Half Year Report

30 JUNE 2024

ASX:LRS | **FRA:XL5**
latinresources.com.au

ABN: 81 131 405 144

LATIN RESOURCES

Contents

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Non-Executive Chairman

Mr Christopher Gale
Managing Director

Mr Brent Jones
Non-Executive Director

Mr Pablo Tarantini
Non-Executive Director

Mr Peter Oliver
Executive Director and Chairman of the Development Committee

Company Secretary
Ms Sarah Smith

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Director's Report

The Directors present their report together with the financial statements of the Group consisting of Latin Resources Limited ("**Latin Resources**" or "the **Company**") and its subsidiaries (collectively "the **Group**") for the half-year ended 30 June 2024.

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
- Mr. Peter Oliver

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 half year continued to be mineral exploration and development of mining projects in Brazil, Australia, Peru and Argentina.

OPERATING RESULTS

The result for the consolidated entity for the six months ended 30 June 2024 was a loss of $7,103,475 (2023: loss of $7,919,365).

REVIEW OF OPERATIONS

Latin Resources Limited (ASX: LRS) is an Australian-based mineral exploration company, developing a low-cost, sustainable, tier one lithium operation in the premier mining jurisdiction of Minas Gerais, Brazil.

In Latin America, the Company's focus is on its lithium project in Brazil, the rapidly expanding Salinas Lithium Project in the state of Minas Gerais, Brazil. Lithium is considered a critical commodity, with the mineral utilised in electric vehicles and battery storage.

1. SALINAS LITHIUM PROJECT, BRAZIL

Over the reporting period, the Company significantly progressed activities at its Salinas Lithium Project in Brazil, including upgrading the Mineral Resource Estimate for the Colina Deposit as well as progressing study workstreams for the Definitive Feasibility Study (**DFS**).

1.1. Pilbara Minerals to Acquire Latin Resources[1]

Subsequent to the period, Latin Resources announced that it had entered into a binding Scheme Implementation Agreement (**SIA**) under which it is proposed that Pilbara Minerals Limited (ASX: PLS) will acquire 100% of the shares in Latin Resources by way of a Court-approved scheme of arrangement under part 5.1 of the Corporations Act 2001 (Cth) (**Scheme**).

Pilbara Minerals acquisition recognises Latin Resources' flagship Salinas Lithium Project as having potential to become a top 10 hard rock lithium operation by production globally (excluding Africa), located in the world class mining jurisdiction of Minas Gerais, Brazil, with development flexibility to supply new markets.

If the Scheme is implemented, Latin Resources' shareholders benefit from an immediate share price premium and unlocking of Salinas' value by de-risking funding and development through leveraging Pilbara Minerals' proven experience in developing and operating hard rock lithium projects, all while receiving immediate exposure to lithium production from Pilbara Minerals' Tier 1 Pilgangoora operation.

Latin Resources' shareholders will receive 0.07 new Pilbara Minerals shares for each Latin Resources share held and will own ~6.4% of Pilbara Minerals' shares upon implementation of the Scheme.[1]

For Latin Resources' shareholders, exchanging their shares for Pilbara Minerals shares will also deliver a range of diversification and other benefits including enhanced market positioning, a larger free float with significantly increased liquidity, enhanced access to capital markets and inclusion in relevant ASX & global indices.

Based on Pilbara Minerals' closing price of A$2.85 per share on 14 August 2024, the transaction implies a value of ~A$0.20 per Latin Resources share[1] which represents a:

- 57% premium to Latin Resources' 10-day volume-weighted average price (VWAP) of A$0.127 per share; and
- 32% premium to Latin Resources' 30-day VWAP of A$0.151 per share.

The Latin Resources Board has unanimously recommended the Scheme in the absence of a Superior Proposal (as defined in the SIA) emerging and subject to an independent expert concluding (and continuing to conclude) that the Scheme is in the best interests of Latin Resources shareholders.

All of the directors of Latin Resources' Board (who together hold 4.8% of Latin Resources' total issued shares) have confirmed their intention to vote in favour of the Scheme, subject to those same qualifications.

Latin Resources' largest shareholder José Luis Manzano (7.9%) has confirmed his intention to vote his Latin Resources shares in favour of the Scheme in the absence of a Superior Proposal emerging and subject to the independent expert concluding (and continuing to conclude) that the Scheme is in the best interests of Latin Resources shareholders.

Latin Resources' Managing Director, Chris Gale, has agreed to join Pilbara Minerals as a consultant for a period of 12 months to provide leadership continuity with key stakeholders, including the Latin Resources in-country team, senior government officials and local community representatives to progress key activities at Salinas.

1.2. Definitive Feasibility Study (DFS) Update[2]

Since announcing the Scheme, Pilbara Minerals and Latin have formed an integration committee and have been meeting together to, amongst other things, provide a forum for Pilbara Minerals to share its project development, mining and processing experience to assist in optimising the DFS and the potential of the Salinas Project to unlock value for both Latin and Pilbara Minerals shareholders on the assumption that the Schemes are implemented.

Latin progressed engineering activities during the half, including:

- Improvements to the access road from Salinas City to Salinas Project site;
- Permitting and planning for the new overland powerline and substation;
- Progress on optimising mine design and scheduling
- Water pipeline authorisation and engineering; and
- Conceptual engineering for the process plant.

1.3. Colina Lithium Deposit JORC MRE Upgrade[3]

During the period, Latin Resources announced the fourth upgrade to the Colina Lithium JORC Deposit Mineral Resource Estimate (**MRE**), with the global Salinas Project MRE now totalling 77.7Mt @ 1.24% of Li_2O. The Colina MRE now stands at 70.9Mt @ 1.25% Li_2O, placing it amongst one of the largest scale undeveloped lithium deposits globally.

[1] Based on Latin Resources' 2,799,419,463 fully-paid ordinary shares; 90,550,000 performance rights , 4,000,000 loan funded shares and 137,486,160 options, and 3,010,897,411 Pilbara Minerals ordinary shares outstanding. Assumes approximately 205.5 million total new Pilbara Minerals shares issued to Latin Resources shareholders and optionholders inclusive of approximately 2.9 million new Pilbara Minerals shares to be issued under the option scheme.

The Colina MRE update defined a 70.9Mt @ 1.25% Li_2O resource with 28.64Mt @ 1.31% Li_2O Measured + 38.63Mt @ 1.23% Li_2O Indicated + 3.59Mt @ 1.10% Li_2O Inferred.

Highlights from the update included:

• Colina increased the total resource base by 11% from 63.5Mt to 70.9Mt.

• Increased contained Lithium Carbonate Equivalent (**LCE**) from 2.05Mt to 2.20Mt.

• 95% classified into the JORC Measured and Indicated categories, reflecting the high levels of confidence in both the geological continuity and grade of the Colina pegmatites.

