Latitude Consolidated Limited

ABN 23 080 939 135

ANNUAL REPORT TO SHAREHOLDERS
YEAR ENDED 30 JUNE 2020

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This Annual Report covers Latitude Consolidated Limited ("Latitude" or the "Company") and its wholly owned subsidiaries (the "Group"). The financial report is presented in Australian currency. Latitude Consolidated Limited is a company limited by shares, incorporated and domiciled in Australia.

CORPORATE INFORMATION

ABN 23 080 939 135

Directors
Mr Timothy Moore
Mr Morgan Barron
Mr Roger Steinepreis
Mr Nick Castleden

Company Secretary
Mr Harry Miller

Home Securities Exchange:
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Level 40, Central Park
152-158 St Georges Terrace
PERTH WA 6000

ASX Code: LCD

Share Registry:
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152 St Georges Terrace
PERTH WA 6000
Telephone: +61 1300 554 474

Registered Office:
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16 Ord Street
WEST PERTH WA 6005

Telephone: +61 8 9482 0550

Email : info@latitudeconsolidated.com
Website : www.latitudeconsolidated.com.au

Postal Address:
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Solicitors:
Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Auditors:
Grant Thornton Audit Pty Ltd
Level 43 Central Park
152-158 St Georges Terrace
PERTH WA 6000

DIRECTORS' REPORT

Your directors are pleased to submit the financial statements of the Group consisting of Latitude Consolidated Limited and the entities it controlled during the period for the financial year ended 30 June 2020. In order to comply with the provisions of the Corporations Act 2001, the Directors report is as follows:

DIRECTORS

The names of the directors and officers who held office during or since the end of the year and until the date of this report are as follows. The directors held office for the full year unless specified below:

Name	Position	Date appointed / resigned
Mr Timothy Moore	Non-Executive Chairman	Appointed 23 April 2004
Mr Morgan Barron	Non-Executive Director	Appointed 6 November 2012
Mr Roger Steinepreis	Non-Executive Director	Appointed 6 November 2012
Mr Nicholas Castleden	Non-Executive Director	Appointed 21 June 2017
Ms Kim Eckhof	Non-Executive Director	Appointed 18 June 2018 Resigned 30 April 2020
Mr Harry Miller	Company Secretary	Appointed 1 August 2018

The details of directors and officers who currently hold office as at the date of this report are as follows. Details of directors and officers who resigned prior to the date of this report are not included:

Mr Timothy J Moore
Non-Executive Chairman
Qualifications:
Bachelor of Business UTS Sydney
Other current directorships of listed companies:
Nil
Other directorships held in listed companies in the last three years:
Nil

Mr Moore has extensive offshore experience investing in a number of industries including media, technology and resources. Mr Moore also holds several other Board positions with private companies.

Mr Morgan Barron
Non-Executive Director
Qualifications:
Bachelor of Commerce University of Western Australia, C.A. S.A. Fin
Other current directorships of listed companies:
Nil
Other directorships held in listed companies in the last three years:
I Synergy Group Limited - Resigned 3 July 2020
Indiana Resources Limited – Resigned 19 October 2018

Mr Barron is a Chartered Accountant and has over 15 years' experience in corporate advisory. Mr Barron has advised and guided many companies undertaking fundraising activities and corporate matters.

Mr Barron is a director and shareholder of Ventnor Capital Pty Ltd and Ventnor Securities Pty Ltd which specialises in the provision of ASX Companies corporate advisory services.

Mr Roger Steinepreis
Non-Executive Director
Qualifications:
Bachelor of Jurisprudence and Bachelor of Laws: University of Western Australia
Other current directorships of listed companies:
Apollo Consolidated Limited
Clearvue Technologies Limited
PetroNor E&P Limited (Listed on Oslo Axess)

Other directorships held in listed companies in the last three years:
Talon Petroleum Limited – Resigned 30 June 2019

Mr Steinepreis graduated from the University of Western Australia where he completed his law degree. Mr Steinepreis was admitted as a barrister and solicitor of the Supreme Court of Western Australia in 1987 and has been practicing as a lawyer for in excess of 25 years. Mr Steinepreis is the legal adviser to a number of public companies on a wide range of corporate related matters. His areas of practice focus on company restructures, initial public offerings and takeovers.

Mr Nick Castleden
Non-Executive Director
Other current directorships of listed companies:
Apollo Consolidated Limited – Appointed 4 August 2009
TNT Mines Limited – Appointed 1 November 2017
Other directorships held in listed companies in the last three years:
Nil

Mr Castleden is a geologist with over 20 years of experience in the mineral exploration and development industry. Mr Castleden has worked in various exploration, geological and management roles with well-regarded Australian mining companies including Mt Isa Mines, Perilya Mines, MPI Mines, LionOre, and with corporate firm Verona Capital. Mr Castleden has extensive operational experience in Africa, North and South America and across Australia. Mr Castleden also has specific experience in Western Australian gold, nickel and base metal exploration businesses including participating in the discovery and delineation of gold and nickel sulphide deposits that have progressed from feasibility studies through to successful mining operations.

Mr Harry Miller
Company Secretary
Qualifications:
Bachelor Commerce, Economics & Finance, University of Notre Dame Australia and Master of Professional Accounting, University of Notre Dame Australia

Mr Miller has an audit and compliance background across a number of sectors including junior resource companies. He acts as Company Secretary for various listed and private companies.

PRINCIPAL ACTIVITIES

Latitude is an exploration company domiciled in Australia and focused on unlocking highly prospective exploration opportunities in Australia and Africa.

RESULTS

The loss attributable to members of the Group for the year ended 30 June 2020 amounted to $330,426 (2019: $1,335,370).

DIVIDENDS

There were no dividends paid or declared during the year.

REVIEW OF OPERATIONS AND FINANCIAL RESULTS

Below is a description of the operational and corporate/financial performance and results of the Group for the year ended 30 June 2020.

Project and Exploration Activities

Skye Gold EL 6492

On 22 June 2020, Latitude advised that it had signed a binding Option Agreement to acquire a 100% legal and beneficial interest in South Australian Exploration Licence Application ELA2019/128, known as the Skye Gold Project.

As announced on 4 August 2020, the Group provided notice of exercise of the Option to acquire 100% of the Skye Gold Project. Exploration Licence Application ELA2019/128 was granted to the Group as Exploration Licence EL6492.

The Skye Gold Project is located in the Gawler Craton, South Australia in a proven million-ounce terrain some 700km northwest of Adelaide (Figure 1). The tenement area is adjacent to Marmota Limited's (ASX: MEU) Aurora Tank Gold Project and reported significant high-grade gold intercepts at the Goshawk Zone (*refer to recent ASX: MEU announcements*). The project lies only 50km from the Challenger Gold Mine (Figure 2) that has produced more than 1Moz of gold, including open pit mining before an underground production history to end 2016 of 4.38Mt @ 6.26g/t Au for 881,000oz (*ASX:WPG Announcement 25th October 2016*).

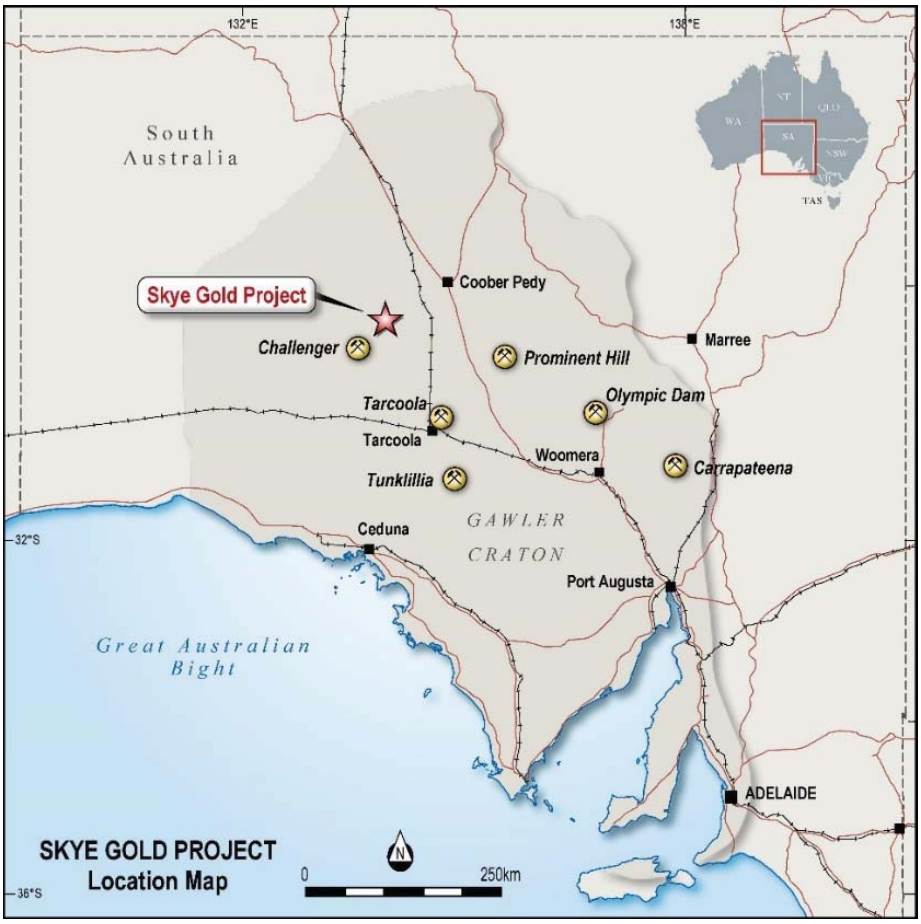

Figure 1: Skye Gold Project Location Map

Gold Deposits in the "Challenger terrain", including the million-ounce Challenger Gold Mine, have all been initially identified as shallow, modest grade gold deposits. Once controls on gold mineralisation have been defined at depth, Challenger, Aurora Tank and Golf Bore are understood to include very-high "bonanza" grade gold shoots with very predictable NE plunge.

The Skye Gold Project includes multiple prospects where near-surface gold mineralisation has been identified in shallow drilling by previous explorers. Latitude is planning to apply an exploration model that identified shallow gold targets that potentially represent the top of a system of high grade plunging gold shoots as exampled within 2kms of the Project at Aurora Tank (MEU) and Golf Bore (TYX) and at Challenger (Barton Gold).

The Group plans to commence exploration in Q1/Q2 FY2021 once land access process is complete to better define gold mineralisation in the near surface to target these gold systems for high grade plunging gold shoots later this year.

