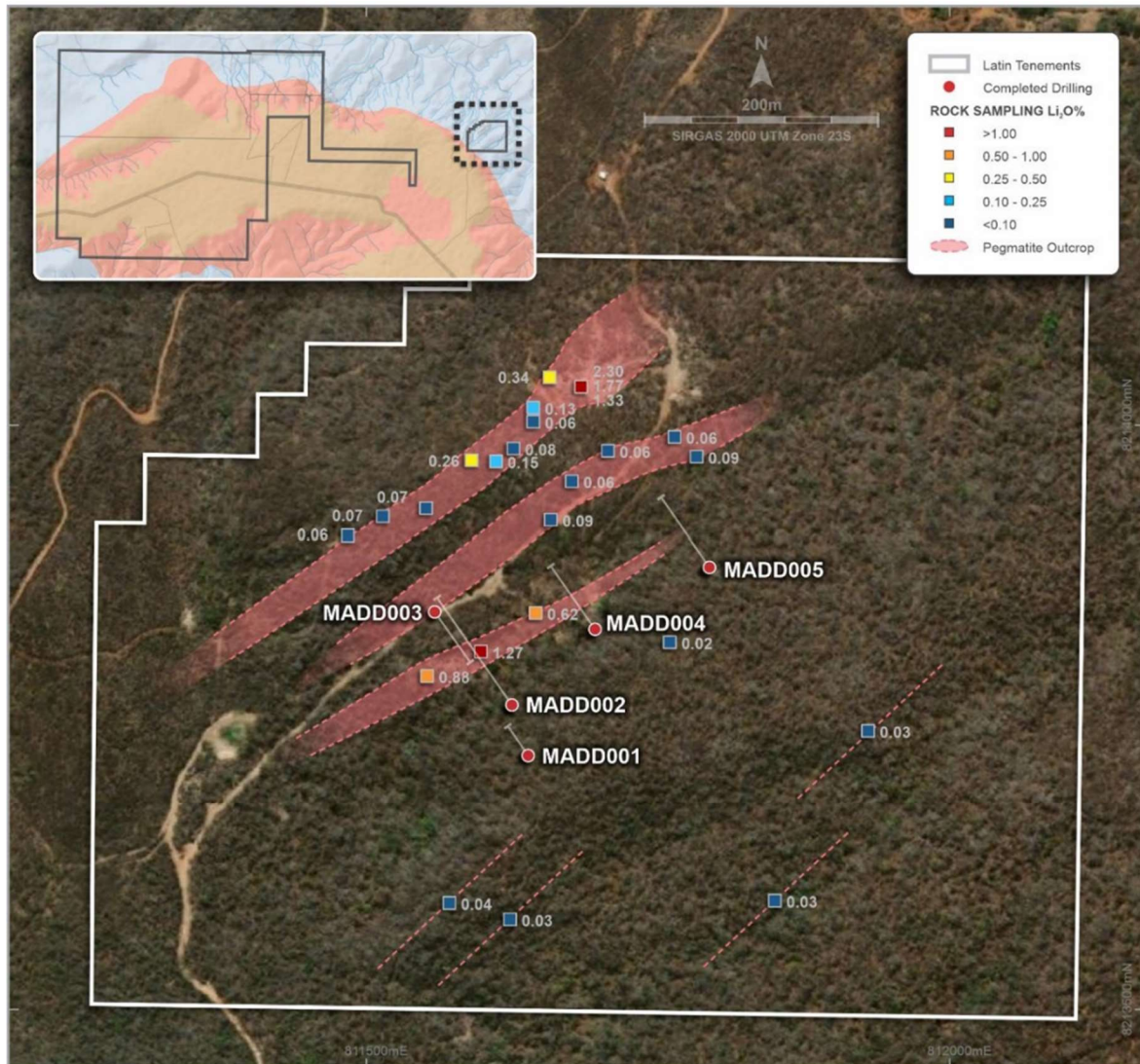


Figure 4: Monte Alto Prospect area, showing surface sampling results and proposed maiden diamond drill hole locations

Table 2: Monte Alto Prospect drill collar table

Hole ID	Easting (m)	Northing (m)	Azi (deg)	Dip (deg)	EOH Depth (m)	Hole Status
MADD001	811639	8213718	325	-84	291.40	Complete
MADD002	811625	8213761	325	-65	265.60	Complete
MADD003	811559	8213841	145	-65	130.90	Complete
MADD004	811696	8213826	325	-65	156.40	Complete
MADD005	811794	8213879	325	-65	171.10	Complete

2. CLOUD NINE HALLOYSITE-KAOLIN PROJECT, WESTERN AUSTRALIA

The Cloud Nine Halloysite-Kaolin Project (“**Cloud Nine**”, or the “**Project**”) is located less than 300km from Perth Western Australia, in an area that is serviced by major power, water, road and rail infrastructure. The Project comprises seven granted 100% owned exploration licences covering an area of approximately 567km² over a strike extent of 106km (Figure 5 & Figure 6).

As reported in FY21, the Company has undertaken three separate air core drilling campaigns at Cloud Nine, with results confirming the presence of flat lying thick blanket of ultra-bright white kaolinitic clays containing pods of high-grade halloysite mineralisation across the extent of the granted exploration license E77/2622 (Figure 6).