Table 1: *Updated MRE for the Colina Lithium Deposit and Global Salinas Project (reported above a 0.50% Li_2O cut-off grade).*

Deposit	Resource Category	Tonnes (Mt)	Grade (Li_2O %)	Li_2O (Kt)	Contained LCE (Kt)
Colina	Measured	28.64	1.31	375.2	927.8
	Indicated	38.63	1.23	475.1	1,175.0
	Measured + Indicated	*67.27*	*1.27*	*854.3*	*2,112.8*
	Inferred	3.59	1.10	39.5	97.7
	Total	**70.89**	**1.25**	**889.8**	**2,200.5**
Fog's Block	Inferred	6.79	0.87	57.3	141.7
	Total	**6.79**	**0.87**	**57.3**	**141.7**
GLOBAL MRE TOTAL		**77.7**	**1.24**	**948.9**	**2,346.6**

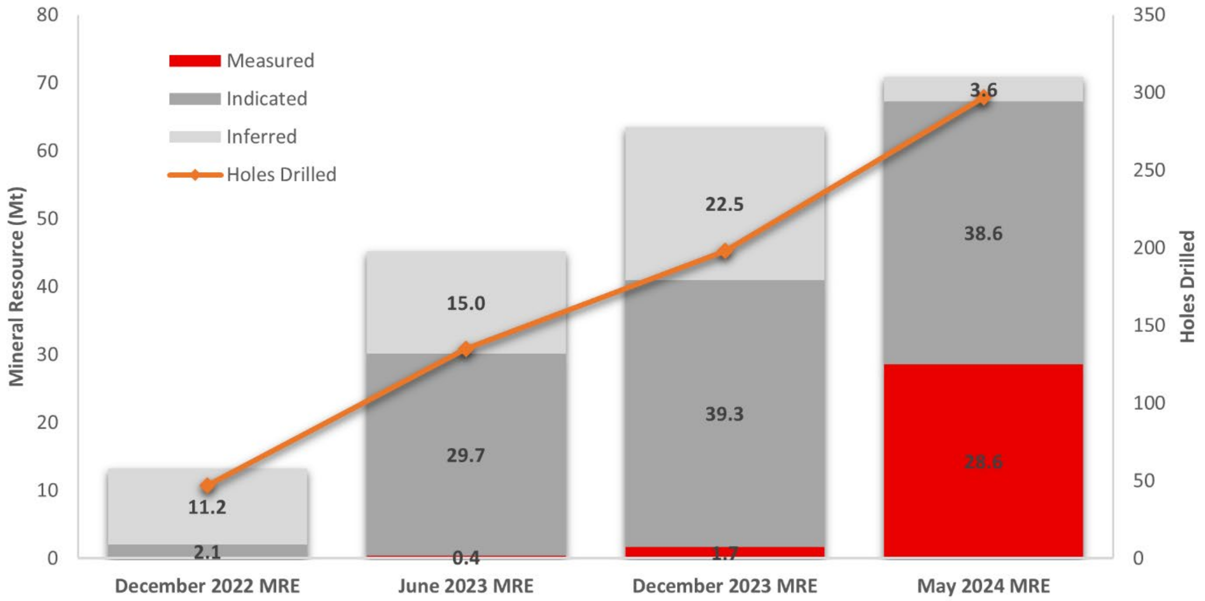

Figure 1: *Colina MRE resource growth timeline showing JORC resource classification breakdown and drillholes completed.*

1.4. Colina Resource Definition Program Completed[4]

During the period, Latin Resources completed the Colina Resource Definition Program (**Resource Program**), which primarily concentrated on infill drilling, with some limited extensional and deep drilling programs across the Colina Deposit.

The Resource Program was successful in delivering increased tonnage and improved JORC resource confidence of the Colina MRE with 95% of the upgraded MRE now sitting in measured and indicated categories.

The high-grade results received during the period continued to confirm the continuity of thickness, consistency, and quality of the Colina Deposit lithium mineralisation, with highlights including:

- SADD218: **29.13m @ 1.65% Li_2O** from 241.00m
- SADD235: **17.72m @ 1.39% Li_2O** from 344.21m
- SADD249: **21.22m @ 1.29% Li_2O** from 326.78m
- SADD250: **14.54m @ 1.79% Li_2O** from 233.23m
- SADD251: **28.41m @ 1.52% Li_2O** from 291.50m
- SADD266: **20.85m @ 1.59% Li_2O** from 361.25m
- SADD266: **26.06m @ 1.27% Li_2O** from 427.57m
- SADD270: **16.36m @ 1.26% Li_2O** from 361.40m
- SADD275: **33.92m @ 1.93% Li_2O** from 275.49m
- SADD286: **15.06m @ 1.51% Li_2O** from 182.94m
- SADD288: **26.43m @ 1.75% Li_2O** from 244.00m
- SADD295: **14.32m @ 1.24% Li_2O** from 355.02m

1.5. Planalto Prospect[5,6]

During the period, the Company received high grade results from the discovery diamond hole SADD223, which confirmed Planalto as the third major spodumene discovery at Salinas. Based on these results, Latin Resources immediately commenced a follow up drilling program to define the extent of the spodumene mineralisation at Planalto (**Planalto Program**).

Subsequent to the period, the Company released assay results from the Planalto Program, which confirmed the existence of a widespread mineralised system.

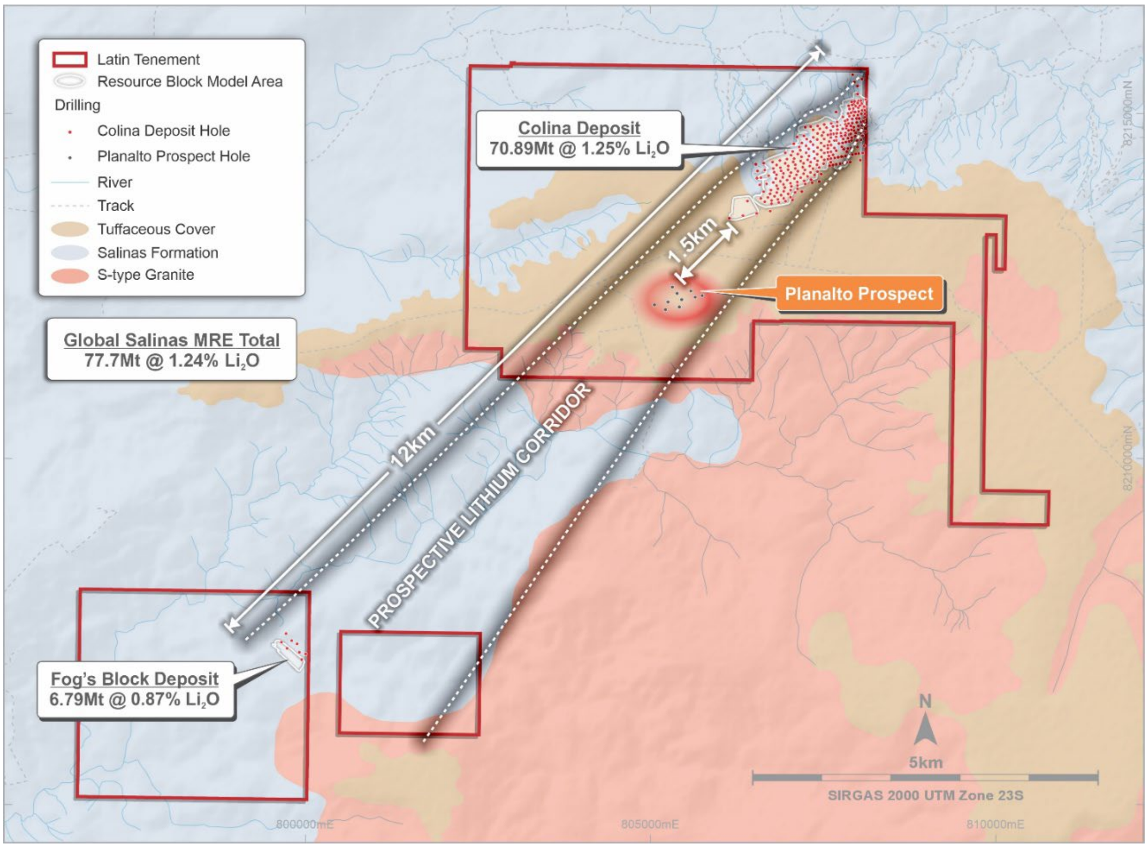

Figure 2: *Plan view of the Salinas Project, showing location of the updated Colina Deposit, Planalto Discovery and Fog's Block Deposit.*

2. ESG MINERALS LIMITED (FORMERLY CLOUD NINE HALLOYSITE-KAOLIN DEPOSIT), WA

ESG Minerals Ltd (ESG) is a wholly owned subsidiary of Latin Resources, which contains the Cloud-9 and Gibraltar projects. ESG has research and development projects in collaboration with crcCARE.