The Option Agreement is consistent with Latitude's broader strategy, focused on progressing exploration within the Group's existing portfolio, whilst maintaining the flexibility to assess and pursue additional project acquisition opportunities that make good commercial sense for the Group.

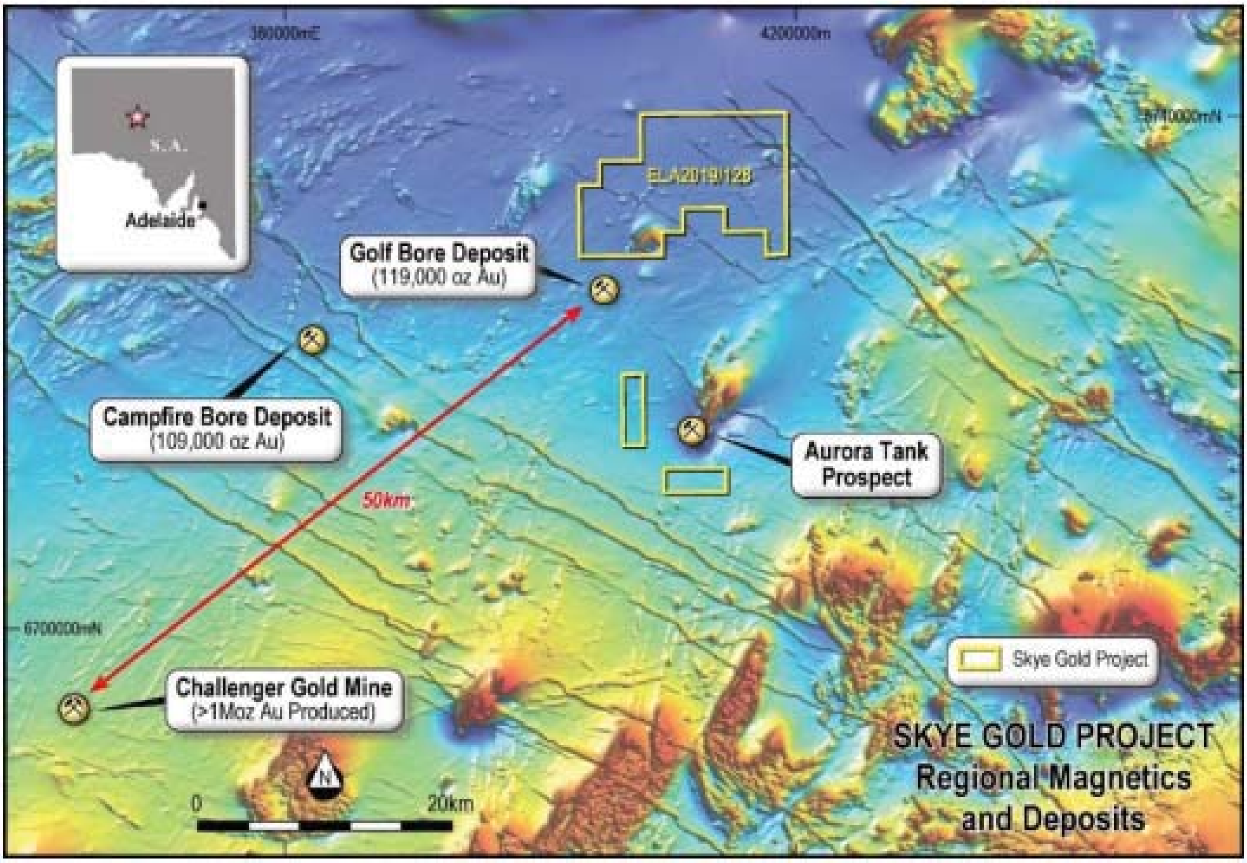

Figure 2: Skye Gold Project Regional TMI and Deposit Location map

The Skye Gold Project tenement area is characterised by widespread shallow transported cover with minimal exposed geology, with exploration in the district led by auger geochemical sampling and RAB or aircore geochemical drilling. Aeromagnetic imagery (Figure 3) suggests the tenure sits immediately along strike from the Golf Bore mineralised trend (119,000oz Total Mineral Resource) and has aeromagnetic anomalies consistent with metamorphosed banded iron formation that are similar to magnetic responses near the Goshawk Zone of the Aurora Tank Gold Project.

Latitude sees a strong opportunity to build on the work of previous explorers within the Skye Gold project area, with an initial focus on geochemical drilling to continue to develop new and existing bedrock mineralisation. Importantly, large parts of the tenement, including areas with promising aeromagnetic features under paleochannel cover rocks can be considered completely unexplored (see Figure 3).

Initial exploration programs, led by Auger and RAB drilling, have now been designed in preparation for execution on grant of tenure and conclusion of access agreements in the coming weeks. Past auger sampling was carried out on a widely spaced grid and Figure 3 demonstrates that minimal drilling has been carried out besides in the above prospects.

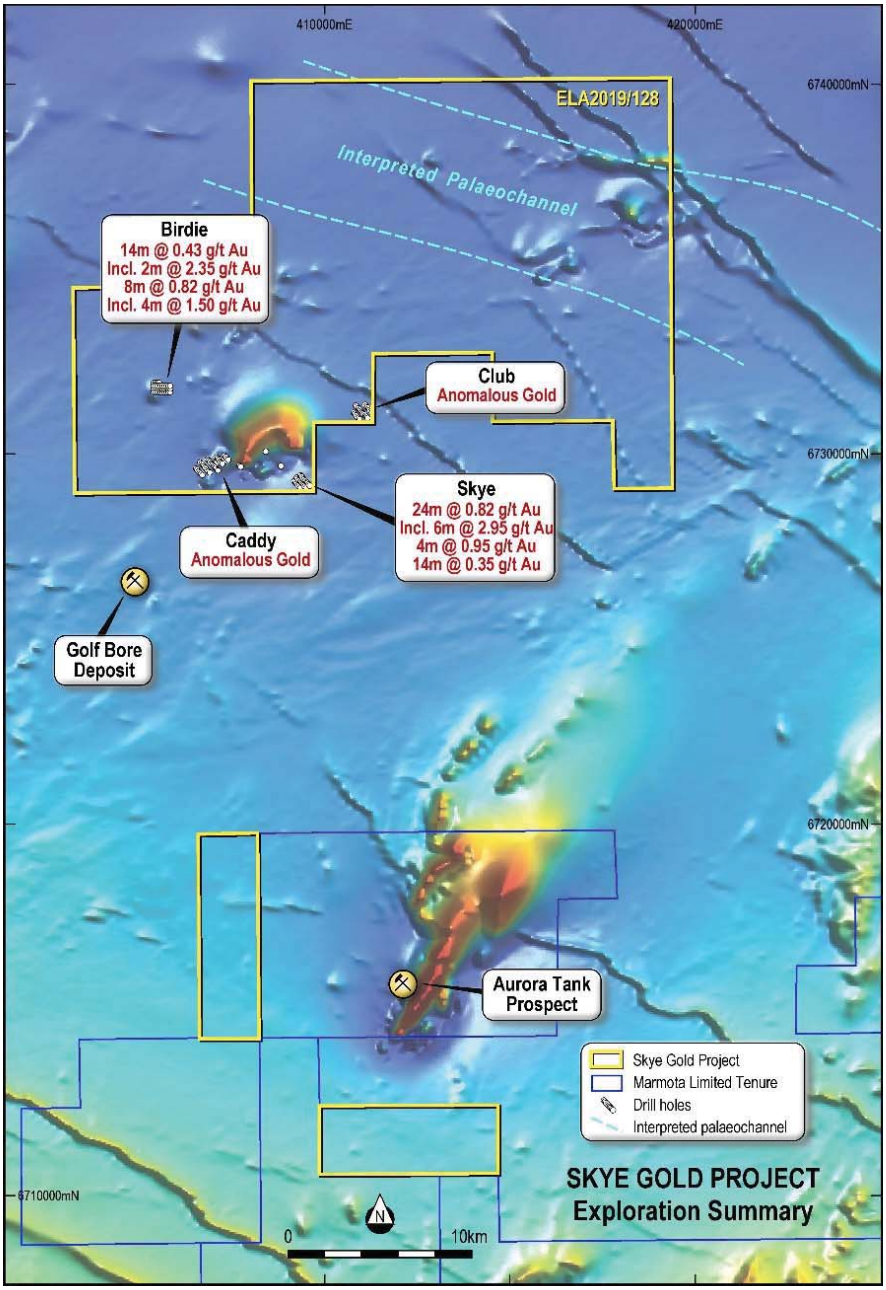

Figure 3: Skye Gold Project All Drill Collars and Gold Results on TMI Imagery. Note, drilling is restricted to a small portion of prospective area

As outlined above, the exploration prize in the Gawler Province terrain can be significant, with high-value, high-grade discoveries in the district having a reputation for excellent down-plunge continuity of mineralised shoots. For example, the high-grade M1 Lode at the Challenger Deposit has demonstrated remarkable ore continuity to more than 2.5 km down-plunge. Both primary host rock and the gold mineralisation at this deposit was reported to be competent and dry, providing excellent underground mining conditions.

Circle Valley E63/2007

On 5 March 2020, the Group was granted the Exploration Licence E63/2007 Circle Valley Project.

The Project was added to Latitude's gold portfolio following a review of concealed (covered by transported material) greenfield terrains in and around the Archaean Yilgarn Block, and was secured via an Exploration Licence (E63/2007) covering 181km^2 located 85 km south of Norseman and 95 km north of the port of Esperance.

Circle Valley sits within the Albany Fraser Mobile Belt (AFMB) and adjacent to the south-eastern margin of the Eastern Goldfields Province of the Yilgarn Craton (Figure 4). The Project lies within the complexly thrusted Proterozoic gneisses, which are interpreted to contain remnant and/or reworked Archaean rocks. Younger cover sediments obscure basement geology, with shallow geochemical drilling being the most effective tool to this style of terrain.