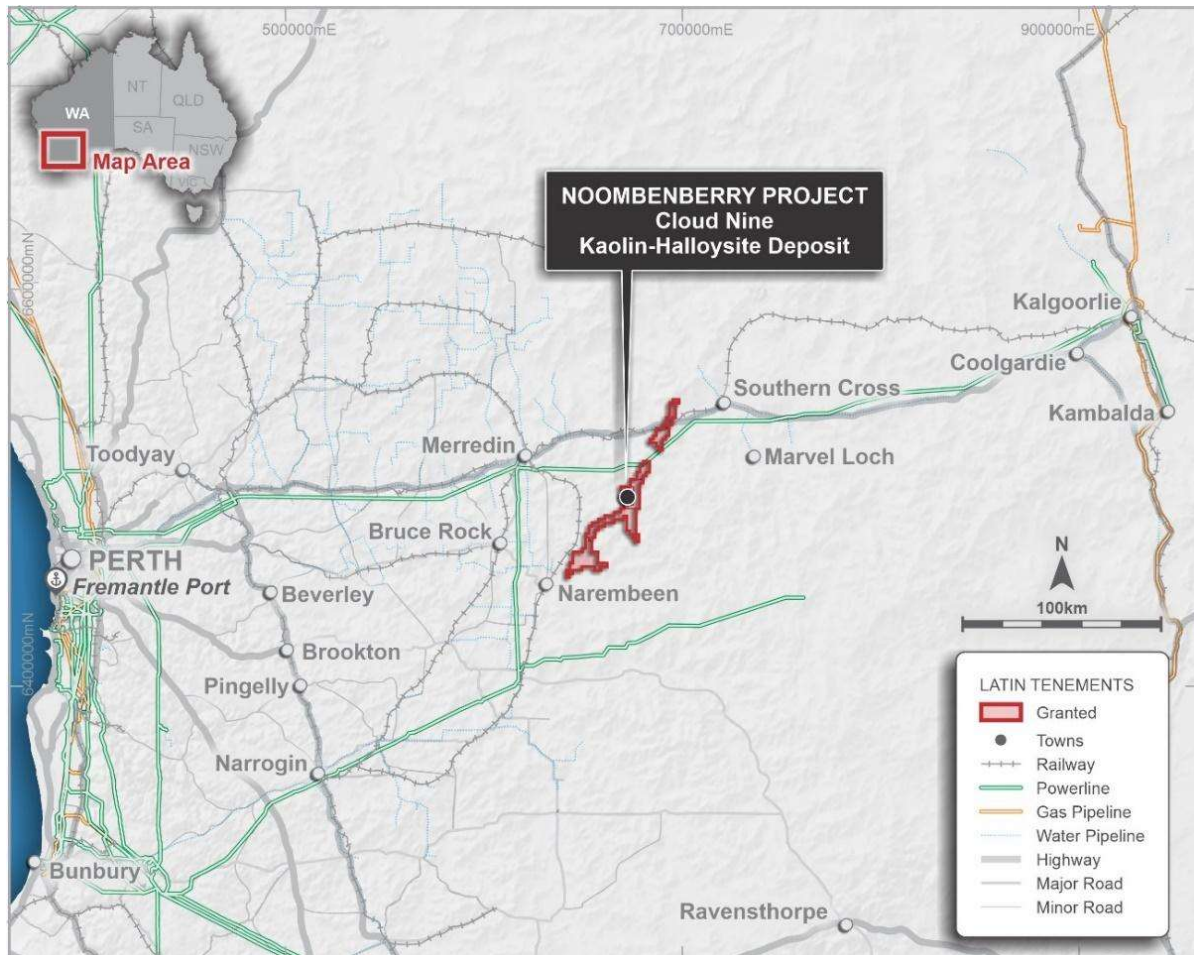


Figure 5: Cloud Nine Project location

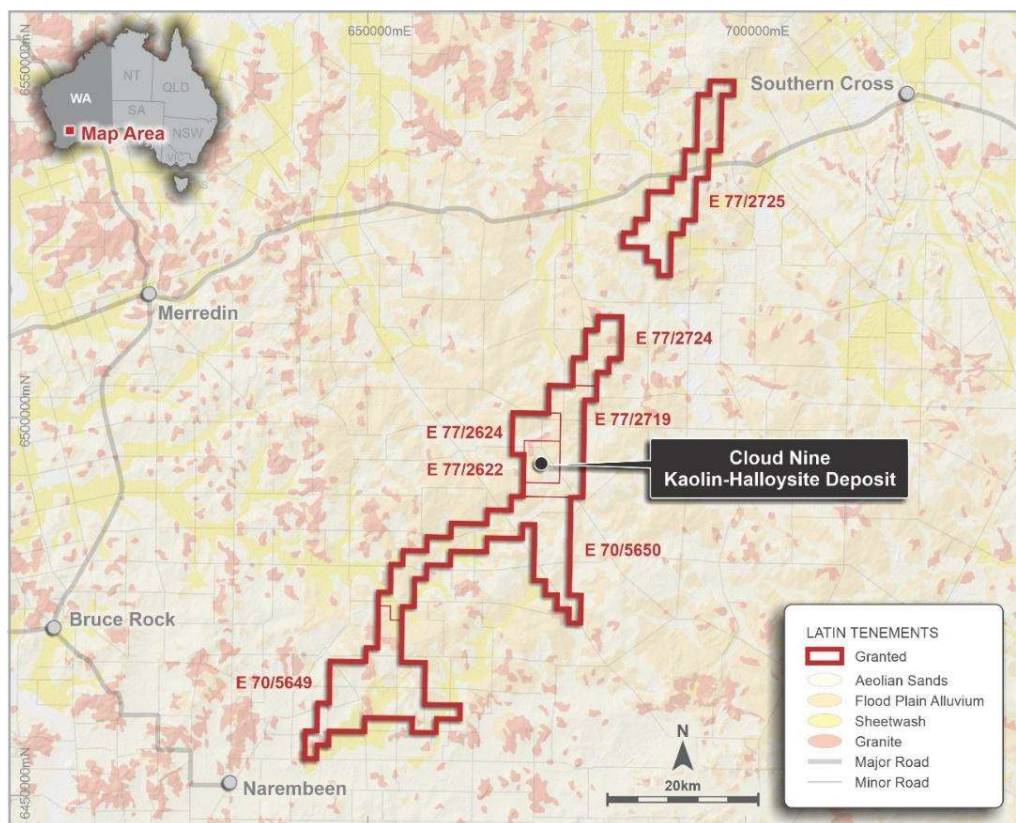


Figure 6: Cloud Nine Project tenure

The shallow nature of the resources reported in FY21 (average <4 m from the surface) allowed the Company to rapidly define the maiden MRE, being open in all directions. The Company has previously reported a JORC (2012) Inferred Mineral Resource of 207Mt of kaolinised granite at Cloud Nine, which includes separate domains containing 123Mt of bright-white kaolinite and 84Mt of kaolin/halloysite-bearing material.

2.1. Resource In-fill Drilling ²⁰

To date, nearly two thirds of the composites from the Cloud Nine resource in-fill drilling program have been analysed for brightness (Figure 7).

The remaining holes’ sample analysis has benefited from optimising the analysis pathway, coupled with a drop in COVID-related staffing issues at the laboratory. The remaining results are expected Q3 FY22.

The drilling thus far has returned significant, near surface thicknesses of kaolinised granite with brightness values above 85 ISO-B. A total of 66% of the drill holes analysed so far, returned results above 80 ISO-B, with selected significant results >85 ISO-B including:

Table 3: Selected significant Cloud Nine kaolin brightness intersections (>85 iso-b)

Hole_ID	From (m)	To (m)	Interval (m)	Brightness (ISO_B)
NBAC459	7	50	43	85.4
NBAC397	12	50	38	85.3
NBAC413	17	42	25	85.2
NBAC442	6	27	21	85.2
NBAC542	6	25	19	86.7
NBAC453	6	24	18	87.3
NBAC405	8	24	16	85.8
NBAC400	11	26	15	85.5