Following the encouraging results of the live sheep trial conducted at the University of New England in late 2023, a live cattle pilot trial commenced in H1 2024 using higher dosage of beneficiated Cloud Nine halloysite and kaolinite feed additive to measure the reduction in enteric methane generation and emissions. Outcomes of the trials will be released once completed.

The Company has engaged with potential partners and distributors to support a marketing strategy for the production of Cloud Nine Halloysite and Kaolin deposit. Samples have also been provided to potential customers.

In conjunction with the proposed Scheme, announced subsequent to the period, the Company intends to undertake a demerger of ESG Minerals.

3. LACHLAN FOLD BELT PROJECT, AUSTRALIA

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

In conjunction with the proposed Scheme, announced subsequent to the period, the Company intends to demerge its non-core assets including projects in Australia.

4. CATAMARCA LITHIUM PROJECT, ARGENTINA

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

In conjunction with the proposed Scheme, announced subsequent to the period, the Company intends to demerge its non-core assets including projects in Argentina.

5. MT-03 COPPER PROJECT, PERU

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

In conjunction with the proposed Scheme, announced subsequent to the period, the Company intends to demerge its non-core assets including projects in Peru.

6. CORPORATE

6.1. Cash

The Group had $21 million in cash at bank at 30 June 2024.

6.2. Issue of Securities

During the half year, the Company issued the following securities:

- 5,500,000 ordinary shares on vesting and conversion of Performance Incentive Rights;
- 113,263 ordinary shares following the exercise of option to acquire mining licence 831.798/2015;
- 10,000,000 Unlisted Options (exercisable at $0.45; expiry 30 December 2024) and 13,500,000 Unlisted Options (exercisable at $0.55; expiry 30 June 2025) under a Corporate Advisory Mandate with Canaccord Genuity entered on 6 July 2023; and
- 19,250,000 Performance Incentive Rights (subject to milestones) under the Company Securities Incentive Plan.

6.3. Strategic Appointments[7] [8]

During the period, Latin Resources was pleased to announce the appointment of Peter Oliver as Executive Director and Chairman of the Development Committee, to support development of the Salinas Lithium Project into production. Mr Oliver served as the Company's Non-Executive Director to the Board since October 2022, bringing a wealth of experience with over two decades in the lithium industry. Most notably, he served as Chief Executive Officer / Managing Director of Talison Lithium, the owner and operator of the world's largest hardrock lithium mine, Greenbushes, in Western Australia.

Mr. Oliver's extensive skill set in the lithium sector, coupled with his experience in leading corporate teams, managing public companies, and acting in advisory capacities for corporate structures, global mergers and acquisitions, and financing.

The development leadership team was further bolstered through the appointment of Aaron Maurer as Chief Operating Officer. Mr Maurer holds a distinguished portfolio of experience in the mining industry, with a significant focus on lithium operations, including key roles at Mineral Resources Limited for over 5 years, where he served as Executive General Manager - Operations, overseeing the Mt Marion Lithium mine and their three Iron Ore operations. His most recent role of Head of Operations at Atlantic Lithium saw him spearhead the Company's transition from exploration to near-term producer, overseeing the approvals and operational readiness of the first lithium mine in Ghana.

6.4. S&P/ASX 300 Index[9]

During the period, Latin Resources was pleased to inform shareholders that, as a result of its strong performance, the Company was admitted to the S&P/ASX 300 Index.

6.5. Lachlan Fold Belt Projects (NSW) Spin Out[10]

On 13 October 2023, Latin Resources announced that it had entered into a binding Heads of Agreement with Maverick Minerals Limited for the sale and spin-out of its Lachlan Fold Belt projects in NSW. During the period, the Company announced that due to challenging market conditions the spin-out had been placed on hold. In conjunction with the proposed Scheme, announced subsequent to the period, the Company intends to demerge its non-core assets including projects in Australia.

6.6. Chris Gale Named Asia Pacific Business Leader 2023-2024

During the period, Latin's Managing Director, Chris Gale, was granted the prestigious title of 'Asia Pacific Business Leader 2023-2024' in recognition of his remarkable entrepreneurial spirit. The Asia Pacific Business Awards celebrate companies and organizations headquartered in the APAC region, as well as multinational corporations, entrepreneurs, CEOs, presidents, senior executives, and advisors who have demonstrated professionalism, exceptional performance, and exemplary leadership, especially in uncertain times.

ASX Chapter 5 compliance

The information in this report relating to the Mineral Resource Estimate for Salinas is extracted from Latin Resources' ASX announcement titled "Colina Lithium Deposit – Mineral Resource Estimate Upgrade" released to ASX on 30 May 2024 which is available on Latin Resources' website https://www.latinresources.com.au/. Latin Resources confirms that it is not aware of any new information or data that materially affects the information included in the original announcement, and that all material assumptions and technical parameters underpinning the estimates in the original announcement continue to apply and have not materially changed. Latin Resources confirms that the form and context in which the competent person's findings are presented have not been materially modified from the original announcement.

The information in this report relating to exploration results for Salinas is extracted from Latin Resources' ASX announcement titled "Colina Resource Drilling Program Complete" released to ASX on 13 May 2024 which is available on Latin Resources' website https://www.latinresources.com.au/. Latin Resources confirms that it is not aware of any new information or data that materially affects the information included in the original announcement, and that all material assumptions and technical parameters underpinning the estimates in the original announcement continue to apply and have not materially changed. Latin Resources confirms that the form and context in which the competent person's findings are presented have not been materially modified from the original announcement.

Forward-Looking Statement

This ASX announcement may include forward-looking statements. These forward-looking statements are not historical facts but rather are based on Latin Resources Ltd.'s current expectations, estimates and assumptions about the industry in which Latin Resources Ltd operates, and beliefs and assumptions regarding Latin Resources Ltd.'s future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "potential" and similar expressions are intended to identify forward-looking statements. Forward-looking statements are only predictions and are not guaranteed, and they are subject to known and unknown risks, uncertainties and assumptions, some of which are outside the control of Latin Resources Ltd. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Actual values, results or events may be materially different to those expressed or implied in this ASX announcement. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward-looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Latin Resources Ltd does not undertake any obligation to update or revise any information or any of the forward-looking statements in this announcement or any changes in events, conditions or circumstances on which any such forward looking statement is based.

Subsequent Events

On 15 August 2024, Pilbara Minerals and Latin Resources Limited announced a binding SIA under which it is proposed that Pilbara Minerals will acquire 100% of the shares in Latin Resources by way of a Court-approved scheme of arrangement. Latin Resources shareholders will receive 0.07 new Pilbara Minerals shares for each Latin Resources share held. Latin Resources performance rights will vest in connection with the share scheme, with the resulting Latin Resources shares to be subject to the share scheme. Latin Resources options will be subject to a stand-alone Court-approved scheme of arrangement pursuant to which Latin Resources options will be exchanged for shares in Pilbara Minerals.

Both schemes are subject to several conditions including an independent expert concluding (and continuing to conclude) that the Scheme is in the best interests of Latin Resources shareholders, customary conditions including receipt of regulatory approvals, approval by Latin Resources shareholders at a meeting to vote on the scheme, the in-specie distribution of all of Latin Resources' non-core assets becoming effective, and the requisite Court approvals.