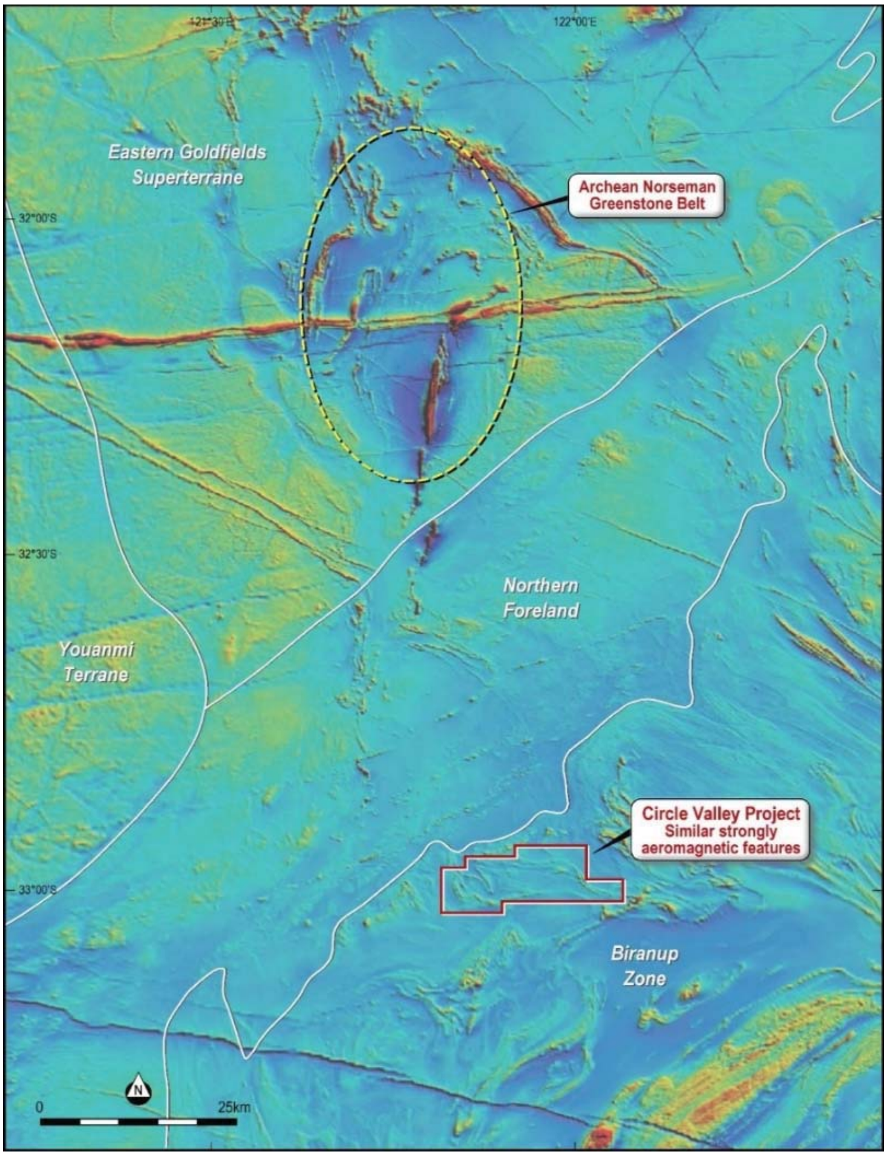

Figure 4: Regional Magnetics showing the thrusted margin of the Albany Fraser Mobile Belt (Biranup Zone and Northern Foreland) and the Yilgarn Craton (Eastern Goldfields Superterrane). Magnetics shows several strongly aeromagnetic features trending through the Circle Valley Project with similarities to the Archaean Norseman Greenstone Belt evident.

The nearest defined gold resources are in the ~11Moz Norseman gold camp which is in Archean terrain about 65km north of E63/2007, at the southern extent of the highly productive Norseman-Wiluna greenstone belt.

Gold exploration in the Albany Fraser Mobile Belt has met with considerable success as highlighted by the discovery and development of the 7.1Moz Tropicana gold mine (AngloGold Ashanti and IGO Limited Joint Venture) and the Nova Ni-Cu-Co Operation (IGO Limited). These two discoveries have led to the AFMB emerging as a new gold and nickel province in Australia, culminating in an increased amount of exploration within the area.

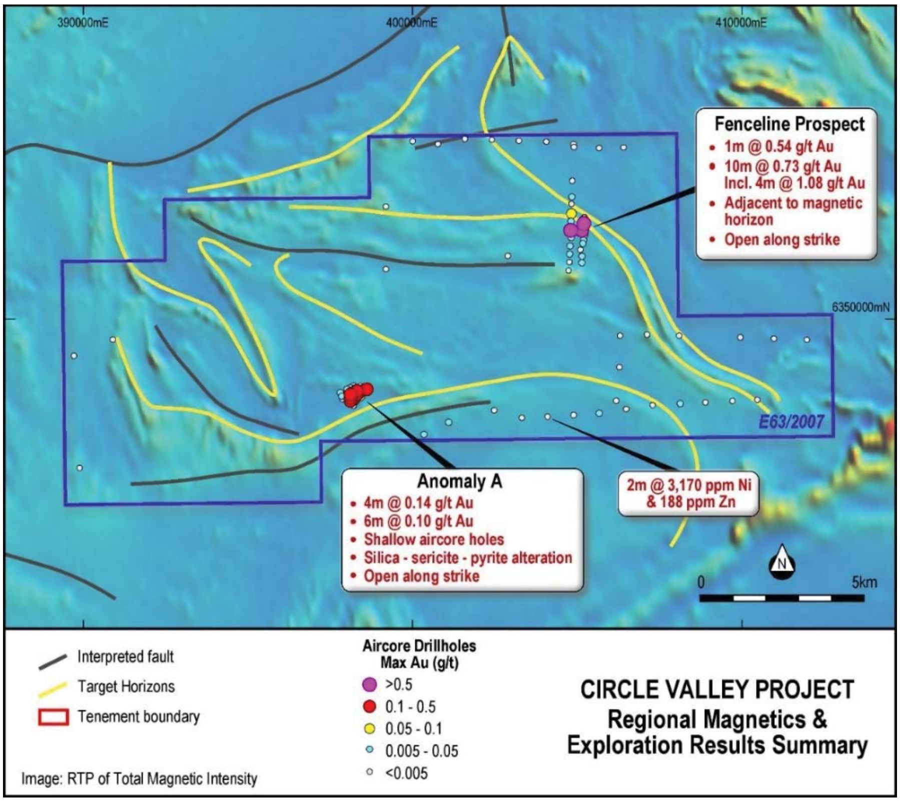

Figure 5: Regional Magnetics showing all previous effective gold exploration drilling and gold results at the key Fenceline and Anomaly A target prospects. Note strike-extensive magnetic and structural corridors remain unexplored.

Review of previous wide-spaced regional aircore drilling reveals two potentially significant occurrences of primary gold mineralisation:

Fenceline Prospect: 10m @ 0.73g/t Au from 66m including 6m @ 1.08g/t Au from 67m, supported by anomalism in nearby drill holes.
Anomaly A: Multiple shallow drill holes with >0.10g/t Au anomalism to end-of hole and associated silica-sulphide alteration.

Gold occurrences sit adjacent to linear magnetic units & structural corridors that remain unexplored over many kilometres of strike.

The Circle Valley Project provides Latitude with an opportunity to explore an area that has seen little effective exploration and is considered prospective for gold mineralisation.

Latitude has reviewed all historical exploration within the area and is currently planning targeted exploration programs. As much of the tenement area lies on freehold land, the Group will commence access agreement negotiations with landowners, subject to the easing of COVID-19 regional travel restrictions.

Geko North E15/1587

Gecko North E15/1587 is situated west of Coolgardie in the WA Goldfields and covers unexplored paleochannel positions similar to that in production at the Jaurdi Gold Project (ASX: BCN) 5km to the north-east of the Project (Figure 6). During the period Latitude continued compilation and targeting and planning of first aircore drilling for channel and/or structurally-hosted gold mineralisation in the underlying greenstone rocks.

Segments of paleochannel are recognized in the north-eastern part of the tenement and the Group is planning reconnaissance aircore drilling to test for gold shed from the western side of the Jaurdi Range bedrock gold deposits.
The Group continues to evaluate third-party tenure offered in the Jaurdi Range area with a view to potentially increase its landholding in the area.

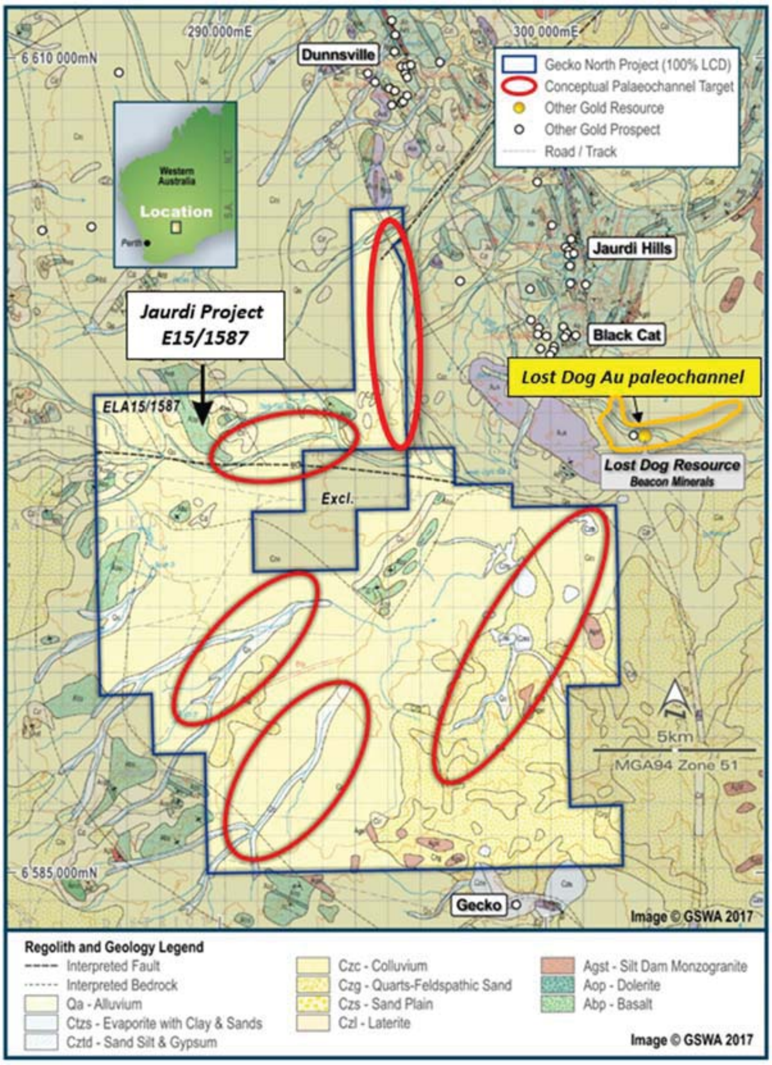

Figure 6: Gecko North E15/1587 location map showing potential paleochannel gold targets

Mbeta Project

As announced on 14 October 2019, the Group confirmed that it had received a notice from the Ministry of Mines and Development in Gwanda, Zimbabwe that the Department intended to cancel the certificates of registration that it issued comprising the Mbeta Project in Zimbabwe.