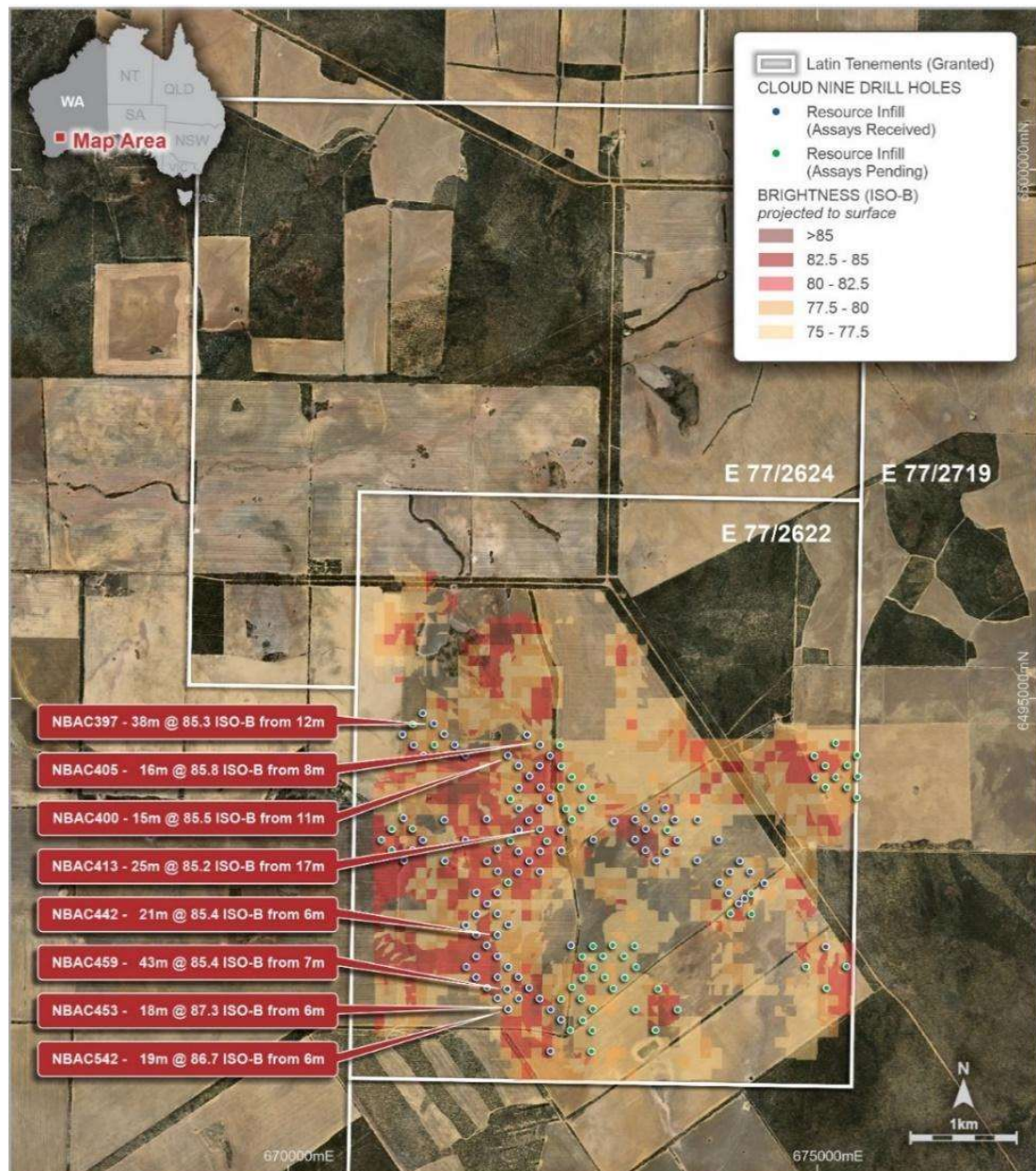


Figure 7: Drillholes with brightness results received and pending, from the Cloud Nine resource infill drilling

2.2. Sonic Geotechnical Drilling²¹

Reported as recently completed, the sonic geotechnical drilling program, comprising nine PQ (85mm) drill holes for 365 metres, was designed to provide representative core samples from within the footprint of the existing JORC MRE (Figure 8). Geotechnical data is required to inform the mine design and scheduling work currently underway as part of the Company’s Pre-Feasibility Studies (“PFS”) and other studies. The in-situ dry bulk density data is an integral part of the ongoing resource estimation work at Cloud Nine and will continue to increase confidence levels in the current Inferred JORC Resource.

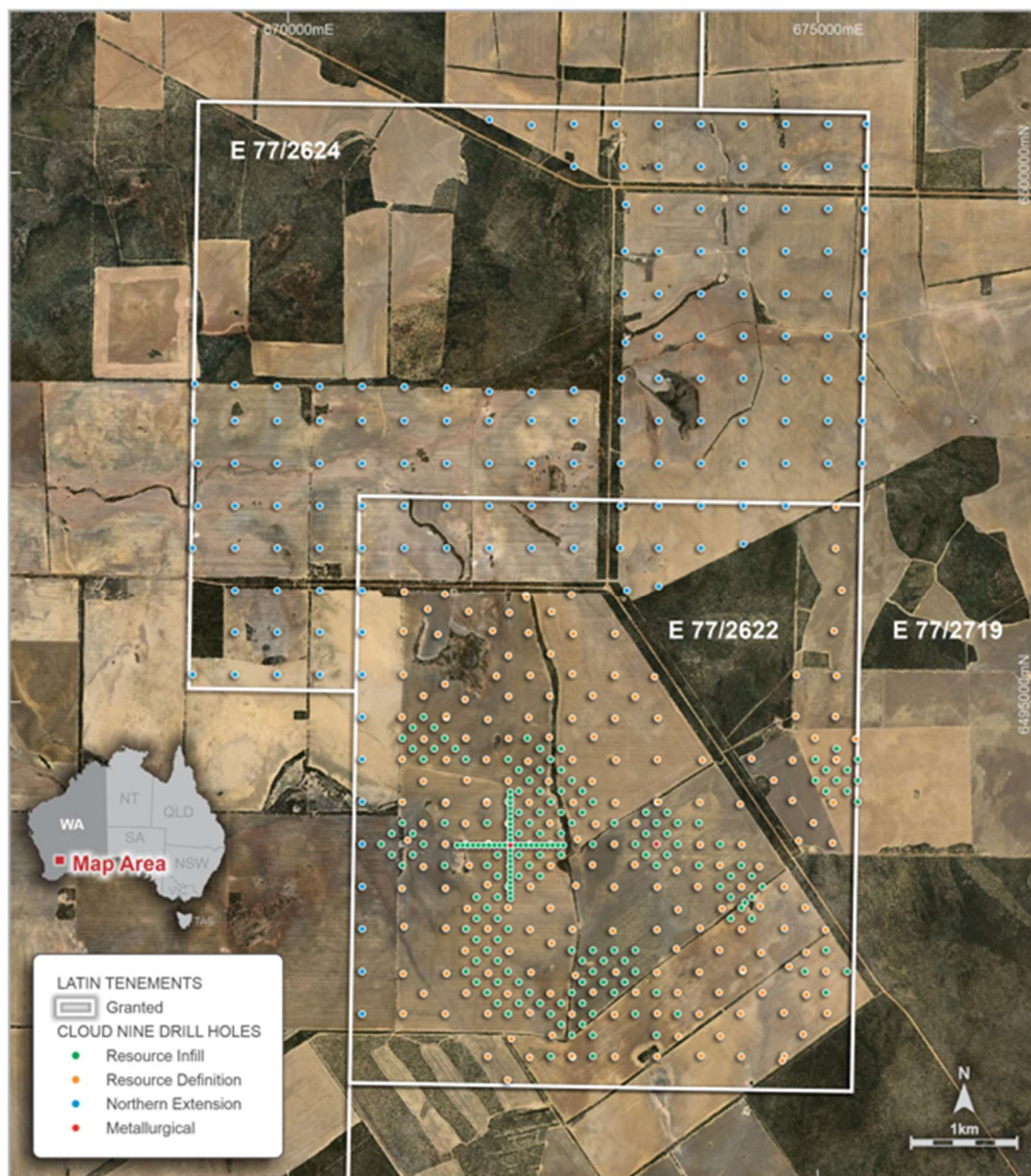


Figure 8: Cloud Nine drillhole location plan

2.3. Technical Studies & Project Permitting ²²

As reported, applications are underway for permit and approvals for development of the mine, including the Program of Work (“POW”) application under the Company’s current Exploration Licence to the Department of Mines, Industry Regulation and Safety (“DMIRS”), to enable the excavation of a trial mining test-pit at Cloud Nine. In parallel with this, scheduling for the commencement of baseline environmental studies has commenced.

Multiple small-scale samples have been provided to two external parties. Initial conversations with both groups included options to supply short term Direct Shipping Ore (“DSO”) products, along with the supply of value-added processed kaolinite and halloysite products in the longer term.