On 9 September 2024, Latin Resources and Pilbara Minerals entered a $10 million loan facility. The loan facility is for general working capital purposes, and will only become available to Latin following the earlier of Latin's available cash reserves falling below $5,000,000 and 30 November 2024.

The material terms of the loan facility are as follows:

(a) Conditions precedent to draw down

Drawdown of the Bridging Loan is subject to the following conditions:

- The Latin board continuing to unanimously recommend to Latin shareholders that they vote in favour of the share scheme;
- The effective date of the share scheme not having occurred; and
- No party having exercised a right to terminate the scheme implementation agreement.

(b) Repayment

The timing of repayment is a function of the circumstances that trigger the obligation to repay:

- Share scheme is implemented: if the share scheme becomes effective, Latin must repay the loan facility within 5 months;
- No vote, or scheme implementation agreement is terminated – no breach: if the share scheme is not approved by the requisite majority of Latin shareholders or the scheme implementation agreement is terminated (other than if the SIA is terminated because of a breach of the SIA by Latin or by the occurrence of a Latin prescribed event), Latin must repay the loan facility within 5 months;
- Superior proposal recommendation: if the Latin board recommends a superior proposal, Latin must repay the loan facility within 5 days after the Latin board first publicly recommends the superior proposal;
- Scheme terminated – breach: if the SIA is terminated because of a breach of the scheme by Latin or by the occurrence of a Latin prescribed event, Latin must repay the loan facility within 2 months; and
- Event of default: following an event of default, which includes, in addition to events of default typical for a loan of this nature, the occurrence (after the termination of the SIA) of a material adverse effect under the SIA.

(c) Interest

- The loan facility is subject to an interest rate of 10% p.a. payable on repayment of the loan.
- In circumstances where an event of default is continuing, an additional interest rate of 2% p.a. will apply to the loan facility.

(d) Other

- The loan facility is otherwise subject to standard terms typical for a loan of this nature.

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 2024 that are not disclosed elsewhere in this report, the financial statements or the attached notes.

Auditor's independence declaration

The auditor's independence declaration under section 307C of the *Corporations Act 2001* is set out on page 31 and forms part of the Directors' report for the half-year ended 30 June 2024.

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 11th day of September 2024

[1] ASX Announcement 15 August 2024 - Pilbara Minerals to Acquire Latin Resources
[2] ASX Announcement 31 July 2024 – Quarterly Activities Report / Appendix 5B Cash Flow Report
[3] ASX Announcement 30 May 2024 - Colina Lithium Deposit - Mineral Resource Estimate Upgrade
[4] ASX Announcement 13 May 2024 - Colina Resource Drilling Program Completed
[5] Refer to LRS's ASX Announcement dated 31 January 2024- "NEW ASSAYS CONFIRM PLANALTO DISCOVERY"
[6] ASX Announcement 25 July 2024 – Exceptional results confirm scale and high grade at Planalto
[7] ASX Announcement 14 February 2024 - Appointment of Peter Oliver to Executive Director
[8] ASX Announcement 1 March 2024 - Appointment of Aaron Maurer as Chief Operating Officer
[9] ASX Announcement 1 March 2024 - S&P DJI Announces March 2024 Quarterly Rebalance
[10] ASX Announcement 12 February 2024 – Maverick Minerals Spinout – Withdrawal of Priority Offer

Consolidated statement of profit or loss and other comprehensive income

For the six months ended 30 June 2024

	Note	6 months to 30 June 2024 $	6 months to 30 June 2023 $
Interest revenue		847,920	609,844
Other income	4	159,807	47,703
Employee benefits expenses	5(a)	(2,010,641)	(1,407,401)
Equity settled share-based payments	5(b)	(2,702,336)	(5,950,970)
Other expenses	5(c)	(1,498,876)	(1,009,769)
Finance costs	5(d)	(114,982)	(22,243)
Depreciation and amortisation expenses	5(e)	(116,082)	(90,466)
Exploration and evaluation costs	5(f)	(337,321)	(103,563)
Impairment of capitalised exploration expenses	10	(429,544)	-
Share of loss of an associate and joint venture	11	(346,058)	(271,025)
Impairment of investment in joint venture's carrying values	11	(555,362)	-
Impairment reversal	11	-	278,525
(Loss) before tax		**(7,103,475)**	**(7,919,365)**
Income tax benefit / (expense)		-	-
Net (loss) after tax		**(7,103,475)**	**(7,919,365)**
Other comprehensive income			
Items that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translating foreign operations		(7,724,922)	1,710,038
Net other comprehensive (loss) for the period		**(14,828,397)**	**(6,209,327)**
Basic and diluted loss per share (cents)		(0.25)	(0.34)

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 2024

	Note	30 June 2024 $	31 December 2023 $
ASSETS			
Current assets			
Cash and cash equivalents	6	20,510,401	51,788,688
Trade and other receivables	7	1,650,601	1,202,657
Other financial assets	8	358,722	260,810
Total current assets		**22,519,724**	**53,252,155**
Non-current assets			
Plant and equipment	9	609,087	655,347
Rights of use assets	13a	145,294	216,757
Investments in an associate and a joint venture	11	1,281,427	2,182,847
Exploration and evaluation assets	10	91,927,975	66,468,306
Total non-current assets		**93,963,783**	**69,523,257**
Total assets		**116,483,507**	**122,775,412**
LIABILITIES			
Current liabilities			
Trade and other payables	12	12,396,240	6,966,722
Lease liabilities	13b	137,951	145,890
Provisions	14	274,299	150,280
Total current liabilities		**12,808,490**	**7,262,892**
Non-current liabilities			
Lease liabilities	13b	13,669	77,748
Provisions	14	14,151	10,126
Total non-current liabilities		**27,820**	**87,874**
Total liabilities		**12,836,310**	**7,350,766**
Net assets		**103,647,197**	**115,424,646**
EQUITY			
Contributing equity	15	199,593,519	197,537,994
Capital reserves	16	2,951,212	9,745,821
Accumulated losses		(98,897,534)	(91,859,169)
Total equity		**103,647,197**	**115,424,646**

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 2024

	Issued capital $	Share-based payment reserve $	Foreign currency translation reserve $	Accumulated losses $	Total $
Balance at 1 January 2024	**197,537,994**	**4,551,652**	**5,194,169**	**(91,859,169)**	**115,424,646**
Loss for the period	-	-	-	(7,103,475)	**(7,103,475)**
Other comprehensive (loss)	-	-	(7,790,032)	65,110	**(7,724,922)**
Total comprehensive (loss)	**-**	**-**	**(7,790,032)**	**(7,038,365)**	**(14,828,397)**
Conversion of share rights	2,078,250	(2,078,250)	-	-	**-**
Share based payments	22,653	3,073,673	-	-	**3,096,326**
Cost of equity issues	(45,378)	-	-	-	**(45,378)**
Balance at 30 June 2024	**199,593,519**	**5,547,075**	**(2,595,863)**	**(98,897,534)**	**103,647,197**

	Issued capital $	Share-based payment reserve $	Foreign currency translation reserve $	Accumulated losses $	Non-Controlling Interest $	Total $
Balance at 1 January 2023	**103,163,413**	**11,036,650**	**4,851,634**	**(72,414,947)**	**-**	**46,636,750**
Loss for the period	-	-	-	(7,919,365)	-	**(7,919,365)**
Other comprehensive income	-	-	1,650,605	59,433	**-**	**1,710,038**
Total comprehensive income/(loss)	**-**	**-**	**1,650,605**	**(7,859,932)**	**-**	**(6,209,327)**
Issue of shares	38,515,851	-	-	-	**-**	**38,515,851**
Share based payments	1,595,370	(1,595,370)	-	-	**-**	**-**
Cost of equity issues	-	5,572,267	-	-	**-**	**5,572,267**
Issue of equity in subsidiary	(2,113,664)	-	-	-	**-**	**(2,113,664)**
Balance at 30 June 2023	**141,160,970**	**15,013,547**	**6,502,239**	**(80,274,879)**	**-**	**82,401,877**