The Group remains of the view that the proposed cancellation has no legal basis and had applied in writing to the Ministry against the cancellation. The cancellation has not been acted on by the Ministry however the Board has assessed the Mbeta Project in light of the current lithium market, the probable legal costs that may be incurred and our current prospective gold projects in Australia and has formed the opinion that the Group should withdraw from Zimbabwe and allow the cancellation of the Mbeta Project to proceed. The Company advised its legal counsel in Zimbabwe of this intention on 28 June 2020.

Consolidation and acquisition strategy

The Group continues to evaluate potential investment opportunities in Australia and across the world, including the search for compelling gold and conventional style base-metal exploration projects, as well as due diligence on more advanced development properties.

The Group remains well-placed to secure quality resource projects in Australia and across the globe, with a strong cash position, experience and a long-term shareholder base.

Further information on these opportunities will be provided to shareholders in due course.

Corporate Activities

COVID-19 Pandemic

With regard to the Covid-19 (Coronavirus) pandemic, the Group remains in a strong financial position and was at the key time of the outbreak, and still is, well placed to withstand a period of capital market uncertainty. In April 2020, the Group implemented various measures to reduce expenditure to support the Group's financial position both currently and moving forward. To aid in supporting these initiatives, the Directors of the Group agreed to each reduce their director fees from $30,000 per annum to $20,000 per annum for the 4th quarter of 2020. Note, as of 1 July 2020, these fees have reverted back to the original $30,000 per annum fee.

Resignation of Director Ms Kim Eckhof

On 30 April 2020, Non-Executive Director Kim Eckhof resigned as a director. Ms Eckhof was a director from June 2018.

Sale of Alt Resources Limited Shares and Cancellation of ARS Options

On 14 May 2018, as part of the Sale of its Mount Ida Gold Tenements to Alt Resources Limited (ASX:ARS), Latitude were issued 12,500,000 shares in Alt Resources Limited. In the financial year, the Company sold all 12,500,000 shares in Alt Resources Limited via various on market transactions. The shares were sold at an average price of $0.0262 per share for total proceeds of $326,033.

As part of the 2018 transaction, the Group was also issued 3,125,000 options in ARS with an exercise price of $0.08 expiring on 11 May 2021. On 7 May 2020, Aurenne Ularring Pty Ltd made a conditional off-market takeover offer to acquire 100% of the ordinary shares in Alt Resources pursuant to a Bidder's Statement dated 15 June 2020. In conjunction with this offer, it was proposed that option cancellation deeds be entered into with holders of Alt Resources Options. Latitude signed an Option Cancellation Deed on 2 September 2020 to cancel these options and thus the value of the options was impaired in full as at 30 June 2020.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Group that occurred during the financial year not otherwise disclosed in this report or the financial statements.

LIKELY DEVELOPMENTS & EXPECTED RESULTS OF OPERATIONS

Other than as disclosed elsewhere in this report, there are no likely developments in the operations of the Group that were not finalised at the date of this report.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Directors believe that the Group has, in all material respects, complied with all particular and significant environmental regulations relevant to its operations.

The Group's operations are subject to various environmental regulations under the Federal and State Laws of Australia. The majority of the Groups ceased activities involved low level disturbance associated with exploration drilling programs. Approvals, licences and hearings and other regulatory requirements are performed as required by the management of the Group for each permit or lease in which the Group has an interest.

EVENTS SINCE THE END OF THE FINANCIAL YEAR

On 5 August 2020, the Group announced that the Skye Gold Exploration Licence Application ELA 2019/128 had been granted as Exploration Licence 6492 and that the Group had given notice of exercise of the Option to acquire 100% of the Skye Gold Project.

No other matters or circumstances have arisen since the end of the year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Group.

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer or auditor of the Group against a liability incurred as such by an officer or auditor.

DIRECTORS' INTERESTS IN THE SHARES AND OPTIONS OF THE GROUP

As at the date of this report, the interests of the Directors in ordinary shares and unlisted options of the Group were:

Directors	Shares		Options	
	Held Directly	*Held Indirectly*	*Held Directly*	*Held Indirectly*
Mr Timothy Moore	154,037	8,271,458	-	1,000,000
Mr Morgan Barron	-	7,150,395	-	1,000,000
Mr Roger Steinepreis	1,812,930	22,425,991	1,000,000	-
Mr Nick Castleden	-	2,551,113	-	1,000,000
TOTAL	**1,966,967**	**40,398,957**	**1,000,000**	**3,000,000**

MEETINGS OF DIRECTORS

During the financial year, there were 2 meetings of Directors, held with the following attendances:

Directors	Meetings Attended	Meetings Eligible To Attend
Mr Timothy Moore	2	2
Mr Morgan Barron	2	2
Mr Roger Steinepreis	1	2
Mr Nick Castleden	2	2
Mrs Kim Eckhof	1	2

Additionally, there were 4 Circular Resolutions passed in the 2020 financial year.

REMUNERATION REPORT (AUDITED)

This report outlines the remuneration arrangements in place for Directors and Key Management Personnel of the Group for the year ended 30 June 2020. The information contained in this report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

This remuneration report details the remuneration arrangements for Key Management Personnel ("KMP") who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Director (whether executive or otherwise) of the Group, and includes the following specified executives in the Group:

Key Management Personnel

Directors

Mr Timothy Moore (Non-Executive Chairman)
Mr Morgan Barron (Non-Executive Director)
Mr Roger Steinepreis (Non-Executive Director)
Mr Nick Castleden (Non-Executive Director)
Mrs Kim Eckhof (Non-Executive Director) (Resigned 30 April 2020)

Remuneration Policy

The Group's performance relies heavily on the quality of its Key Management Personnel. The Group has therefore designed a remuneration policy to align Director and Executive reward with business objectives and shareholder value.

Executive reward is linked to shareholder value by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Group's financial results. The Board believes the remuneration policy to be appropriate and effective in its ability to attract and retain high calibre management personnel and Directors to run and manage the Group.

Remuneration Structure
In accordance with best practice corporate governance, the structure of Non-Executive Director remuneration is separate and distinct.

The Board's policy is to remunerate Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities and acknowledge that current Director remuneration is below market rates. The Board determines payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required.

During the year ended 30 June 2020 no external remuneration consultants were used.

The maximum aggregate amount of fees per annum that can be paid to Non-Executive Directors is subject to approval by shareholders at the Annual General Meeting.

Fees for Non-Executive Directors are not linked to the performance of the Group. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Group and are able to participate in employee incentive option plans that may exist from time to time.

Executive Remuneration
Executive Remuneration consists of fixed remuneration and variable remuneration (comprising short-term and long-term incentive schemes).

Fixed Remuneration
All Key Management Personnel are remunerated on a consultancy basis based on services provided by each person. The Board reviews Key Management Personnel packages annually by reference to the Group's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

The fixed remuneration of the Group's Key Management Personnel is detailed in the table on page 15.

Variable Remuneration
The remuneration policy has been tailored to increase goal congruence between shareholders and Directors and Key Management Personnel. Currently, this is facilitated through the issue of options to Key Management Personnel to encourage the alignment of personal and shareholder interests. The Group believes this policy will be effective in increasing shareholder wealth.

<u>Principles used to determine the nature and amount of variable remuneration, relationship between remuneration and Group performance:</u>
The overall level of Executive reward considers the performance of the Group over a number of years, with greater emphasis given to the current and prior year. The main performance criteria used in determining the executive reward remuneration is increasing shareholder value through aligning the Group with high quality exploration assets. Due to the nature of the Group's principal activities the Directors assess the performance of the Group with regard to the price of the Group's ordinary shares listed on the ASX, and the market capitalisation of the Group.

Directors	**2016 $**	**2017 $**	**2018 $**	**2019 $**	**2020 $**
Revenue	33,988	21,893	3,621	62,469	45,646
Net (loss)	(562,605)	(654,655)	(1,518,734)	(1,335,370)	(330,426)
Share price at year-end	0.052	0.022	0.032	0.014	0.022
Market capitalisation	1,647,150	2,885,938	8,805,728	3,852,506	5,965,938

Directors and Executives may be issued options to encourage the alignment of personal and shareholder interests. Options issued to Directors may be subject to market based price hurdles and vesting conditions and the exercise price of options is set at a level that encourages the Directors to focus on share price appreciation. The Group believes this policy will be effective in increasing shareholder wealth. Key Management Personnel are also entitled to participate in the employee share and option arrangements.

On the resignation of Directors, any vested options issued as remuneration are retained by the relevant party.

The Board may exercise discretion in relation to approving incentives such as options, performance rights or performance shares. The policy is designed to reward Key Management Personnel for performance that results in long-term growth in shareholder value.

Non-Executive Director Remuneration
During the year, the Board completed a self-performance evaluation at a Director and Board level.

Service Contracts
Remuneration and other terms of employment for Executives are formalised in executive service agreements. Major provisions of the agreements existing at balance date relating to remuneration are set out below.

Non-Executive Directors
Upon appointment to the Board, all Non-Executive Directors enter into a service agreement with the Group in the form of a letter of appointment. The letter summarises the policies and terms, including compensation, relevant to the office of Director.

The key terms of the Non-Executive Director service agreements are as follows:

- Term of Agreement – ongoing subject to annual review.
- Directors' Fees of $30,000* per annum plus statutory superannuation (if applicable).
- There is no notice period stipulated to terminate the contract by either party.

*Note that during Q4 FY2020, the directors reduced their director fees from $30,000 per annum to $20,000 per annum as part of the cost reductions resulting from the ongoing COVID-19 pandemic. As of 1 July 2020, director fees have been restored to $30,000 per annum.

Voting and comments made at the Group's last Annual General Meeting
Latitude Consolidated Ltd received 100% of 'yes' votes on its Remuneration Report for the financial year ending 30 June 2019. The Group received no specific feedback on its Remuneration Report at the Annual General Meeting.

Remuneration of Key Management Personnel
Details of the remuneration of the Directors and the Key Management Personnel of Latitude Consolidated Limited are set out in the following table.