2.4. CRC CARE Halloysite R&D Project ²²

Throughout the period, bulk samples required by the Company’s research partner, CRC CARE Pty Ltd (“CRC CARE”) continued to be collected from drill samples, facilitating the commencement of specialised test work. This work forms part of the collaboration involving significant investment by the Company with CRC CARE set to develop critical methane and other Green House Gas (GHG) capture technology.

As reported, and in line with the agreement reached with CRC CARE, the Company will fund two key research projects running in parallel to the extent of \$3.2m over a three-year period linked to a series of agreed milestone deliverables.

The research projects to be undertaken by CRC CARE are designed to develop applications that are superior to those of other natural materials including:

- **Microbial intervention:** use of halloysite in feed supplement formulation to influence methane producing rumen microbes.
- **Nutrient and methane adsorption in the cattle industry:** real-time capture and desorption of animal gas emissions for energy conversion as well as capturing nutrients from animal excreta.
- **Carbon capture:** adsorption at various pressures (industrial uses) and conversion of the captured carbon into fuel or the whole adsorbent into value-added material such as building material or fertiliser.
- **Low-cost precise purification of halloysite nanotubes (“HNT”):** from variants of halloysite and kaolinite mixtures (pure HNT can generate double the revenue of HNT/kaolinite mixes).

3. CATAMARCA LITHIUM PROJECT, ARGENTINA

No activities were carried out at the project during the period.

4. MT-03 COPPER PROJECT, PERU

No activities were carried out at the project during the period.

5. NEW SOUTH WALES EXPLORATION ²³

Following on-ground mapping and a detailed systematic surface plan, geochemical sampling programs have previously (2021) been undertaken across several target areas across the Company’s extensive NSW tenement portfolio, including at the Peep O’Day Prospect within the NSW Yarara Project.

Positive analysis of 57 rock chip samples collected along the historic Peep O’Day workings had returned numerous samples with high-grade gold, prompting discussions with various parties for potential sale or vending of the assets into a new company.

The Company has exercised its option to secure 100% ownership of the high-grade gold Peep O’Day Prospect in the southern Lachlan Fold Belt in New South Wales. Drilling permit applications for first pass RC drill testing have been resubmitted following the change of ownership.

Exploration completed at Peep O’Day by the Company has confirmed high-grade gold at surface with results from outcrop sampling including 9.79 g/t Au, 8.58 g/t Au, 8.41 g/t Au and 7.79 g/t Au (Figure 9 and Figure 10).

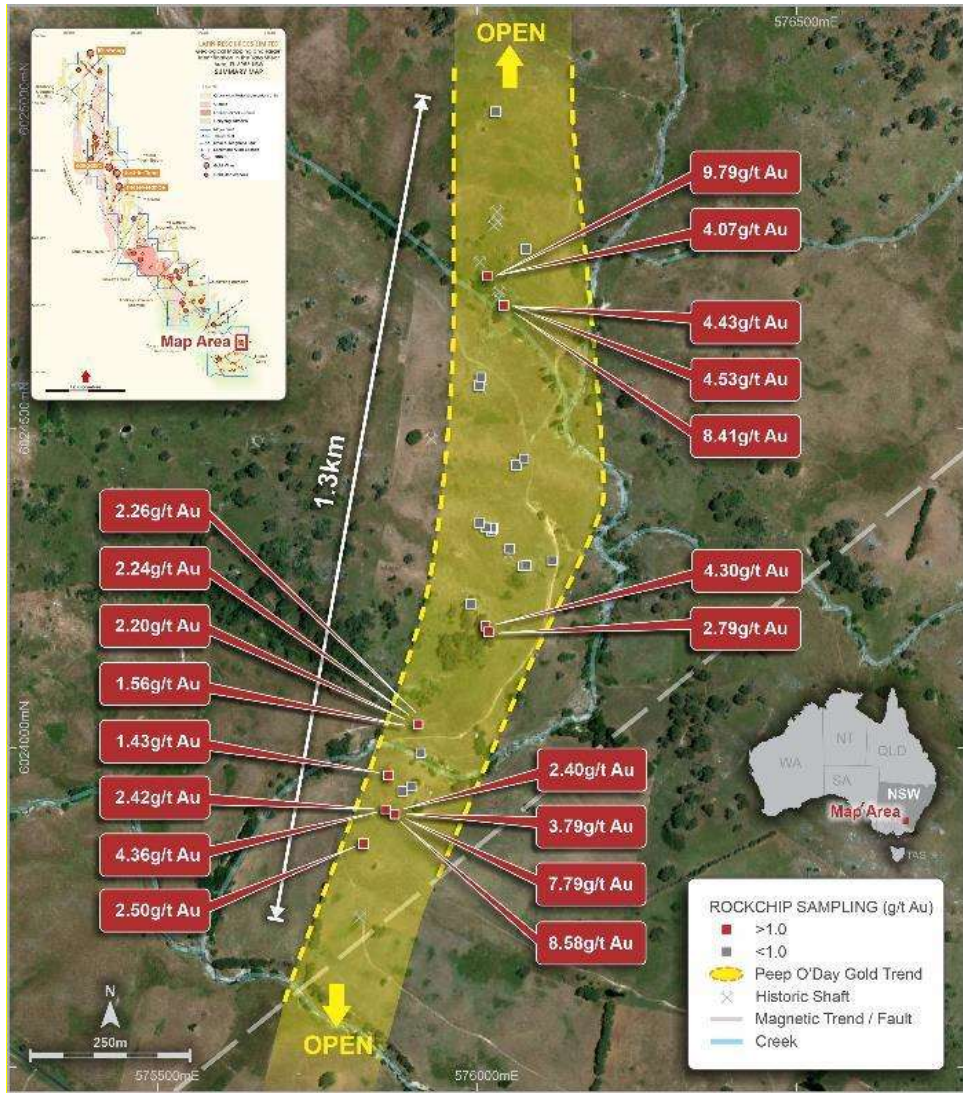


Figure 9: Peep O'Day Gold Prospect showing rock chip sample location and gold grades

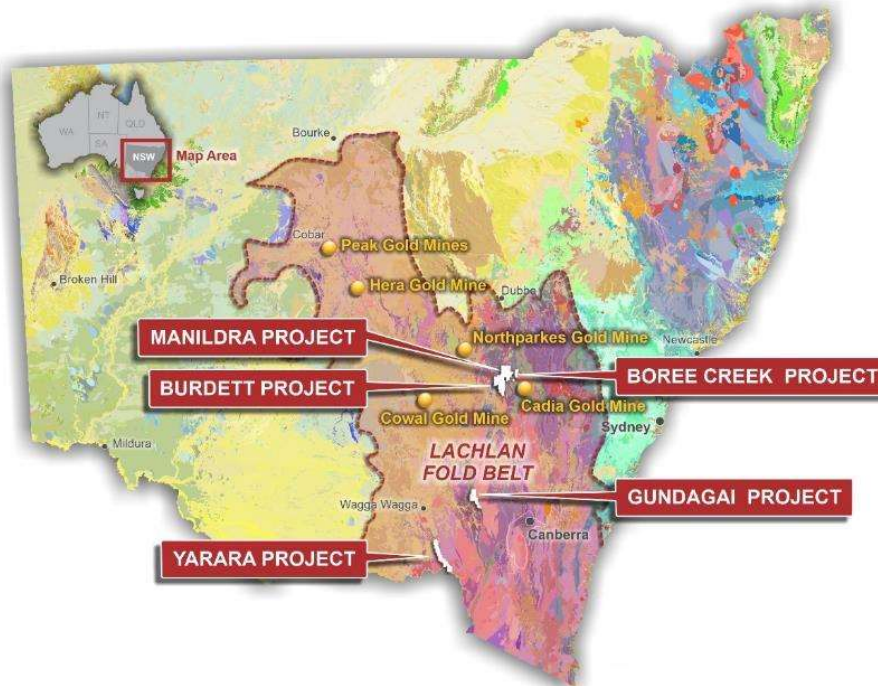


Figure 10: Latin Resources' NSW Lachlan Fold Belt Project Locations

6. INVESTMENTS

6.1. Solis Minerals Ltd.

Solis holds two large-scale high-quality projects in one of the world's richest copper districts in the Andes porphyry copper belt.