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

Consolidated statement of cash flows

For the six months ended 30 June 2024

	Note	6 months to 30 June 2024 $	6 months to 30 June 2023 $
Cash flows from operating activities			
Payments to suppliers and employees		(1,805,919)	(1,940,251)
Payments for exploration & evaluation costs		(432,317)	-
Interest received		1,033,996	324,535
Other finance costs		-	(6,317)
Net cash inflows/ (outflow) operating activities		**(1,204,240)**	**(1,622,033)**
Cash flows from investing activities			
Payments for plant and equipment		(83,082)	(104,818)
Proceeds from disposal of plant and equipment		-	4,545
Payments for security deposits		(83,487)	(33,579)
Payments on financial assets		(15,943)	-
Payments for exploration & evaluation costs		(29,553,910)	(14,314,388)
Net cash inflows/ (outflow) investing activities		**(29,736,422)**	**(14,448,240)**
Cash flows from financing activities			
Proceeds from the issue of equity		-	37,100,000
Proceeds from options exercised		-	1,041,616
Costs associated with share issues		(45,378)	(2,034,990)
Payment of lease liabilities		(76,500)	(73,000)
Net cash inflows/ (outflow) from financing activities		**(121,878)**	**36,033,626**
Net increase/ (decrease) in cash held for reporting period		(31,062,540)	19,963,353
Cash at the beginning of the period		51,788,688	25,909,429
Effects of exchange rate changes on cash		(215,747)	-
Cash at the end of the period	6	**20,510,401**	**45,872,782**

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

Notes to the financial statements

For the six months ended 30 June 2024

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 2024 were authorised in accordance with a resolution of the directors on 11 September 2024.

The Company is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange and Frankfurt Stock Exchange. Latin Resources Limited is a for-profit entity for the purpose of preparing the consolidated financial statements.

The principal activities of the Group during the half-year were the mineral exploration and development of mining projects in Brazil, Australia, Argentina and Peru.

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 2024 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 2023.

Changes in accounting policies, accounting standards and interpretations

The accounting policies adopted in the preparation of the interim 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 2023.

The Group has reviewed all new and revised Accounting Standards and Interpretations that are relevant to its operations and applicable for the current reporting period.

New and revised Standards and amendments thereof and interpretations effective for the current year that are relevant to the Group include:

- AASB 2020-1 Amendments to AASs – Classification of Liabilities as Current or Non-Current

The adoption of the amendments did not have a material effect on the amount disclosed in the financial statements.

Australian Accounting Standards and Interpretation that have recently been issued or amended but are not yet effective have not been adopted by the Group for the reporting period ended 30 June 2024. Those which may be relevant to the Group are set out in the table below, but these are not expected to have any significant impact on the Group's financial statements as detailed below.

Standard/Interpretation	Application date of standard	Application date for Group
AASB 18 Presentation and Disclosure in Financial Statements	1 January 2027	1 January 2027

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of consolidation

The interim consolidated financial statements comprise the financial statements of Latin Resources Limited and its subsidiaries as at the end of each reporting period.

Subsidiaries are all those entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from their activities.

The Group assess whether it controls an investee when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including the contractual arrangement with the other vote holders of the investee; rights arising from other contractual arrangements; and the Group's voting rights and potential voting rights.

Subsidiaries are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Statement of Comprehensive Income from the date the Group gains control until the date the Group ceases to control the subsidiary.

The financial statements of subsidiaries are prepared for the same reporting period as the Parent company, using consistent accounting policies or adjustments are made to the financial statements of subsidiaries to bring their accounting policies in to line with those used by other members of the Group.

Information regarding subsidiaries is disclosed in Note 19.

Going concern

The interim financial report has 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.

The Group incurred a loss for the six months ended 30 June 2024 of $7,103,475 (2023: $7,919,365) and incurred net cash outflows from operating and investing activities for the six month period of $30,940,662 (2023: $16,070,273). As at 30 June 2024, the Group has a net working capital surplus of $9,711,234 (2023: $45,989,263) and cash and cash equivalents of $20,510,401. (2023: $51,788,688)

Management has prepared a cash flow forecast through to 30 September 2025, which indicates that the Group will require additional working capital during this period to enable it to continue to meet its ongoing administration and planned exploration activities.

The Directors are satisfied the Group will be able to raise additional working capital as and when required to enable it to continue as a going concern based on consideration of the following pertinent matters:

I. The Group announced on 15 August 2024 that it had entered into a SIA (Scheme) for Pilbara Minerals Limited to acquire 100% of the shares in Latin Resources through a scheme of arrangement conditional on shareholder and regulatory approval. The terms of the scheme contemplate deal completion prior to the end of 2024. To support the Group's funding position prior to completion, a loan facility of A$10 million has been agreed with Pilbara Mineral Limited. This facility is undrawn at the time of this report. Further details on the loan facility are included in Note 20, Events After The Reporting Period.

II. In the event the Scheme does not ultimately complete the directors are satisfied, the Group has other viable options available to secure additional working capital as and when required, including option conversions, the sale of certain assets and, the raising of additional funding through a share placement.

In the event that all of the above funding options available to the Group do not transpire to enable the Group to be able to raise additional working capital as and when required, there is material uncertainty about whether the Group would be able to continue as a going concern and, therefore, realise its assets and discharge its liabilities in the normal course of business at the amounts stated in the financial report.

The financial statements do not include any adjustment relating to the recoverability or classification of recorded asset amounts or to the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

3. SEGMENT INFORMATION

The Group has identified its operating segments in accordance with its accounting policy and based on the internal reports that are reviewed and used by the Board (chief operating decision maker) in assessing performance and in determining the allocation of resources. The Group's operating segments are Australia, Brazil, Singapore, Peru and Argentina. At 30 June 2024, the Group introduced Singapore as a new operating segment. The following is an analysis of the Group's revenues, results, assets and liabilities by reportable operating segment.

Six months to 30 June 2024	Unallocated $	Australia $	Peru $	Argentina $	Singapore $	Brazil $	Total $
Revenue							
Interest revenue	847,920	-	-	-	-	-	847,920
Other income	63,424	-	-	-	96,383	-	159,807
Total segment revenue	**911,344**	**-**	**-**	**-**	**96,383**	**-**	**1,007,727**
Expenses							
Exploration expenses	-	(13,065)	-	(324,256)	-	-	(337,321)
Exploration impairment		(429,544)					(429,544)
Share-based payments	(2,702,336)	-	-	-	-	-	(2,702,336)
Share of loss of associates and joint venture	(346,058)	-	-	-	-	-	(346,058)
Impairment in investment in joint venture carrying value	(555,362)	-	-	-	-	-	(555,362)
Other expenses	(3,405,630)	(22,693)	(209,204)	(49,116)	(53,938)	-	(3,740,581)
Total segment expenses	**(7,009,386)**	**(465,302)**	**(209,204)**	**(373,372)**	**(53,938)**	**-**	**(8,111,202)**
Segment loss	**(6,098,042)**	**(465,302)**	**(209,204)**	**(373,372)**	**42,445**	**-**	**(7,103,475)**
Segment assets	33,991,335	10,316,667	4,126,794	94,122	220,047	67,734,542	116,483,507
Segment liabilities	(4,367,324)	(6,493)	(162,083)	(36,692)	(1,857)	(8,261,861)	(12,836,310)