2020	Short Term Benefits		Post-Employment Benefits	Share Based Payments		
Key Management Personnel	**Salary, Fees & Consulting $**	**Non-Monetary $**	**Super-annuation $**	**Options/Per Rights $**	**Total $**	**Perf Related %**
Non-Executive Directors						
Mr Timothy Moore	28,333	-	-	-	28,333	-
Mr Morgan Barron	28,333	-	2,692	-	31,025	-
Mr Roger Steinepreis	28,333	-	-	-	28,333	-
Mr Nick Castleden	28,333	-	-	-	28,333	-
Ms Kim Eckhof	25,000	-	-	-	25,000	-
Total	**138,333**	**-**	**2,692**	**-**	**141,025**	**-**

2019	Short Term Benefits		Post-Employment Benefits	Share Based Payments		
Key Management Personnel	**Salary, Fees & Consulting $**	**Non-Monetary $**	**Super-annuation $**	**Options/Per Rights $**	**Total $**	**Perf Related %**
Non-Executive Directors						
Mr Timothy Moore	98,750	-	-	-	98,750	-
Mr Morgan Barron	30,000	-	2,850	-	32,850	-
Mr Roger Steinepreis	30,000	-	-	-	30,000	-
Mr Nick Castleden	30,000	-	-	-	30,000	-
Ms Kim Eckhof	31,250	-	-	-	31,250	-
Total	**220,000**	**-**	**2,850**	**-**	**222,850**	**-**

Share-Based Compensation to Key Management Personnel
There was no share based compensation to any Key Management Personnel in the year ended 30 June 2020.

Share Holdings of Key Management Personnel
The number of ordinary shares of Latitude Consolidated Limited held, directly, indirectly or beneficially, by each Director and Key Management Personnel, including their personally-related entities for the year ended 30 June 2020 is as follows:

Directors	Held at 1-Jul-19	Movement During the Year	Options Exercised	Held at 30-Jun-20
Mr Timothy Moore	7,125,495	1,300,000	-	8,425,495
Mr Morgan Barron	5,850,395	1,300,000	-	7,150,395
Mr Roger Steinepreis	19,052,190	5,186,731	-	24,238,921
Mr Nick Castleden	2,551,113	-	-	2,551,113
Total	**34,579,193**	**7,786,731**	**-**	**42,365,924**

Option Holdings of Key Management Personnel
The number of options over ordinary shares in Latitude Consolidated Limited held, directly, indirectly or beneficially, by each Director and Key Management Personnel, including their personally-related entities for the year ended 30 June 2020 is as follows:

Directors	Held at 1-Jul-19	Options Expired	Granted as Remuneration	Held at 30-Jun-20	Vested and Exercisable at 30-Jun-20
Mr Timothy Moore	1,000,000	-	-	1,000,000	1,000,000
Mr Morgan Barron	1,000,000	-	-	1,000,000	1,000,000
Mr Roger Steinepreis	1,000,000	-	-	1,000,000	1,000,000
Mr Nick Castleden	1,000,000	-	-	1,000,000	1,000,000
Total	**4,000,000**	**-**	**-**	**4,000,000**	**4,000,000**

Other Related Party Transactions
All transactions with other related parties are made on normal commercial terms and conditions and at deemed market rates.

Ventnor Capital Pty Ltd (Mr Morgan Barron – Non-Executive Director)

Ventnor Capital Pty Ltd, a company of which Mr Morgan Barron is a Director, provided office accommodation, bookkeeping, CFO, financial accounting, company secretarial and corporate services in relation to the administration of the Group during the year.

A total amount of $101,740 (2019: $94,169) was paid to Ventnor Capital Pty Ltd for providing the above services for the year ended 30 June 2020. A total amount of $12,386 (2019: $7,766) was owed to Ventnor Capital Pty Ltd at 30 June 2020.

Steinepreis Paganin Lawyers & Consultants (Mr Roger Steinepreis – Non-Executive Director)

Steinepreis Paganin Lawyers & Consultants, a company of which Mr Roger Steinepreis is a Partner, provided general legal advice and services to the Group during the year. A total amount of $8,911 (2019: $23,649) was paid to Steinepreis Paganin Lawyers & Consultants during the year. A total amount of $3,075 (2019: $635) was owed to Steinepreis Paganin Lawyers & Consultants as at 30 June 2020.

Darjeeling Pty Ltd (Mr Timothy Moore – Non-Executive Chairman)

Darjeeling Pty Ltd, a company of which Timothy Moore is a Director, provided general executive services to the Group during the year. A total amount of $6,875 (2019: $8,969) was paid to Darjeeling Pty Ltd during the year. There was no amount outstanding at 30 June 2020 (2019: $Nil)

************END OF AUDITED REMUNERATION REPORT************

AUDITOR

Grant Thornton Audit Pty Ltd continues in office in accordance with Section 327 of the *Corporation Act 2001*.

NON-AUDIT SERVICES

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important.

The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

Grant Thornton Audit Pty Ltd did not provide any non-audit services to the Group during the current or prior year.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration as required under section 307C of the *Corporations Act 2001* for the year ended 30 June 2020 has been received and can be found on page 20.

PROCEEDINGS ON BEHALF OF THE GROUP

No person has applied to the Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

The Group was not a party to any such proceedings during the year.

SHARE OPTIONS

At 30 June 2020 there were 16,450,000 (2019: 22,188,000) share options on issue. During the year 5,738,000 options expired unexercised (2019: 2,000,000) and no options were exercised (2019: Nil).

<u>Unlisted Options over Ordinary Shares</u>

At the date of this report the following unlisted options over ordinary shares in Latitude Consolidated Limited are on issue and outstanding:

	No. of Options	**Exercise Price**	**Expiry Date**
Unlisted Options	1,200,000	$0.15	24-Nov-20
Unlisted Options	2,000,000	$0.25	30-Nov-20
Unlisted Options	12,500,000	$0.05	31-May-21
Unlisted Options	750,000	$0.25	24-Nov-21
Total	**16,450,000**		

These options do not entitle the holders to participate in any share issue of the Group or any other body corporate.

Signed in accordance with a resolution of the Directors made pursuant to Section 306(3) of the *Corporations Act 2001*.

Mr Timothy Moore
Chairman
Perth
18 September 2020

Competent Person's Statement:
The information in this document that relates to Mineral Resources is based on, and fairly represents, information and supporting documentation compiled by or under the supervision of Mr Nicholas Castleden, a Competent Person who is a member of the Australian Institute of Geoscientists a "Recognized Professional Organization" (RPO) included in a list that is posted on the ASX website from time to time. Mr Castleden has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 and 2012 editions of the Australian Code for Reporting Exploration Results Mineral Resources and Ore Reserves. Latitude Consolidated confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources, all material assumptions and technical parameters underpinning the estimates in the initial announcement continue to apply and have not materially changed. Latitude Consolidated confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Grant Thornton

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Auditor's Independence Declaration

To the Directors of Latitude Consolidated Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit Latitude Consolidated Limited for the year ended 30 June 2020, I declare that, 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 audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

M D Dewhurst
Partner – Audit & Assurance

Perth, 18 September 2020

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2020

	Note	2020 $	2019 $
Interest revenue		35,646	62,469
Other income		10,000	-
Fair value gain (loss) on financial assets	8	97,750	(522,654)
Consulting and professional fees		(164,677)	(189,815)
Directors' benefit expense		(138,333)	(220,000)
Employee benefits expense		(2,809)	(2,851)
Exploration & evaluation expenditure	9	(93,271)	(336,783)
Insurance expense		(19,125)	(19,969)
Other expenses		(38,503)	(24,071)
Share registry costs		(6,393)	(7,960)
Travel expenses		(740)	(73,734)
Bad debts expense		(9,971)	-
Loss before income tax expense		**(330,426)**	**(1,335,370)**
Income tax expense	5	-	-
Loss before other comprehensive income		**(330,426)**	**(1,335,370)**
Other comprehensive income		-	-
Total comprehensive loss for the year attributed to equity holders of the parent entity		**(330,426)**	**(1,335,370)**
Loss per share (loss) attributable to the ordinary equity holders of the Group			
Basic and Diluted Loss per share – cents per share	4	(0.12)	(0.49)

The above Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at year ended 30 June 2020

	Note	2020 $	2019 $
ASSETS			
Current Assets			
Cash and cash equivalents	6	3,198,676	3,320,100
Trade and other receivables	7	22,689	49,683
Financial assets	8	-	228,283
Total Current Assets		**3,221,365**	**3,598,066**
TOTAL ASSETS		**3,221,365**	**3,598,066**
LIABILITIES			
Current Liabilities			
Trade and other payables	10	39,368	85,643
Total Current Liabilities		**39,368**	**85,643**
TOTAL LIABILITIES		**39,368**	**85,643**
NET ASSETS / (LIABILITIES)		**3,181,997**	**3,512,423**
EQUITY			
Issued capital	11	36,816,609	36,816,609
Share based payments reserve	11	277,733	500,977
Accumulated losses		(33,912,345)	(33,805,163)
TOTAL EQUITY		**3,181,997**	**3,512,423**

The above Statement of Financial Position is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES OF EQUITY

For the year ended 30 June 2020

		Issued Capital	Reserve	Accumulated Losses	Total Equity
2019	**Note**	**$**	**$**	**$**	**$**
Total equity at 30 June 2018		**36,816,609**	**500,977**	**(32,469,793)**	**4,847,793**
Loss for the year		-	-	(1,335,370)	(1,335,370)
Total other comprehensive income		-	-	-	-
Total comprehensive loss for the year		-	-	**(1,335,370)**	**(1,335,370)**
Total equity at 30 June 2019		**36,816,609**	**500,977**	**(33,805,163)**	**3,512,423**
2020					
Loss for the year		-	-	(330,426)	(330,426)
Total other comprehensive income		-	-	-	-
Total comprehensive loss for the year		**-**	**-**	**(330,426)**	**(330,426)**
Expiry of unlisted options	11	-	(223,244)	223,244	-
Total equity at 30 June 2020		**36,816,609**	**277,733**	**(33,912,345)**	**3,181,997**

The above Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 30 June 2020

	Note	2020 $	2019 $
Cash flows from operating activities			
Interest received		35,646	62,469
Payments to suppliers and employees		(399,832)	(661,988)
Other income		10,000	-
Net cash used in operating activities		**(354,186)**	**(599,519)**
Cash flows from investing activities			
Payments for exploration expenditure	9	(93,271)	(336,783)
Proceeds on the sale of ARS shares	8	326,033	-
Net cash (used) / provided by in investing activities		**232,762**	**(336,783)**
Net (decrease) / increase in cash and cash equivalents		(121,424)	(936,302)
Cash and cash equivalents at the beginning of the year	6	3,320,100	4,256,402
Cash and cash equivalents at the end of the year		**3,198,676**	**3,320,100**

The above Statement of Cash Flows is to be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2020

NOTE 1: REPORTING ENTITY
Latitude Consolidated Limited (the "Company") is a for profit company domiciled in Australia and limited by shares. The address of the Company's registered office is Ground Floor, 16 Ord Street, West Perth WA 6005. The consolidated financial statements of the Group as at, and for the year ended 30 June 2020 comprise the Company and its subsidiaries (together referred to as the "Group"). The Group is primarily involved in the resources sector.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) BASIS OF PREPERATION
The consolidated financial statements are general purpose financial statements, which have been prepared in accordance with Australian Accounting Standards (AASB's) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The consolidated financial statements of the Group comply with International Financial Reporting Standards (IFRSs) adopted by the International Financial Accounting Standards Board (IASB).