In December 2021, Solis completed a dual-listing onto the Australian Securities Exchange (ASX), with Latin retaining a strategic 13% shareholding in Solis. Latin's investment in Solis Minerals is valued at \$0.75 million as at 30 June 2022.

Further information on Solis Minerals can be found at solisminerals.com.

7. CORPORATE

7.1. Financial Position ²⁴

The Company established an Option Funding Agreement of \$2,500,000 with Lind Asset Management XII, LLC during February 2022 with a 14-month term and face value of \$2,750,000. The Company has fully repaid the facility during the reporting period.

In April 2022, Latin raised \$35 million in a placement anchored by Canadian cornerstone investor, Electrification and Decarbonization AIE LP Fund (Waratah Capital Advisors). The Company concludes the reporting period in a strong financial position with nil liability, \$33.5 million in cash at bank and \$0.75 million in investments as of 30 June 2022.

7.2. Director Share Purchase and Options Exercise ^{25 26}

The reporting period has seen the Company further solidify its cash balance, receiving \$0.8 million in cash from option holders exercising in-the-money LRSOC Options (\$0.012 LRSOC, Expiry 31 Dec 2022) and \$1.8 million from the exercise of 3c and 5c unlisted options.

During the reporting period, Director Brent Jones exercised 5,000,000 LRSOC Options to acquire 5,000,000 fully paid ordinary shares for a consideration of \$60,000 and the Company's largest shareholder, Mr Jose Luis Manzano exercised 100,200,000 LRSOC options to acquire 100,200,000 fully paid ordinary shares for a consideration of \$1,202,400.

As the end of the reporting period, 232,238,590 LRSOC in the money options remain, which would convert to \$2.78 million in cash over the next six months.

8. ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

As previously reported, the Company has adopted Socialsuite for the management and reporting of ESG metrics. Following the establishment of a baseline dashboard., the Company adhered to a developed action plan throughout 2022.

The Company's action plan was formulated around the Company's ESG purpose statement "Developing minerals to provide the planet with environmentally sustainable products".

As progress continues on exploration programs, in parallel with increased measuring/reporting of ESG metrics, the Company's employees and contractors remain committed to ensuring all activities are completed to a high ESG level.

Competent person's 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.

Subsequent Events

On 8 July 2022, the Company announced the exercise of its option to secure 100% ownership over the Peep O'Day gold prospect. Under the terms and conditions of the Tenement Sale Agreement, the Company will issue 6,000,000 shares to the vendor. On 15 July 2022, the Company issued the 6,000,000 shares to the Vendor following the grant of the Peep O'Day tenement.

The Company secured an additional 1.2 kilometres of tenure covering the interpreted southern strike extension of the Company's 100% owned high-grade Colina Lithium Prospect as announced on 13 July 2022.

At the date of this report, there are no other significant events that have occurred after the reporting date.

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the Company during the six months ended 30 June 2022 that are not disclosed elsewhere in this report, the financial statements or the attached notes.

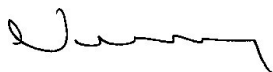
Impact of Covid-19

The Group has exploration projects in Latin America (Peru, Argentina and Brazil) where the region has been badly affected by COVID-19. Despite the situation, the Group has managed to undertake ground exploration in some areas during the period and made the assessment that there has been no significant impact on the performance or financial position of the Group as at 30 June 2022 due to COVID-19.

Auditor's independence declaration

The auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 30 and forms part of the Directors' report for the half-year ended 30 June 2022.

This report is signed in accordance with a resolution of the Board of Directors pursuant to Section 306(3) of the Corporations Act 2001.



David Vilensky
Chairman

Dated this 12th day of September 2022

¹ ASX Announcement 24 January 2022 – Diamond Drilling set to commence on Brazil Lithium Projects

² ASX Announcement 8 February 2022 – Drill rigs arrive at Salinas Lithium Project Brazil

³ ASX Announcement 16 February 2022 – Confirmed Lithium Spodumene in Brazil – Drilling Update

⁴ ASX Announcement 3 March 2022 – Salinas Lithium Project Drilling Update

⁵ ASX Announcement 16 March 2022 – Drilling confirms thick Spodumene Bearing Pegmatites, Brazil

⁶ ASX Announcement 30 March 2022 – Assay results confirm high-grade lithium pegmatites - Brazil

⁷ ASX Announcement 11 April 2022 – New drilling results – Salinas Lithium Project

⁸ ASX Announcement 11 May 2022 – Latin exercises option to acquire high-grade lithium tenement in Bananal Valley

⁹ ASX Announcement 19 May 2022 – Salinas Resource Definition Commences

¹⁰ ASX Announcement 13 July 2022 – Latin secures new Colina extension doubles strike length

¹¹ ASX Announcement 16 August 2022 – Drilling confirms significant new discovery at Colina West

¹² ASX Announcement 2 June 2022 – Brazil Resource Definition Drilling Update

¹³ ASX Announcement 8 June 2022 – Colina Lithium Prospect mineralised strike extends to over 1km

¹⁴ ASX Announcement 27 June 2022 - New pegmatite zone at depth at Colina Lithium Prospect

¹⁵ ASX Announcement 27 July – Colina lithium update Resource Drilling continues to show consistent high-grade lithium up to 4.22%

¹⁶ ASX Announcement 9 August 2022 – Commencement of Feasibility Studies for Salinas Lithium Project

¹⁷ ASX Announcement 24 August 2022 – Colina Prospect – Positive Metallurgical Test Work Results

¹⁸ ASX Announcement 17 May 2022 – Latin continues to expand the high-grade Salinas Lithium Project

¹⁹ ASX Announcement 6 April 2022 – Latin expands the high-grade Salinas Lithium Project with a strategic stake on the Monte Alto tenement area

²⁰ ASX Announcement 27 January 2022 – High-grade results from Cloud Nine Halloysite-Kaolin Deposit

²¹ ASX Announcement 22 March 2022 – Cloud Nine Halloysite-Kaolin deposit advancing to trial mining for bulk sampling and offtake qualification testing

²² ASX Announcement 18 November 2021 – Cloud Nine Halloysite – Research and Development Project to reduce methane emissions

²³ ASX Announcement 8 July 2022 – LRS exercises option agreement over high-grade gold prospect

²⁴ ASX Announcement 28 February 2022 - \$2.5mn option funding agreement to advance projects in Brazil

²⁵ ASX Announcement 1 April 2022 – Early exercise of options - \$1.2 million received

²⁶ ASX Announcement 14 April 2022 – A\$35m capital raising to expedite lithium business - Brazil