Six months to 30 June 2023	Unallocated $	Australia $	Peru $	Argentina $	Singapore $	Brazil $	Total $
Revenue							
Interest revenue	609,844	-	-	-	-	-	609,844
Other income	46,383	-	1,320	-	-	-	47,703
Total segment revenue	**656,227**	**-**	**1,320**	**-**	**-**	**-**	**657,547**
Expenses							
Depreciation expense	(88,786)	-	(1,680)	-	-	-	(90,466)
Finance expense	(16,263)	-	(4,819)	(1,161)	-	-	(22,243)
Share-based payments	(5,950,970)	-	-	-	-	-	(5,950,970)
Share of loss of associates and joint venture	(271,025)	-	-	-	-	-	(271,025)
Impairment reversal	278,525	-	-	-	-	-	278,525
Other expenses	(2,438,174)	-	(75,464)	(7,095)	-	-	(2,520,733)
Total segment expenses	**(8,486,693)**	**-**	**(81,963)**	**(8,256)**	**-**	**-**	**(8,576,912)**
Segment loss	**(7,830,466)**	**-**	**(80,643)**	**(8,256)**	**-**	**-**	**(7,919,365)**
Segment assets	47,205,585	9,249,605	4,162,906	10,870	-	30,426,394	91,055,360
Segment liabilities	(1,939,516)	(76,846)	(142,459)	(31,498)	-	(6,463,164)	(8,653,483)

	6 months to 30 June 2024 $	6 months to 30 June 2023 $
4. OTHER INCOME		
Administration fees	42,172	46,383
Sundry income	10,593	1,320
Unrealised foreign exchange gain	107,042	-
	159,807	**47,703**
5. EXPENSES		
(a) EMPLOYEE BENEFIT EXPENSES		
Directors' remuneration	(631,002)	(744,000)
Salaries and superannuation	(1,135,202)	(886,802)
Other personnel costs	(1,159,860)	(308,899)
Capitalisation to exploration and evaluation projects	915,423	532,300
	(2,010,641)	**(1,407,401)**
(b) EQUITY SETTLED SHARE-BASED PAYMENTS		
Directors' share-based payments	(1,637,023)	(4,900,301)
Employees and technical consultants share-based payments	(472,872)	(671,996)
Corporate advisory share-based payments[1]	(592,441)	(378,673)
	(2,702,336)	**(5,950,970)**

[1] New issue of 10 million and 13.5 million broker options were issued and approved during 2024 AGM on 30 May 2024. Prior year share-based payments related to 25,000,000 unlisted option exercisable at $0.03 on or before 12 February 2024 were issued to Euroz Hartleys on 12 February 2021 after receiving shareholder approval on 10 February 2021.

	6 months to 30 June 2024 $	6 months to 30 June 2023 $
(c) OTHER EXPENSES		
Corporate expenses	(516,216)	(170,107)
Marketing & conferences expenses	(368,002)	(403,356)
Travel expenses	(271,491)	(302,887)
Administrative expenses	(343,167)	(133,419)
	(1,498,876)	**(1,009,769)**
(d) FINANCE EXPENSES		
Interest expense on right of use assets	(4,482)	(6,987)
Other finance charges	(114,064)	(6,317)
Net realised foreign exchange gain/ (losses)	3,564	(8,939)
	(114,982)	**(22,243)**
(e) DEPRECIATION AND AMORTISATION EXPENSES		
Furniture and equipment	(44,619)	(22,188)
Right of use assets	(71,463)	(68,278)
	(116,082)	**(90,466)**
(f) EXPLORATION AND EVALUATION EXPENSES		
Exploration expenditure	(337,321)	(103,563)
	(337,321)	**(103,563)**

6. CASH AND CASH EQUIVALENTS	30 June 2024 $	31 December 2023 $
Cash and cash equivalents include the following:		
Cash at bank[3]	15,510,401	21,788,688
Term deposits[4]	5,000,000	30,000,000
	20,510,401	**51,788,688**

[3] Cash at bank earns interest at floating rates based on daily bank deposit rates.
[4] Cash funds invested in term deposits, which the Company may draw down with 31 days' notice without any significant penalties.

7. TRADE AND OTHER RECEIVABLES	30 June 2024 $	31 December 2023 $
Related party receivables	219,584	194,492
Project acquisition prepayment[5]	-	500,000
R&D receivables	947,020	-
GST receivables	83,971	18,647
Other receivables	400,026	489,518
	1,650,601	**1,202,657**

[5] The Group purchased the Gibraltar Halloysite-Kaolin project from a subsidiary of Oar Resources Limited. (ASX announcement - 21 November 2023). The granting of the divisional application was finalised in the subsequent period.

The Group applies a 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. OTHER FINANCIAL ASSETS	30 June 2024 $	31 December 2023 $
Term deposits	115,202	97,985
Security deposits	243,520	162,825
	358,722	**260,810**

9. PLANT AND EQUIPMENT
During the half year, the group incurred $83,014 (2022: $320,969) in relation to plant and equipment acquisitions.

10. EXPLORATION AND EVALUATION ASSETS	30 June 2024 $	31 December 2023 $
Balance at the beginning of the reporting period	**66,468,306**	**23,828,213**
Exploration expenditure during the year	34,968,005	42,656,439
R&D tax rebate in relation to the project	(947,020)	(1,014,898)
Impairment of exploration and evaluation costs	(429,544)	-
Effect of foreign exchange	(8,131,772)	998,552
Balance for the end of the reporting period	**91,927,975**	**66,468,306**

11. INVESTMENTS ACCOUNTED UNDER EQUITY METHOD

At the balance date 30 June 2024, the Company has the following investments which are accounted under AASB128 *Investments in Associates and Joint Venture*,

Name of Entity	Country of incorporation	% of ownership 30 June 2023 %	% of ownership 31 Dec 2023 %	Nature of relations	Measurement method	Carrying amount 30 June 2024 $	Carrying amount 31 Dec 2023 $
Solis Minerals Limited (ASX: SLM)	Canada	15.25%	15.25%	Associate	Equity method	1,111,594	1,941,943
Litios del Norte S.A.	Argentina	50%	50%	Joint Venture	Equity method	169,833	240,904

30 June 2024	Solis Minerals Ltd $	Litios del Norte SA $	Total Investments $
Carrying amount at 1 January 2024	**1,941,943**	**240,904**	**2,182,847**
Share of results for the year[8]	(353,591)	7,408	(346,183)
Impairment expenses[9]	(476,758)	(78,604)	(555,362)
Effect of foreign exchange	-	125	125
Carrying amount at 30 June 2024	**1,111,594**	**169,833**	**1,281,427**

31 December 2023	Solis Minerals Ltd $	Litios del Norte SA $	Total Investments $
Carrying amount at 1 January 2023	**595,363**	**249,942**	**845,305**
Share of results for the year[8]	(529,296)	124,005	(405,291)
Additions[10]	3,000,000	-	3,000,000
Impairment expenses[9]	(1,124,124)	(129,490)	(1,253,614)
Effect of foreign exchange	-	(3,553)	(3,553)
Carrying amount at 31 December 2023	**1,941,943**	**240,904**	**2,182,847**

[8] Profit or loss for the period is the amount attributed to the Group.
[9] Impairment written down relating to the excess carrying amount of the investment. The fair value of the equity investment was determined based on the published quoted price of SLM shares (30 June 2024: $0.083; 31 December 2023: $0.145) and the equity interest in the net assets of Litios del Norte SA at the reporting date.
[10] The Company participated in Solis' private placement resulting in an increase in ownership to 15.25%

12. TRADE AND OTHER PAYABLES	30 June 2024 $	31 December 2023 $
Trade payables	10,161,583	6,448,939
Other payable	1,619,035	459,453
Accrued expenses	615,622	58,330
	12,396,240	**6,966,722**

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

13. LEASES		
(a) Right of use assets at cost:		
Balance at 1 January	**216,757**	**299,323**
Additions	-	57,166
Accumulated depreciation	(71,463)	(139,732)
Balance at 31 December	**145,294**	**216,757**
(b) Movements in lease liabilities:		
Balance at 1 January	**223,638**	**302,916**
Additions	-	57,166
Interest expenses	4,482	13,056
Repayment of liabilities	(76,500)	(149,500)
Balance at 31 December	**151,620**	**223,638**
Current	137,951	145,890
Non-current	13,669	77,748

The Company recognised leases as right of use assets and corresponding liabilities at the date which the leased premises are available for use by the Company. Right of use assets reflect the lease liabilities and is depreciated over the term of the leases. Lease liabilities were measured at the present value basis, discounting using the incremental borrowing rate used for the year was 4.18% - 6.42% (2023: 4.18-6.42%).