The consolidated annual report was authorised for issue by the Board of Directors on 17 September 2020.

The consolidated annual report has been prepared on the historical cost basis except for the following items in the consolidated statement of financial position:
- Financial instruments at fair value through profit or loss are measured at fair value.

Functional and presentation currency
These consolidated financial statements are presented in Australian dollars, which is the Group's functional currency.

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

During the year ended 30 June 2020, the Group incurred a loss from continuing operations of $330,426 (2019: $1,335,370), net operating cash outflows of $354,186 (2019: $599,519) and year-end cash and cash equivalents balance of $3,198,676 (2019: $3,320,100).

The Group's cashflow forecasts for the 12 months ending 30 September 2021 indicate that the Group will be in a position to meet its committed operational and administrative expenditure and thus continue to operate as a going concern.

In the Directors' opinion there are therefore reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

On this basis, no adjustments have been made to the consolidated financial report relating to the recoverability and classification of the carrying amount of assets or the amount and classification of liabilities that might be necessary should the Group not continue as a going concern. Accordingly, the consolidated financial report has been prepared on a going concern basis.

Comparatives
Where necessary, comparatives have been reclassified for consistency with current year presentation.

B) USE OF ESTIMATES AND JUDGEMENTS
The preparation of the consolidated financial statements in conformity with AASB's requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements, assumptions and estimation in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements are disclosed below:

Utilisation of Tax Losses
A company cannot carry forward losses unless it satisfies either the "continuity of ownership" test (ITAA97 s 165-12) or the "same business" test (ITAA97 s 165-13) as described in the Income Tax Assessment Act 1997. It is assumed going forward the Group will continue to satisfy these conditions to carry forward the tax losses to use in future periods.

Exploration assets
Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest.

Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

The Group assesses the impairment of exploration and evaluation expenditure capitalised at each reporting date by evaluation conditions specific to the Group and to the particular asset that may lead to impairment. The assessment of carrying amount is after consideration of prevailing market conditions; previous expenditure carried out on the tenements; and the potential for mineralisation based on independent reports. The ultimate value of these assets is dependent upon recoupment by commercial development or the sale of the whole, or part, of the Group's interests in those areas for an amount at least equal to the carrying value. All exploration expenditure for the period ended 30 June 2020 was expensed and thus no impairment assessment was made.

Share based payments
The Group measures the cost of equity-settled transactions with employees, Directors, Key Management Personnel, service providers and for tenements acquired by reference to the fair value of the options at the date at which they are granted. The fair value at grant date is determined using the Black-Scholes option pricing model which takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date, expected volatility of the underlying share, and the risk free interest rate for the term of the option. No share based payments were made by the Company for the period ended 30 June 2020.

Fair value measurement hierarchy
The Group is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective. The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

C) BASIS OF CONSOLIDATION
Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Refer to Note 22 for a list of subsidiaries.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

D) FOREIGN CURRENCY

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.

The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary assets and liabilities denominated in foreign currencies that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss.

E) CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash at bank and on hand, and short-term deposits with original maturities of three months or less. For the consolidated statement of cash flows presentation purposes, cash and cash equivalents also includes any bank overdrafts.

F) TRADE AND OTHER RECEIVABLES

The Group makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

G) EXPLORATION AND EVALUATION EXPENDITURE

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

H) IMPAIRMENT OF NON-FINANCIAL ASSETS

At each reporting date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. An asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

I) TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

J) PROVISIONS

A provision is recognised if, as a result of a past event the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Provision for restoration and rehabilitation

No provisions for restoration and rehabilitation have been made at this stage, as there are no obligations to do so and the Group is currently in the exploration stage and have yet to start mining.

K) CURRENT AND NON-CURRENT CLASSIFICATION

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

L) CONTRIBUTED EQUITY

Ordinary shares are classified as equity. Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

Basic loss per share

Basic loss per share is determined by dividing the operating profit/(loss) after income tax attributable to members of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted loss per share

Diluted loss per share adjusts the amounts used in the determination of basic loss per share by taking into account unpaid amounts on ordinary shares and any reduction in loss per share that will probably arise from the exercise of options outstanding during the financial year.

M) TAXES

Latitude Consolidated Limited and its Australian subsidiary Latitude Consolidated Holdings Pty Ltd are a tax consolidated group. As a consequence, these entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are set off in the consolidated financial statements.

Income tax expense or revenue comprises current and deferred tax. Current and deferred taxes are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities are recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences, the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and associates and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those rates which are enacted or subsequently enacted for each jurisdiction.

Deferred tax assets are recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

N) GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables in the consolidated statement of financial position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the taxation authority is included as a current asset or liability in the consolidated statement of financial position.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which is disclosed as operating cash flows.

O) SHARE BASED PAYMENTS

The Board may at its discretion, provide equity-settled and cash-settled share-based compensation benefits to employees, key management personnel, service providers and for tenements acquired from time to time.

Equity-settled transactions are awards of shares, or options over shares that are provided to employees in exchange for the rendering of services or to incentivise future performances. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted.

The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- During the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired option of the vesting period.
- From the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited. If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

P) SEGMENT REPORTING

The Group determines and presents operating segments based on the information that is provided to the board of directors, who are the Group's chief operating decision makers.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the Board to make decisions about the allocation of resources to the segment and to assess its performance, and for which discrete financial information is available. Segment results that are reported to the Board include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise predominantly of administrative expenses. Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

Q) FAIR VALUE MEASUREMENT

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

R) REVENUE RECOGNITION

Interest

Interest revenue is brought into account on an accrual basis using the effective interest rate method and, if not received at the end of reporting period, is reflected in the statement of financial position as a receivable.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

S) FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Financial assets are classified according to their business model and the characteristics of their contractual cash flows. Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets at fair value through profit or loss
Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Impairment of financial assets
The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured based on the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

NOTE 3: APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS

A) NEW OR REVISED STANDARDS/INTERPRETATIONS THAT ARE FIRST EFFECITVE IN THE CURRENT REPORTING PERIOD
The Group adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period. AASB 16 *Leases* became mandatorily effective on 1 January 2019. AASB Interpretation 23 *Uncertainty over Income Tax Treatments* became mandatorily effective on 1 January 2019. Accordingly, these standards/interpretations apply to this set of consolidated financial statements.

AASB Interpretation 23 Uncertainty over Income Tax Treatment
The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of AASB 112 Income Taxes. It does not apply to taxes or levies outside the scope of AASB 112, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Group determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Group applies significant judgement in identifying uncertainties over income tax treatments. Since the Group has subsidiaries it assessed whether the Interpretation had an impact on its consolidated financial statements.

Upon adoption of the Interpretation, the Group applied a risk weighted measurement to the tax treatments used in the Group and has determined that there is no change required under AASB Interpretation 23 Uncertainty over Income Tax Treatments.

AASB 16 Leases
AASB 16 *Leases* ('AASB 16') became mandatorily effective on 1 January 2019. Accordingly, this standard applies for the first time to this set of financial statements. AASB 16 replaces AASB 117 *Leases* and introduces a single lessee accounting model that requires a lessee to recognise right-of-use assets and lease liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Right-of-use assets are initially measured at cost and lease liabilities are initially measured on a present value basis.

Subsequent to initial recognition:

(a) Right-of-use assets are accounted for on a similar basis to non-financial assets, whereby the right-of-use asset is accounted for on a cost basis unless the underlying asset is accounted for on a revaluation basis, in which case if the underlying asset is:
   i. Investment property, the lessee applies the fair value model in AASB 140 Investment Property to the right-of-use asset; or
   ii. Property, plant or equipment, the applies the revaluation model in AASB 116 Property, Plant and Equipment to all of the right-of-use assets that relate to that class of property, plant and equipment; and

(b) Lease liabilities are accounted for on a similar basis to other financial liabilities, whereby interest expense is recognised in respect of the lease liability and the carrying amount of the lease liability is reduced to reflect the principal portion of lease payments made.

AASB 16 substantially carries forward the lessor accounting requirements of the predecessor standard, AASB 117. Accordingly, under AASB 16 a lessor continues to classify its leases as operating leases or finance leases subject to whether the lease transfers to the lessee substantially all of the risks and rewards incidental to ownership of the underlying asset, and accounts for each type of lease in a manner consistent with the current approach under AASB 117.

The adoption of AASB 16 did not have any impact on the transactions and balances recognised in the Consolidated Annual Report as the Group does not have any leases that fall under the scope of AASB 16.

B) ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective and have not been adopted by the Group for the annual reporting period ending 30 June 2020. It is not expected that these Australian Accounting Standards and Interpretations will have a material impact on the Group when they are adopted in future reporting periods.