Consolidated statement of profit or loss and other comprehensive income

For the six months ended 30 June 2022

	Note	6 months to 30 June 2022	6 months to 30 June 2021
		\$	\$
Interest Revenue	4(a)	28,584	42
Other income and losses	4(b)	128,606	49,228
Depreciation and amortisation expense		(27,308)	(8,441)
Employee benefits expense	5(c)	(1,895,855)	(1,820,102)
Finance costs	5(a)	(1,295,621)	(654,235)
Equity share of associated company (gain)/loss	8	-	(108,140)
Loss on fair value of financial asset through profit or loss	8	(873,197)	-
Exploration and evaluation expenditure	9	(266,312)	-
Other expenses	5(b)	(1,517,148)	(1,454,309)
Profit/ (Loss) before income tax		(5,718,251)	(3,995,957)
Income tax benefit		-	-
Profit/ (Loss) after income tax		(5,718,251)	(3,995,957)
Net profit for the period		(5,718,251)	(3,995,957)
Other comprehensive income / (expense)			
<i>Items that may be reclassified to profit or loss in subsequent periods:</i>			
Exchange differences on translating foreign operations	13	41,803	(36,645)
Total comprehensive profit/(loss) for the period attributable to owners of the Parent Company		(5,676,448)	(4,032,602)
Profit/(Loss) attributable to:			
Owners of the Parent Company		(5,704,616)	(3,995,957)
Non-controlling interests		(13,635)	-
		(5,718,251)	(3,995,957)
Total comprehensive profit/(loss) attributable to:			
Owners of the Parent Company		(5,662,813)	(4,032,602)
Non-controlling interests		(13,635)	-
		(5,676,448)	(4,032,602)
Basic and diluted loss per share (cents)		(0.7)	(0.6)

The above Consolidated Statement of Profit or Loss and Other Comprehensive income should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

For the six months ended 30 June 2022

	Note	30 June 2022	31 December 2021
		\$	\$
<i>ASSETS</i>			
Current assets			
Cash and cash equivalents	6	33,539,530	642,784
Trade and other receivables	7	587,642	765,713
Other financial assets		107,555	82,555
<i>Total current assets</i>		34,234,727	1,491,052
<i>Non-current assets</i>			
Investments	8	754,126	1,627,323
Rights of use asset	11	361,249	-
Plant & equipment		124,299	116,462
Exploration & evaluation assets	9	15,874,689	11,760,126
<i>Total non-current assets</i>		17,114,363	13,503,911
Total assets		51,349,090	14,994,963
<i>LIABILITIES</i>			
<i>Current liabilities</i>			
Trade and other payables	10	2,438,427	1,660,416
Lease liability	11	119,139	-
Provisions		76,903	60,654
<i>Total current liabilities</i>		2,634,469	1,721,070
<i>Non-current liabilities</i>			
Lease liability	11	242,725	-
<i>Total non-current liabilities</i>		242,725	-
Total liabilities		2,877,194	1,721,070
Net assets		48,471,896	13,273,893
<i>EQUITY</i>			
Contributed equity	12	97,937,788	59,835,942
Reserves	13	17,733,459	15,156,535
Accumulated losses		(67,659,394)	(61,954,778)
Parent's Interest		48,011,853	13,037,699
Non-controlling interest		460,043	236,194
Total equity		48,471,896	13,273,893

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

For the six months ended 30 June 2022

	Issued capital	Share based payment reserve	Foreign currency translation reserve	Accumulated losses	Non- Controlling Interest	Total
	\$	\$	\$	\$		\$
Balance at 1 January 2022	59,835,942	9,786,771	5,369,764	(61,954,778)	236,194	13,273,893
Loss for the period	-	-	-	(5,704,616)	(13,635)	(5,718,251)
Other comprehensive income/(loss)	-	-	41,803	-	-	41,803
Total comprehensive income/(loss) for the period	-	-	41,803	(5,704,616)	(13,635)	(5,676,448)
Issue of shares	39,949,979	-	-	-	-	39,949,979
Share based payments	-	2,535,121	-	-	-	2,535,121
Cost of equity issues	(1,848,133)	-	-	-	-	(1,848,133)
Issue of equity in subsidiary	-	-	-	-	237,484	237,484
Balance at 30 June 2022	97,937,788	12,321,892	5,411,567	(67,659,394)	460,043	48,471,896
Balance at 1 January 2021	56,467,554	5,525,547	5,408,672	(56,371,409)	-	11,030,364
Loss for the period	-	-	-	(3,995,957)	-	(3,995,957)
Other comprehensive income	-	-	(36,645)	-	-	(36,645)
Total comprehensive (loss) for the period	-	-	(36,645)	(3,995,957)	-	(4,032,602)
Issue of shares	2,952,640	-	-	-	-	2,952,640
Share based payments	-	3,941,287	-	-	-	3,941,287
Cost of equity issues	(27,567)	-	-	-	-	(27,567)
Balance at 30 June 2021	59,392,627	9,466,834	5,372,027	(60,367,366)	-	13,864,122

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

For the six months ended 30 June 2022

	Note	6 months to 30 June 2022	6 months to 30 June 2021
		\$	\$
Cash flows from operating activities			
Other Income – R&D tax incentive		90,532	-
Payments to suppliers and employees		(1,390,118)	(770,414)
Interest received		7,212	42
Interest paid		(14,509)	(1,651)
Net cash flows (used in) operating activities		(1,306,883)	(772,023)
Cash flows from investing activities			
Payments for plant and equipment		(24,435)	(37,864)
Proceeds from disposal of plant and equipment		-	36
Payments for Security Deposits		(25,000)	(20,400)
Investments acquisition		-	(564,570)
Payments for exploration & evaluation costs		(3,977,567)	(1,367,967)
Net cash flows (used in) investing activities		(4,027,002)	(1,990,765)
Cash flows from financing activities			
Proceeds from the issue of equity		35,000,000	1,845,778
Proceeds from options exercised		4,701,892	11,716
Proceeds from Share issued by subsidiary		244,314	-
Capital raising costs		(1,515,575)	(24,382)
Proceeds from borrowings		2,425,000	-
Repayment of borrowings		(2,425,000)	(900,000)
Finance costs associated with borrowings		(200,000)	-
Net cash flows from financing activities		38,230,631	933,112
Net (decrease) in cash and cash equivalents		32,896,746	(1,829,676)
Cash and cash equivalents at the beginning of the period		642,784	4,533,257
Effects of movement in foreign exchange		-	-
Cash and cash equivalents at the end of the period	6	33,539,530	2,703,581

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Condensed notes to the financial statements

For the six months ended 30 June 2022

1. CORPORATE INFORMATION

The interim consolidated financial statements of Latin Resources Limited (**the Company**) and its subsidiaries (collectively, **the Group**) for the six months ended 30 June 2022 were authorised in accordance with a resolution of the directors on 12 September 2022.

The Company is a for profit company limited by shares, incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange.

The principal activity of the Group during the half-year was mineral exploration and evaluation.

2. BASIS OF PREPARATION AND CHANGES TO GROUP'S ACCOUNTING POLICIES

Basis of preparation

The interim consolidated financial statements for the six months ended 30 June 2022 have been prepared in accordance with AASB 134 Interim Financial Reporting.

The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements as at 31 December 2021.

Changes in accounting policies, accounting standards and interpretations

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2021.

The Group has also reviewed all new Standards and Interpretations that are applicable on or after 1 January 2021 and determined that their application to the financial statements is not relevant or not material.

Going concern

The interim consolidated financial statements have been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

3. SEGMENT INFORMATION

The Group has identified its operating segments based on the internal reports that are reviewed and used by senior management in assessing performance and in determining the allocation of resources. The Group's four operating segments are Australia, Peru, Argentina, and Brazil. Discrete financial information regarding these operating segments is reported to senior management on a monthly basis. The accounting policies used by the Group in reporting segments internally are the same as the Group's accounting policies. The following is an analysis of the Group's revenues, results, assets and liabilities by reportable operating segment for the periods under review.