14. PROVISIONS	30 June 2024 $	31 December 2023 $
Employee benefits	288,450	160,406
Current	274,299	150,280
Non-current	14,151	10,126

15. CONTRIBUTING EQUITY

(a) Ordinary shares

	30 June 2024 $	31 December 2023 $
Ordinary shares	199,451,919	197,396,394
Treasury shares	141,600	141,600
	199,593,519	**197,537,994**

The total number of issued shares at 30 June 2024 was 2,803,419,463 (2023: 2,793,806,200)
The total treasury shares under the Company's Loan Funded Share Plan at 30 June 2024 was 4 million (2023: 4 million)

(b) Movements in ordinary shares

31 December 2023	Number	2024 $
Balance at 1 January 2024	**2,793,806,200**	**$197,537,994**
Vesting and conversion of share rights	9,500,000	$2,078,250
Milestone share-based payments for acquisitions of project tenements[17]	113,263	$22,653
Less: costs of issue	-	($45,378)
Closing balance at 30 June 2024	**2,803,419,463**	**$199,593,519**

[17] The Group issued 113,263 shares to a vendor for reaching a milestone for the Salinas Lithium Project in Brazil.

31 December 2023	Number	2023 $
Balance at 1 January 2023	**2,148,314,127**	**$103,163,415**
Placement @ $0.105	353,333,334	$37,100,000
Placement @ $0.25	140,000,000	$35,000,000
Transferred in from share option reserve	-	$9113,655
Listed options conversion	40,370,074	$484,441
Unlisted options conversion	32,888,840	$3,167,420
Vesting and conversion of share rights	77,695,717	$13,439,620
Milestone share-based payments for acquisitions of project tenements[17]	1,204,108	$445,520
Less: costs of issue	-	($4,376,077)
Closing balance at 31 December 2023	**2,793,806,200**	**$197,537,994**

[17] The Group issued 1,204,108 shares to Vendors for reaching 10Mt JORC resource for the Salinas Lithium Project in Brazil.

16. CAPITAL RESERVES

At balance date 30 June 2024, the Group has the following capital reserves,

	30 June 2024 $	31 December 2023 $
Share options reserve	939,433	346,992
Share rights reserve	4,607,642	4,204,660
Foreign currency reserve	(2,595,863)	5,194,169
	2,951,212	**9,745,821**

Nature and purpose of share-based payment reserves
The share-based payments reserve is used to recognise the value of equity benefits provided to directors, employees and other parties.

(a) Share options reserves
(i) Movements in share options

	30 June 2024 $	31 December 2023 $
Balance at beginning of the financial year	**346,992**	**9,424,236**
Options exercised, converted and transferred out to issued capital	-	(9,113,655)
Issued of 23.5 million broker options	592,441	-
Issued of 4 million broker options	-	36,411
Balance at the end of financial year	**939,433**	**346,992**

(ii) Movement in the balance of share options	**Number**	**Number**
Outstanding balance at beginning of period	**113,986,160**	**198,239,058**
Listed options exercised	-	(40,370,074)
Listed options lapsed unexercised	-	(11,413,722)
Unlisted options exercised	-	(32,888,840)
New issue unlisted option $0.22 expiry April 2027	-	419,738
New issue unlisted option $0.45 expiry 30 December 2024	10,000,000	-
New issue unlisted option $0.55 expiry 30 June 2025	13,500,000	-
Outstanding balance at end of the period	**137,486,160**	**113,986,160**

(iii) The outstanding balance of share options as at 30 June 2024 is represented by:
- 113,986,160 unlisted options exercisable at $0.22 per option expiring 27 April 2027.
- 10,000,000 unlisted options exercisable at $0.45 per option expiring 30 December 2024.
- 13,500,000 unlisted options exercisable at $0.55 per option expiring 30 June 2025.

(b) Share rights reserves

The Group issued Securities Incentive Rights Plan to attract, motivate and retain key employees and provide them with the opportunity to participate in the future growth of the Group.

Securities Incentive Rights Plan

(i) Movements in share rights

	30 June 2024 $	31 December 2023 $
Balance at beginning of the financial year	**4,204,660**	**1,612,415**
Granted as share rights	2,481,232	16,031,865
Vested and conversion of share rights	(2,078,250)	(13,439,620)
Balance at the end of financial year	**4,607,642**	**4,204,660**

(ii) Movement in the balance of share rights	**Number**	**Number**
Outstanding balance at beginning of period	**68,550,000**	**43,509,551**
Granted as share rights	31,500,000	103,025,000
Vested and conversion of share rights	(9,500,000)	(77,734,551)
Lapsed of share rights	-	(250,000)
Outstanding balance at end of the period	**90,550,000**	**68,550,000**

(iii) Details of Securities Incentive Rights Plan are as follows:

Performance Milestone	Grant date	Expiry date	Fair value per share rights	Number of share rights	Vesting conditions
2022 plan	19/12/2022	18/12/2027	$0.1100	5,500,000	non-market
2022 plan	19/12/2022	18/12/2027	$0.0816-$0.0873	4,500,000	market
2023 plan	30/05/2023	29/05/2028	$0.1685	10,000,000	market
2023 plan	30/05/2023	29/05/2028	$0.1850	21,000,000	non-market
2024 plan*	30/01/2024	29/01/2024	$0.1700	13,000,000	non-market
2024 plan	30/05/2024	29/05/2024	$0.2500	10,000,000	non-market
2022 plan	01/07/2022	30/06/2027	$0.0730	2,000,000	non-market
2022 plan	01/03/2022	28/02/2027	$0.0390	2,000,000	non-market
2023 plan	03/07/2023	02/07/2028	$0.3450	9,000,000	non-market
2023 plan	22/06/2023	21/06/2028	$0.2400	4,250,000	non-market
2023 plan	13/03/2023	12/03/2028	$0.1100	750,000	non-market
2023 plan	13/03/2023	12/03/2028	$0.7700-$0.0890	500,000	market
2023 plan	22/05/2023	21/05/2028	$0.1850	250,000	non-market
2024 plan	19/03/2024	18/03/2029	$0.1850	6,250,000	non-market
2023 plan	03/07/2023	02/07/2027	$0.3450	3,300,000	non-market
2024 plan	25/06/2024	24/06/2029	$0.1750	2,250,000	non-market

* During the half year, 4 million 2024 share rights at fair value $0.17 per share rights were converted into shares.