NOTE 4: LOSS PER SHARE

	2020	**2019**
Basic and diluted loss per share – cents	(0.12)	(0.49)
Loss used in the calculation of basic and diluted loss per share	(330,426)	(1,335,370)
Weighted average number of ordinary shares outstanding during the year used in calculation of basic and diluted loss per share	275,179,002	275,179,002
Weighted average number of ordinary shares outstanding during the year used in calculation of diluted loss per share	**275,179,002**	**275,179,002**

NOTE 5: INCOME TAX

Major components of income tax expense for the periods ended 30 June 2020 and 30 June 2019 are:

Income statement	**2020** **$**	**2019** **$**
Current income		
Current income tax charge (benefit)	(112,779)	(148,878)
Current income tax not recognised	112,779	148,878
Deferred income tax		
Relating to origination and reversal of temporary differences	(75,747)	133,758
Deferred tax benefit not recognised	75,747	(133,758)
Income tax expense (benefit) reported in income statement	-	-

A reconciliation of income tax expense (benefit) applicable to accounting profit before income tax at the statutory income tax rate to income tax expense at the Group's effective income tax rate for the Periods ended 30 June 2020 and 30 June 2019 is as follows:

Accounting profit (loss) before tax from continuing operations	(330,426)	(1,335,370)
Accounting profit (loss) before income tax	(330,426)	(1,335,370)
At the statutory income tax rate of 30% (2019: 30%)	(99,128)	(400,611)
Add:		
Non-deductible expenditure[(1)]	22,081	119,836
Temporary differences and losses not recognised	84,652	297,476
Less:		
Tax amortisation of capital raising costs	(7,605)	(16,701)
At effective income tax rate of 0% (2019: 0%)	-	-
Income tax expense reported in income statement	-	-
	-	-

[(1)] Non-deductible expenses include foreign exchange loss and entertainment expenses.

The net deferred tax asset arising from the tax losses has not been recognised as an asset in the Consolidated Statement of Financial Position because recovery is not probable.

The taxation benefit of tax losses not brought to account will only be obtained if:

(i) Assessable income is derived of a nature and of an amount sufficient to enable the benefits to be realised; conditions for deductibility imposed by the law are complied with; and
(ii) No changes in tax legislation adversely affect the realisation of the benefit from deductions.

NOTE 6: CASH AND CASH EQUIVALENTS

	2020 **$**	**2019** **$**
Cash at bank [(1)]	3,198,676	3,320,100
	3,198,676	**3,320,100**

[(1)] Cash at bank is subject to floating interest rates at an effective interest rate of 1.11% (2019: 1.88%).

NOTE 7: TRADE AND OTHER RECEIVABLES

	2020	2019
	$	$
Other receivables	15,149	43,300
Prepaid expenses	7,540	6,383
	22,689	**49,683**

The above amounts are short term and do not bear interest and their carrying amount is equivalent to their fair value. The Group's exposure to credit and market risks related to trade and other receivables are disclosed in Note 16.

NOTE 8: FINANCIAL ASSETS

	2020	2019
	$	$
Listed ordinary shares	-	212,500
Unlisted options	-	15,783
	-	**228,283**
A reconciliation of the fair value movements in the financial assets is set out below:		
Balance at beginning of the year	228,283	750,938
Disposals	(326,033)	-
Revaluations	97,750	(522,655)
Balance at end of the year	**-**	**228,283**

NOTE 9: EXPLORATION AND EVALUATION EXPENDITURE

	2020	2019
	$	$
Mbeta lithium and other Zimbabwean exploration expenses	2,157	331,164
Australian tenements	91,114	5,619
	93,271	**336,783**

Throughout 30 June 2020, all exploration expenditure relating to the areas of interest in Western Australia and Zimbabwe were expensed until further development of these projects takes place. This is consistent with the Group's accounting policy where costs are only carried forward to the extent that they are expected to be recouped through successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

NOTE 10: TRADE AND OTHER PAYABLES

	2020	2019
	$	$
Trade payables [1]	20,749	14,454
Other payables	44	745
Accruals	18,575	70,444
Total Trade and Other Payables	**39,368**	**85,643**

[1] Trade payables are non-interest bearing and are normally settled on 30-day terms.

The above amounts do not bear interest and their carrying amount is equivalent to their fair value.

NOTE 11: ISSUED CAPITAL & RESERVES

(a) Issued Capital	2020 No.	2020 $	2019 No.	2019 $
Fully paid ordinary shares	**275,179,002**	**36,816,609**	275,179,002	36,816,609

(b) Movements in fully paid shares on issue	Date	Issue Price	No.	$
Balance as at 1 July 2018			**275,179,002**	**36,816,609**
Balance as at 30 June 2019			**275,179,002**	**36,816,609**
Balance as at 30 June 2020			**275,179,002**	**36,816,609**

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

At shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

(c) Reserves	2020 $	2019 $
Options Reserve	277,773	500,977
	277,773	**500,977**

Options Reserve	**No.**	**$**
Balance as at 1 July 2018	**24,188,000**	**500,977**
Expiry of unlisted options	(2,000,000)	-
Balance as at 30 June 2019	**22,188,000**	**500,977**
Expiry of unlisted options	(5,738,000)	(223,244)
Balance as at 30 June 2020	**16,450,000**	**277,733**

Performance Rights Reserve		
Balance as at 1 July 2018	**4,000,000**	**-**
Balance as at 30 June 2019	**4,000,000**	**-**
Lapse of performance rights	(4,000,000)	-
Balance as at 30 June 2020	**-**	**-**

Nature and Purpose of Reserve

The reserve is used to recognise the fair value of all options, performance shares and performance rights on issue but not yet exercised.

No accounting value has been assigned to the performance shares issued to the inability to reliably measure the value.

Option valuations during the period

No options were granted during the year ended 30 June 2020. The Group uses the Black Scholes method and the valuation model inputs to determine the fair value at the grant date. These are listed as follows for options currently on issue:

Class	Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
3	26/11/2015	24/11/2020	0.029	0.15	172%	-	2.27%	0.026
8	05/12/2016	30/11/2020	0.047	0.25	172%	-	2.08%	0.039
10	20/06/2018	31/05/2021	0.03	0.05	100%	-	2.12%	0.0156
2	26/11/2015	24/11/2021	0.029	0.25	172%	-	2.27%	0.023

As at 30 June 2020 the Group had a total of 16,450,000 (2019: 22,188,000) unlisted options on issue

During the year ended 30 June 2020, no options over shares were exercised (2019: Nil).

Capital Management
When managing capital, the Board's objective is to ensure the Group continues as a going concern as well as to maximise the returns to shareholders and benefits for other stakeholders. The Board also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

The Board is constantly reviewing the capital structure to take advantage of favourable costs of capital or high returns on assets. As the market is constantly changing, the Board may issue new shares, return capital to shareholders or sell assets to reduce debt.

The Group was not subject to any externally imposed capital requirements during the year.

NOTE 13: OPERATING CASH FLOW

	2020 $	2019 $
Reconciliation of Loss for the Year to Net Cash Flows provided by Operations		
Loss for the year	(330,426)	(1,335,370)
Adjustments for:		
Revaluation (benefit)	(97,750)	522,655
Exploration & evaluation expenditure	93,271	336,783
Bad debts	(9,971)	-
Changes in assets and liabilities:		
(Increase) / decrease in trade receivables and other assets	36,965	11,310
Increase / (decrease) in trade and other payables	(46,275)	(134,898)
Net cash flows used in operations	**(354,186)**	**(599,521)**

NOTE 14: RELATED PARTY TRANSACTIONS

(a) Key Management Personnel Compensation

Information on remuneration of all Directors and Key Management Personnel is contained in the Remuneration Report within the Directors' Report.

The aggregated compensation paid to Directors and Key Management Personnel of the Group is as follows:

	2020 $	2019 $
Short-term employee benefits	138,333	220,000
Post-employment benefits	2,692	2,850
	141,025	**222,850**

(b) Loans to Key Management Personnel

No loans have been made to key management personnel, including their personally related parties, of Latitude Consolidated Limited.

(c) Other Related Party Transactions

Transactions with other related parties are made on normal commercial terms and conditions and at market rates. Outstanding balances are unsecured and are repayable in cash.

<u>Ventnor Capital Pty Ltd (Mr Morgan Barron – Non-Executive Director)</u>

Ventnor Capital Pty Ltd, a company of which Mr Morgan Barron is a Director, provided office accommodation, bookkeeping, CFO, financial accounting, company secretarial and corporate services in relation to the administration of the Group during the year.

A total amount of $101,740 (2019: $94,169) was paid to Ventnor Capital Pty Ltd for providing the above services for the year ended 30 June 2020. A total amount of $12,386 (2019: $7,766) was owed to Ventnor Capital Pty Ltd at 30 June 2020.

<u>Steinepreis Paganin Lawyers & Consultants (Mr Roger Steinepreis – Non-Executive Director)</u>

Steinepreis Paganin Lawyers & Consultants, a company of which Mr Roger Steinepreis is a Partner, provided general legal advice and services to the Group during the year. A total amount of $8,911 (2019: $23,649) was paid to Steinepreis Paganin Lawyers & Consultants during the year. A total amount of $3,075 (2019: $635) was owed to Steinepreis Paganin Lawyers & Consultants as at 30 June 2020.

<u>Darjeeling Pty Ltd (Mr Timothy Moore – Non-Executive Chairman)</u>

Darjeeling Pty Ltd, a company of which Timothy Moore is a Director, provided general executive services to the Group during the year. A total amount of $6,875 (2019: $8,969) was paid to Darjeeling Pty Ltd during the year. There was no amount outstanding at 30 June 2020 (2019: $Nil)

NOTE 15: AUDITOR'S REMUNERATION

	2020 $	2019 $
Amounts Payable to Auditor		
Audit and review services - payable to Grant Thornton Audit Pty Ltd	26,582	30,561
	26,582	**30,561**

There were no non-audit services provided by auditors during the year.

NOTE 16: FINANCIAL INSTRUMENTS

(a) Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise cash, receivables, payables and related party loans.

Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified.

The Group manages its exposure to key financial risks, including interest rate, credit and liquidity risks in accordance with the Group's risk management policy. The primary objective of the policy is to reduce the volatility of cash flows and asset values arising from such movements.

The Group uses different methods to measure and manage the different types of risks to which it is exposed. These include monitoring the levels of exposure to interest rate risk, ageing analysis and monitoring of credit allowances to manage credit risk and the use of future cash flow forecasts to monitor liquidity risk.

(b) Significant Accounting Policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument are disclosed in Note 3 to the financial statements.

(c) Categorisation of Financial Instruments

Details of each category in accordance with Australian Accounting Standard AASB 139 *Financial Instruments: Recognition and Measurement* are disclosed either on the face of the Consolidated Statement of Financial Position or in the notes.