Six months to 30 June 2022	Australia	Peru	Argentina	Brazil	Total
	\$	\$	\$	\$	\$
Revenue					
Interest revenue	28,584	-	-	-	28,584
Other income	126,374	1,416	284	532	128,606
Total segment revenue	154,958	1,416	284	532	157,190
Expenses					
Depreciation expense	(24,350)	(2,168)	(375)	(415)	(27,308)
Finance expense	(207,294)	-	-	-	(207,294)
Exploration and evaluation expenses	(178,839)	(87,473)	-	-	(266,312)
Equity shares of Associates	(873,197)	-	-	-	(873,197)
Net foreign exchange gain/(loss)	8,877	(609)	-	-	8,268
Other expenses	(3,778,876)	(69,397)	(648,121)	(13,204)	(4,509,598)
Segment loss	(4,898,721)	(158,231)	(648,212)	(13,087)	(5,718,251)
As at 30 June 2022					
Segment assets	39,529,232	2,655,188	3,940,394	5,204,276	51,349,090
Segment liabilities	(1,624,522)	(848,483)	(22,192)	(381,997)	(2,877,194)
Additions to non-current assets					
Plant and Equipment	9,052	-	784	14,619	24,455
Right of use asset	371,570	-	-	-	371,570
Exploration and evaluation assets	1,918,357	267,834	(14,220)	1,942,592	4,114,563
Total	2,298,979	267,834	(13,436)	1,957,211	4,510,588
Six months to 30 June 2021					
	\$	\$	\$	\$	\$
Revenue					
Interest revenue	42	-	-	-	42
Other income	40,113	9,115	-	-	49,228
Total segment revenue	40,155	9,115	-	-	49,270
Expenses					
Depreciation expense	(4,574)	(3,867)	-	-	(8,441)
Finance expense	(653,143)	(10)	(1,082)	-	(654,235)
Equity shares of Associates	(108,140)	-	-	-	(108,140)
Net foreign exchange (loss)	8,216	(256)	-	-	7,960
Other expenses	(2,918,323)	(25,336)	(338,712)	-	(3,282,371)
	(3,675,964)	(29,469)	(339,794)	-	(4,045,227)
Segment loss	(3,635,809)	(20,354)	(339,794)	-	(3,995,957)
As at 31 December 2021					
Segment assets	8,096,358	2,500,549	3,680,019	718,037	14,994,963
Segment liabilities	(863,562)	(798,968)	(28,139)	(30,401)	(1,721,070)
Additions to non-current assets					
Plant and Equipment	42,861	-	-	-	42,861
Exploration and evaluation assets	407,347	59,439	(42,373)	20,635	445,048
Total	450,208	59,439	(42,373)	20,635	487,909

4. REVENUE

	6 months to 30 June 2022	6 months to 30 June 2021
	\$	\$
(a) Finance revenue		
Interest income	28,584	42
(b) Other revenue		
Sundry income	2,232	9,151
Administration fee	35,842	40,077
R&D tax incentive	90,532	-
	128,606	49,228

5. EXPENSES

	6 months to 30 June 2022	6 months to 30 June 2021
	\$	\$
(a) Finance expenses		
Bank fees and expenses	(6,440)	(1,591)
Interest expense	(126,295)	-
Share based payment - Lind Partners ¹	(1,079,894)	(652,621)
Other Finance Charges	(82,992)	(23)
	(1,295,621)	(654,235)

¹ 2022: 35,000,000 unlisted Options exercisable at \$0.05 on or before 31 March 2026 was issued on 8 March 2022 to Lind Asset Management XII LLC as part of the Option funding Agreement (refer to ASX Announcement – 28 February 2022).

2021: 20,000,000 Unlisted Options exercisable at \$0.03 on or before 1 December 2022 was issued on 29 January 2021 to Lind Partners New York as part of the security funding settlement (Refer to ASX Announcement - 1 February 2021).

(b) Other expenses

Administration expenses	(219,987)	(134,892)
Corporate expenses	(836,921)	(493,697)
Share based payment – corporate advisory services ²	(378,673)	(744,931)
Recruitment expenses	(19,000)	(74,934)
Net foreign exchange (loss)/gain	(47,073)	7,960
Occupancy expenses	(15,494)	(13,815)
	(1,517,148)	(1,454,309)

² 25,000,000 Unlisted Option exercisable at \$0.03 on or before 12 February 2024 was issued to Euroz Hartleys on 12 February 2021 after receiving shareholder approval on 10 February 2021. The share based payment was amortised over 18 months in accordance with the agreement, with amount in relation the remaining period classified as prepayment (Refer to Note 7 & 13).

(c) Employee Benefits Expense

Employee benefits including salaries and wages	(176,542)	(79,630)
Directors' fees	(574,667)	(258,400)
Share based payments – directors & employees (Refer to Note 13)	(1,144,646)	(1,482,072)
	(1,895,855)	(1,820,102)

6. CASH AND CASH EQUIVALENT

	30 June 2022	31 Dec 2021
	\$	\$
Cash in hand	306	306
Cash at bank	33,539,224	642,478
	33,539,530	642,784

7. TRADE AND OTHER RECEIVABLES

	30 June 2022	31 Dec 2021
	\$	\$
Current		
Trade receivables	136,965	230,394
Other receivables	86,860	68,498
Related party receivables	-	14,735
Tax credits	94,172	54,116
Prepayments	269,645	19,297
Prepayments – corporate advisory services (Refer to Note 5b)	-	378,673
	587,642	765,713

The Group applies simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses also incorporate forward-looking information.

8. INVESTMENT

	30 June 2022	31 Dec 2021
	\$	\$
Associated Company Investment – at carrying value ³	1,627,323	1,489,430
Equity Share of Associated Company profit/(loss) based on Equity method	-	(108,140)
Revaluation gain on investment based on market method	(873,197)	246,033
	754,126	1,627,323

Movement:

Opening balance	1,627,323	924,860
Additional Investment	-	564,570
Share of (loss)/profit from associates	-	(108,140)
Revaluation gain/(loss) on investment	(873,197)	246,033
Closing balance	754,126	1,627,323

³The investment in Solis Minerals Limited formerly known as Westminster Resources Limited originated from the settlement of the sale of the Peru Ilo copper project. At balance date the Company has a 13.14% (2021:13.14%) ownership interest. The valuation of the investment is currently measured at fair value through Other Comprehensive Income.

9. EXPLORATION AND EVALUATION ASSETS

	30 June 2022	31 Dec 2021
	\$	\$
Opening balance	11,760,126	7,082,034
Additions	4,290,990	3,254,912
Acquisition of Burdett Project ⁽ⁱ⁾	-	376,000
Milestone consideration for the Noomberry Project ⁽ⁱⁱ⁾	-	985,875
Other expenses (GST/VAT movement) ⁽ⁱⁱⁱ⁾	6,853	100,164
Impairment of exploration and evaluation costs	(266,312)	-
Foreign currency translation movement	83,032	(38,859)
Closing balance	15,874,689	11,760,126

⁽ⁱ⁾ Group acquired the Burdett Project in 2020, the acquisition was previously classified under Other Assets due to the tenement only being granted in 2021.