(c) Foreign currency translation reserve

Nature and purpose of foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

Movements in foreign currency translation reserve:

	30 June 2024 $	31 December 2023 $
Balance at beginning of the financial year	**5,194,169**	**4,851,631**
Foreign currency translations	(7,790,032)	342,538
Balance at the end of financial year	**(2,595,863)**	**5,194,169**

17. COMMITMMENTS	30 June 2024 $	31 December 2023 $
(a) Exploration Commitments		
Not later than one year	998,417	757,667
Later than one year but not later than five years	2,275,250	2,939,333
Later than five years	113,333	-
	3,387,000	**3,697,000**
(b) Expenditure Commitments		
Not later than one year	153,482	1,051,232
Later than one year but not later than five years	1,336	1,053,480
Later than five years	-	-
	154,818	**2,104,712**

Included in the commitments are payments to acquire future mining rights.

18. RELATED PARTY DISCLOSURES

The following related party transactions have occurred during the half year ended 30 June 2024.

The Company paid a total of $129,457 for legal services to Bowen Buchbinder Vilensky Lawyers, an entity which is associated with Mr Vilensky. At 30 June 2024, there was an outstanding payable of $32,846 to Bowen Buchbinder Vilensky Lawyers and the amount has been fully paid at the date of this report.

The Company invoiced $5,605 for services rendered to Allegra Capital, an entity which is associated with Mr Gale. The amount has been fully paid at the date of this report.

The Company purchased the Gibraltar halloysite and kaolin project from Lymex Tenements Pty Ltd, a wholly-owned subsidiary of Oar Resources Ltd (ASX Announcement – 21 November 2023). A cash payment of $500,000 was made in full on 22 November 2023. The approval of divisional application, which was a part of the acquisition process, was finalised on 8 February 2024.

The Company invoiced $8,797 for the shared administration services to Oar Resources Ltd, a listed entity which Mr Gale and Mr Vilensky are common directors. At 30 June 2024, there was a receivable of $219,706 owed by Oar Resources Ltd.

The Company invoiced $33,375 for the shared administration and technical services to Solis Minerals Ltd, a listed entity which Mr Gale is a common director. At 30 June 2024, a receivable of $5,580 was owing from Solis Minerals that has been fully paid at the time of this report.

19. OWNERSHIP INTEREST IN SUBSIDIARIES

During the half year, Latin Resources has the following subsidiaries:

		Ownership interest	
	Country of incorporation	30 June 2024	31 December 2023
Subsidiaries			
Peruvian Latin Resources S.A.C.	Peru	100%	100%
Minera Dylan S.A.C.	Peru	100%	100%
Recursos Latinos S.A.	Argentina	100%	100%
Mineração Ferro Nordeste Ltda	Brazil	100%	100%
Electric Metals Pty Ltd	Australia	100%	100%
Belo Lithium Mineração Ltda	Brazil	100%	100%
ESG Minerals Ltd	Australia	100%	100%
Lotus Minerals Ltd	Australia	100%	100%
LRS Canada Inc	Canada	100%	100%
LRS Singapore Pte Ltd	Singapore	100%	100%
Mineluz Mineração Ltda.	Brazil	100%	0%
Campo Verde Imóveis Ltda.	Australia	25%	0%
Latin 2 Pty Ltd	Australia	100%	0%
ESG Global Solutions Pty Ltd	Australia	100%	0%

During the first half year, Latin incorporated a new entity, Campo Verde Imoveis Ltda with a local individual. Latin holds a minority share while the local national holds the majority share. An agreement between Latin and the local national includes a call option, which is currently exercisable. This call option gives Latin the potential to obtain substantive voting rights, effectively granting it full control over Campo Verde Imoveis Ltda.

20. EVENTS AFTER THE REPORTING PERIOD

On 15 August 2024, Pilbara Minerals and Latin Resources Limited announced a binding SIA under which it is proposed that Pilbara Minerals will acquire 100% of the shares in Latin Resources by way of a Court-approved scheme of arrangement. Latin Resources shareholders will receive 0.07 new Pilbara Minerals shares for each Latin Resources share held. Latin Resources performance rights will vest in connection with the share scheme, with the resulting Latin Resources shares to be subject to the share scheme. Latin Resources options will be subject to a stand-alone Court-approved scheme of arrangement pursuant to which Latin Resources options will be exchanged for shares in Pilbara Minerals.

Both schemes are subject to several conditions including an independent expert concluding (and continuing to conclude) that the Scheme is in the best interests of Latin Resources shareholders, customary conditions including receipt of regulatory approvals, approval by Latin Resources shareholders at a meeting to vote on the scheme, the in-specie distribution of all of Latin Resources' non-core assets becoming effective, and the requisite Court approvals.

On 9 September 2024, Latin Resources and Pilbara Minerals entered a $10 million loan facility. The loan facility is for general working capital purposes, and will only become available to Latin following the earlier of Latin's available cash reserves falling below $5,000,000 and 30 November 2024.

The material terms of the loan facility are as follows:

(a) Conditions precedent to draw down

Drawdown of the Bridging Loan is subject to the following conditions:

- The Latin board continuing to unanimously recommend to Latin shareholders that they vote in favour of the share scheme;
- The effective date of the share scheme not having occurred; and
- No party having exercised a right to terminate the scheme implementation agreement.

(b) Repayment

The timing of repayment is a function of the circumstances that trigger the obligation to repay:

- Share scheme is implemented: if the share scheme becomes effective, Latin must repay the loan facility within 5 months;
- No vote, or scheme implementation agreement is terminated – no breach: if the share scheme is not approved by the requisite majority of Latin shareholders or the scheme implementation agreement is terminated (other than if the SIA is terminated because of a breach of the SIA by Latin or by the occurrence of a Latin prescribed event), Latin must repay the loan facility within 5 months;
- Superior proposal recommendation: if the Latin board recommends a superior proposal, Latin must repay the loan facility within 5 days after the Latin board first publicly recommends the superior proposal;
- Scheme terminated – breach: if the SIA is terminated because of a breach of the scheme by Latin or by the occurrence of a Latin prescribed event, Latin must repay the loan facility within 2 months; and
- Event of default: following an event of default, which includes, in addition to events of default typical for a loan of this nature, the occurrence (after the termination of the SIA) of a material adverse effect under the SIA.

(c) Interest

- The loan facility is subject to an interest rate of 10% p.a. payable on repayment of the loan.
- In circumstances where an event of default is continuing, an additional interest rate of 2% p.a. will apply to the loan facility.

(d) Other

- The loan facility is otherwise subject to standard terms typical for a loan of this nature.

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 interim financial statements and notes of Latin Resources Limited for the half-year ended 30 June 2024 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 2024 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) Subject to matters set out in Note 2 to the interim financial statements, 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 11th day of September 2024

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Auditor's independence declaration to the directors of Latin Resources Limited

As lead auditor for the review of the half-year financial report of Latin Resources Limited for the half-year ended 30 June 2024, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;

b. No contraventions of any applicable code of professional conduct in relation to the review; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Latin Resources Limited and the entities it controlled during the financial period.

Ernst & Young

Ernst & Young

Jared Jaworski
Partner
11 September 2024

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Independent auditor's review report to the members of Latin Resources Limited

Conclusion

We have reviewed the accompanying half-year financial report of Latin Resources Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2024, 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, notes comprising a summary of material accounting policy information and other explanatory information, 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 the Group does not comply with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2024 and of its consolidated financial performance for the half-year ended on that date; and

b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *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* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group 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 (including Independence Standards)* (the Code) 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.

Material uncertainty related to going concern

We draw attention to Note 2 of the half-year financial report, which describes the principal conditions that raise doubt about the Group's ability to continue as a going concern. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

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Directors' responsibilities for the half-year financial report

The directors of the Company 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 internal 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 half-year 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 Group's financial position as at 30 June 2024 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.

Ernst & Young

Ernst & Young

Jared Jaworski
Partner
Perth
11 September 2024

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