



LATIN RESOURCES LIMITED
ACN: 131 405 144

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31st January 2019

Dear Shareholder,

Share Purchase Plan

Latin Resources Limited (**'the Company'**) is pleased to offer Eligible Shareholders the opportunity to increase their shareholding in the Company at a discount to the record date market price without incurring brokerage or other transaction costs by participating in a \$1,000,000 Share Purchase Plan (**'SPP'** or **'Offer'**).

The SPP offers Eligible Shareholders the ability to subscribe for \$2,000, \$4,000, \$7,500, \$10,000 or a maximum of \$15,000 worth of fully paid ordinary shares in the Company subject to the enclosed Terms and Conditions.

Proceeds from the SPP will be used to bolster the Company's general working capital position, maintain a strong net cash position and to fund exploration, including drilling on its Argentina projects.

The issue price under the Offer will be \$0.002 per share (**'Offer Price'**), representing a 16% discount to the average market price of the past 5 trading days prior to the announcement of this SPP, being \$0.0024, and a 19% discount to the volume weighted average price (**'VWAP'**) of the Company's shares over the past 15 trading days prior to the announcement of this SPP, being \$0.0025.

The Board resolved to proceed with the SPP following feedback from shareholders expressing a desire to participate in a capital raising at a discounted share price. The VWAP of the Company's shares for the month of December 2018 was \$0.0032, and the SPP price of \$0.002 represents a discount of 38% to this. The Board also notes that the Company's present share price is at a record low, which gives shareholders the opportunity to purchase shares at a price which the Company believes significantly undervalues the Company's current asset portfolio.

All Directors of the Company intend to take up their full entitlements under the SPP.

Shareholders who are recorded on the share register as at 4.00pm (WST) on 30th January 2019 (**'Record date'**) with a registered address in either Australia, New Zealand, Germany or the United Kingdom (**'Eligible Shareholders'**) will be eligible to participate in the SPP.

The SPP Offer Document will be dispatched to shareholders on Monday, 4th February 2019. To apply for a parcel of shares, please follow the instructions on the application form and ensure that your application is received together with cleared funds no later than 5.00pm (WST) on 22nd February 2019. The SPP is expected to close at 5:00pm (WST) on 22nd February 2019 and is not subject to shareholder approval.

I would like to encourage you to read the SPP Terms and Conditions carefully. If you are unsure about whether to participate, please contact your professional adviser without delay. If you require further information, please contact the Company on +61 8 6117 4798.

On behalf of the Board, I invite you to consider this opportunity to increase your investment in the Company and thank you for your continued support as a shareholder.

Yours sincerely,

Christopher Gale
Managing Director

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