⁽ⁱⁱ⁾ The Acquisition Agreement require the Group to pay the Vendor, 16.5 million fully paid ordinary shares and 4.125 million options exercisable at \$0.012 on or before 31 December 2022 on a successful Kaolin/Halloysite JORC Inferred Resources of 3 million tonnes at 30% Ceramic Alumina or greater.

⁽ⁱⁱⁱ⁾ The Goods and services tax/value added tax (GST/VAT) refers to a receivable by the company's subsidiary in Peru and Argentina which can only be offset against GST/VAT attributable to future sales.

10. TRADE AND OTHER PAYABLES

	30 June 2022	31 Dec 2021
	\$	\$
Trade payables	2,059,770	1,396,645
Other payables	151,680	173,516
Accruals	226,977	90,255
	2,438,427	1,660,416

Trade payables are generally 30 days term from end of month of supply.

11. LEASE

	30 June 2022	31 Dec 2021
	\$	\$
(a) Right of use asset		
Opening balance	-	-
Additions	371,570	-
Accumulated depreciation	(10,321)	-
Closing balance	361,249	-
(b) Lease liability		
Opening balance	-	-
Additions	371,570	-
Interest amortisation	(1,294)	-
Repayment of liability	(8,412)	-
Closing balance	361,864	-
Current	119,139	-
Non-current	242,725	-

During the period, the Company entered an office lease with a three-year term on 1 June 2022.

The Company recognised the lease as a right of use asset and a corresponding liability at the date which the leased premise is available for use by the Company. The right of use asset reflects the lease liability and is depreciated over the term of the lease. The lease liability was measured at the present value basis, discounting using borrowing rate from RBA as of 31 May 2022 of 4.18%.

Lease payments are allocated between principal and finance cost. The finance cost is charged to Consolidated Statement of Profit or Loss and Other Comprehensive income over the lease period:

	30 June 2022	30 June 2021
	\$	\$
Depreciation expense	10,321	-
Interest expense	1,294	-

12. CONTRIBUTED EQUITY

	30 June 2022	31 Dec 2021
	\$	\$
(a) Issued capital		
Issued shares	97,937,788	59,835,942
(b) Movement in issued shares		
	Number	\$
Balance at 1 July 2021	1,385,833,332	59,392,627
Options Conversion	36,942,931	443,315
Costs of issue	-	-
Balance at 31 December 2021	1,422,776,263	59,835,942
Shares issued during the period		
Placement	218,750,000	35,000,000
LRSOC options conversion	216,664,910	2,599,979
Lind unlisted options conversion	53,000,000	2,110,000
Shares issued in lieu of fees to consultant	8,000,000	240,000
Vesting and conversion of T2 incentive rights	7,856,879	-
Vesting and conversion of T2 deferred rights	3,015,686	-
Costs of issue		(1,848,133)
Balance at 30 June 2022	1,930,063,738	97,937,788

13. RESERVES

	30 June 2022	31 Dec 2021
	\$	\$
Foreign currency translation reserve		
Balance at beginning of period	5,369,764	5,408,672
Foreign currency translations	41,803	(38,908)
	5,411,567	5,369,764
Share based payments reserve		
Balance at beginning of period	9,786,771	6,753,489
Share based payment – Lind Partners ¹	1,079,894	652,621
Share based payment – corporate advisory services ²	-	1,694,719
Share based payments – directors & employees ^{3,4}	1,144,646	525,067
Capital raising costs – issue of broker options ⁵	310,581	-
Project acquisition/milestone consideration	-	160,875
	12,321,892	9,786,771
Total reserves	17,733,459	15,156,535

¹ 2022: 35,000,000 unlisted Options exercisable at \$0.05 on or before 31 March 2026 was issued on 8 March 2022 to Lind Asset Management XII LLC as part of the Option funding Agreement (refer to ASX Announcement – 28 February 2022). The share based payment was fully expensed during the period.

2021: The unlisted options exercisable at \$0.03 on or before 1 December 2022 was issued on 29 January 2021 to Lind Partners New York as part of the security funding settlement (Refer to ASX Announcement - 1 February 2021).

² The terms and conditions of the options has been disclosed in the Notice of Meeting for the shareholder meeting held on 10 February 2021 and the issue was approved by shareholders at the meeting.

³ The terms and conditions of the share rights has been disclosed in the Notice of Meeting for the shareholder meeting held on 10 February 2021 and the issue was approved by shareholders at the meeting.

⁴ The terms and conditions of the share rights has been disclosed in the Notice of Meeting for the shareholder meeting held on 30 May 2022 and the issue was approved by shareholders at the meeting.

⁵ The Company has issued 3,580,262 LRSAY options to the Lead Managers and Co-Manager in connection with the Placement. (Refer to ASX Announcement – 14 April 2022). The share based payment was fully expensed as part of share issue costs during the period.

14. CONTINGENT LIABILITIES

There are no contingent liabilities at the date of this report.

15. EVENTS OCCURRING AFTER BALANCE DATE

On 8 July 2022, the Company announced the exercise of its option to secure 100% ownership over the Peep O'Day gold prospect. Under the terms and conditions of the Tenement Sale Agreement, the Company will issue 6,000,000 shares to the vendor. On 15 July 2022, the Company issued the 6,000,000 shares to the Vendor following the grant of the Peep O'Day tenement.

The Company secured an additional 1.2 kilometres of tenure covering the interpreted southern strike extension of the Company's 100% owned high-grade Colina Lithium Prospect as announced on 13 July 2022.

At the date of this report, there are no other significant events that have occurred after the reporting date.

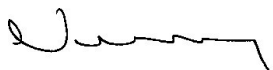
Director's Declaration

In accordance with a resolution of the directors of Latin Resources Limited, I state that:

In the opinion of the directors:

- a) The financial statements and notes of Latin Resources Limited for the half-year ended 30 June 2022 are in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the consolidated entity's financial position as at 30 June 2022 and of its performance for the half-year ended on that date; and
 - ii. complying with Accounting Standard AASB 134: *Interim financial reporting and the Corporations Regulations 2001*.
- b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



David Vilensky
Chairman

Dated this, the 12th day of September 2022

Auditor's Independence Declaration



To the Board of Directors

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit Director for the review of the financial statements of Latin Resources Limited for the half year ended 30 June 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Hall Chadwick'.

HALL CHADWICK AUDIT (WA) PTY LTD

A handwritten signature in blue ink, appearing to read 'Michael Hllgrove'.

MICHAEL HLLGROVE CA
Director

Dated this 12th day of September 2022
Perth, Western Australia

Independent Auditor’s Review Report



INDEPENDENT AUDITOR’S REVIEW REPORT TO THE MEMBERS OF LATIN RESOURCES LTD

Conclusion

We have reviewed the accompanying half-year financial report of Latin Resources Limited (“the Company”) and Controlled Entities (“the Consolidated Entity”) which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other selected explanatory notes, and the directors’ declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Latin Resources Limited and Controlled Entities does not comply with the *Corporations Act 2001* including:

- a) Giving a true and fair view of Latin Resources Limited’s financial position as at 30 June 2022 and of its performance for the half-year ended on that date; and
- b) Complying with Accounting Standard AASB 134: *Interim Financial Reporting and Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor’s Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 Code of Ethics for Professional Accountants that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors’ Responsibilities for the Financial Report

The directors of the Latin Resources Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2022 and its performance for the half-year ended on that date and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.


HALL CHADWICK AUDIT (WA) PTY LTD


MICHAEL HILLGROVE CA
Director

Dated this 12th day of September
2022 Perth, Western Australia