(d) Credit Risk

(i) Exposure to Credit Risk

The carrying amount of the Company's financial assets represents the maximum credit exposure. The Company's maximum exposure to credit risk at the reporting date was:

	2020 $	2019 $
Cash and cash equivalents	3,198,676	3,320,100
Available for sale financial assets	-	228,283
	3,198,675	**3,548,383**

(ii) Interest Rate Risk

The Company's maximum exposure to interest rates at the reporting date was:

			Interest Rate Exposure			
2020	**Range of Effective Interest Rate (%)**	**Carrying Amount $**	**Variable Interest Rate $**	**Non Interest Bearing $**	**Floating Interest Rate $**	**Total $**
Financial Assets - Current						
Cash and cash equivalents	1.11%	3,198,676	3,198,676	-	-	3,198,676
2019						
Financial Assets - Current						
Cash and cash equivalents	1.88%	3,320,100	3,320,100	-	-	3,320,100

(iii) Trade and Other Receivables

The Company's maximum exposure to credit risk for trade and other receivables at the reporting date was:

	Carrying Amount	Not past due and not impaired	Past due but not impaired 1-3 Months	3 Months to 1 Year	1 Year to 5 Years	Impaired Financial Assets
2020	$	$	$	$	$	$
Financial Assets - Current						
Trade and other receivables	22,689	22,689	-	-	-	-
2019						
Financial Assets - Current						
Trade and other receivables	49,683	49,683	-	-	-	-

(e) Liquidity Risk

(i) Exposure to Liquidity Risk

The carrying amount of the Company's financial liabilities represents the maximum liquidity risk. The Company's maximum exposure to liquidity risk at the reporting date was:

	2020 $	2019 $
Financial Liabilities - Current		
Trade and other payables	38,916	85,643
Total Financial Liabilities	**38,916**	**85,643**

(ii) Contractual Maturity Risk

The following table discloses the contractual maturity analysis at the reporting date:

	Carrying Amount	Less than 1 month	Maturity Dates 1-3 Months	3 Months to 1 Year	1 Year to 5 Years	Over 5 Years
2020	$	$	$	$	$	$
Financial Liabilities - Current						
Trade and other payables	39,368	39,368	-	-	-	-
2019						
Financial Liabilities - Current						
Trade and other payables	85,643	85,643	-	-	-	-

(f) Market Risk

(i) Currency Risk

The Company is not exposed to any foreign currency risk at the report date.

(ii) Interest Rate Risk

The Company's only exposure to interest rate risk is Cash as set out in Note 16(d)(ii).

(iii) Other Price Risk

There are no other price risks of which the Company is aware.

(iv) Sensitivity Disclosure Analysis

Taking into account past performance, future expectations and economic forecasts, the Company believes the following movements are 'reasonably possible' over the next 12 months (base rates are sourced from the Reserve Bank of Australia).

It is considered that 100 basis points is a 'reasonably possible' estimate of potential variations in the interest rate.

The following table discloses the impact on net operating result and equity for each category of financial instrument held by the Company at year end as presented to key management personnel, if changes in the relevant risk occur.

		Interest Rate Risk			
	Carrying	+1%		-1%	
	Amount	Profit	Equity	Profit	Equity
2020	**$**	**$**	**$**	**$**	**$**
Financial Assets - Current					
Cash and cash equivalents	3,198,676	31,986	31,986	(31,986)	(31,986)
2019					
Financial Assets - Current					
Cash and cash equivalents	3,320,100	33,201	33,201	(33,201)	(33,201)

NOTE 18: EVENTS OCCURRING AFTER THE REPORTING PERIOD

On 5 August 2020, the Company announced that the Skye Gold Exploration Licence Application ELA 2019/128 had been granted as Exploration Licence 6492 and that the Company had given notice of exercise of the Option to acquire 100% of the Skye Gold Project.

No other matters or circumstances have arisen since the end of the year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

NOTE 19: CONTINGENT ASSETS AND LIABILITIES

The Directors are not aware of any contingent assets or liabilities that may arise from the Company's operations as at 30 June 2020 (2019: Nil).

NOTE 20: SEGMENT REPORTING

The Company has identified one operating segment based on the internal reports that are reviewed and used by the executive management team (the chief operating decision makers) in assessing performance and in determining the allocation of resources. The Company currently operates in Australia (exploration) and prepares reports internally that reflect exploration totals in the region as a total sum.

NOTE 21: PARENT ENTITY INFORMATION

Information relating to Latitude Consolidated Limited (the Parent Entity)

	2020 $'000	2019 $'000
Statement of financial position		
Current assets	3,221,365	3,598,066
Total assets	**3,221,365**	**3,598,066**
Current liabilities	39,368	85,643
Total liabilities	**39,368**	**85,643**
Net assets	**3,181,997**	**3,512,243**
Issued capital	36,816,609	36,816,609
Reserve	277,733	500,977
Retained earnings	(33,912,345)	(33,805,165)
Total equity	**3,181,997**	**3,512,243**
Statement of profit or loss and other comprehensive income		
Profit for the year	(330,426)	(1,335,370)
Other comprehensive income	-	-
Total comprehensive income	**(330,426)**	**(1,335,370)**

NOTE 22: INTEREST IN SUBSIDIARIES

Set out below are details of the subsidiaries held directly by the Group:

Name	Country of Incorporation	Principal activity	30 June 2020	30 June 2019
Latitude Consolidated Holdings Pty Ltd	Australia	Mineral exploration	100%	100%
Anhouser (Private) Limited	Zimbabwe	Mineral Exploration	70%	70%

DIRECTOR'S DECLARATION

In the Directors' opinion:

(a) the accompanying financial statements set out on pages 21 to 41 and the Remuneration Report in the Directors' Report are in accordance with the *Corporations Act 2001,* including:

   i. giving a true and fair view of the Company's financial position as at 30 June 2020 and of its performance, as represented by the results of its operations, changes in equity and cash flows, for the year ended on that date; and

   ii. complying with Australian Accounting Standards, Corporations Regulations 2001 and other mandatory professional reporting requirements;

(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.

(c) the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

This declaration is made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the year ended 30 June 2020.

This declaration is made in accordance with a resolution of the Board of Directors.

On behalf of the Directors

Mr Timothy Moore
Chairman

Perth
18 September 2020

Grant Thornton

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Independent Auditor's Report

To the Members of Latitude Consolidated Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Latitude Consolidated Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2020, 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 year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a giving a true and fair view of the Group's financial position as at 30 June 2020 and of its performance for the year ended on that date; and

b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the 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* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Grant Thornton

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined there are no key audit matters.

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1_2020.pdf. This description forms part of our auditor's report.

Grant Thornton

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in pages 13 to 17 of the Directors' report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of Latitude Consolidated Limited, for the year ended 30 June 2020 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

M Dewhurst

M D Dewhurst
Partner – Audit & Assurance

Perth, 18 September 2020

ASX ADDITIONAL INFO RMATION

Additional information required by the ASX Limited Listing Rules not disclosed elsewhere in this Annual Report is set out below.

SHAREHOLDINGS

The issued capital of the Company at 1 September 2020 is 275,179,002 ordinary fully paid shares. All ordinary shares carry one vote per share.

TOP 20 SHAREHOLDERS AS AT 1 SEPTEMBER 2020

		No. of Shares Held	% Held
1	MCNEIL NOMINEES PTY LIMITED	21,940,278	7.97%
2	HAVELOCK MINING INVESTMENT LTD	13,747,912	5.00%
3	RANCHLAND HOLDINGS PTY LTD	11,186,731	4.07%
4	VIMINALE PTY LTD	9,417,706	3.42%
5	MR ALFREDO VARELA	8,500,000	3.09%
6	BLUEKNIGHT CORPORATION PTY LTD	8,000,000	2.91%
7	TUKDAH PTY LTD	6,778,999	2.46%
8	CELERY PTY LTD	6,571,655	2.39%
9	REPLAY HOLDINGS PTY LTD	5,000,000	1.82%
9	CROESUS MINING PTY LTD	5,000,000	1.82%
10	OAKHURST ENTERPRISES PTY LTD	4,000,000	1.45%
10	ARMOURED FOX CAPITAL PROPRIETARY LIMITED	4,000,000	1.45%
10	DR GEORG H SCHNURA	4,000,000	1.45%
11	RIVERVIEW CORPORATION PTY LTD	3,363,661	1.22%
12	RIVERVIEW CORPORATION PTY LTD	3,354,685	1.22%
13	BNP PARIBAS NOMINEES PTY LTD	3,264,363	1.19%
14	MISS YI GU	3,100,000	1.13%
15	MR MARK GASSON	3,000,000	1.09%
15	VIRGIN PTY LTD	3,000,000	1.09%
16	MR WINSTON COLIN SPRUANCE	2,907,088	1.06%
17	MR GLENN BRUCE PARKER & MR JOHN GRAHAM SMITH	2,906,536	1.06%
18	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	2,888,554	1.05%
19	YUCAJA PTY LTD	2,856,715	1.04%
20	MS XIAOYI PAN	2,830,000	1.03%
		141,614,883	**51.46%**

Shares Range	No. of Holders	No. of Shares
100,001 and Over	238	262,546,716
10,001 to 100,000	261	12,406,991
5,001 to 10,000	17	127,478
1,001 to 5,000	29	85,233
1 to 1,000	100	12,584
	645	**275,179,002**
Number holding less than a marketable parcel	216	1,591,180

Latitude Consolidated Limited

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Shareholders by Location	No. of Holders	No. of Shares
Australian holders	627	245,716,151
Overseas holders	19	29,462,851
	646	**275,179,002**

VOTING RIGHTS

The holders of ordinary shares are entitled to one vote per share at meetings of the Company.

SUBSTANTIAL SHAREHOLDERS AS AT 1 SEPTEMBER 2020

Shareholder Name	No. of Shares Held	% Held
MCNEIL NOMINEES PTY LIMITED	21,940,278	7.97%
Croesus Mining Pty Ltd <Steinepreis Super Fund A/c> and <The Second Super Fund A/c>, Carly Louise McGowan and Elisabeth Louise Steinepreis	16,000,000	5.81%
HAVELOCK MINING INVESTMENT LTD	13,747,912	5.00%

OPTION HOLDINGS

The Company has the following classes of options on issue at 1 September 2020 as detailed below. Options do not carry any rights to vote.

Class		Terms	No. of Options
LCD-OP04	Unlisted Options	Exercisable at 0.25c expiring on or before 30 November 2020	2,000,000
LCD-ESOPB	Unlisted Options	Exercisable at 0.15c expiring on or before 24 November 2020	1,200,000
LCDESOPC	Unlisted Options	Exercisable at 0.25c expiring on or before 24 November 2021	750,000
LCD-OP06	Unlisted Options	Exercisable at 0.05c expiring on or before 31 May 2021	12,500,000
			16,450,000

Options Range	Unlisted Options	
	No. of Holders	No. of Options
1 – 1,000	-	-
1,001 – 5,000	-	-
5,001 – 10,000	-	-
10,001 – 100,000	-	-
100,001 and over	18	16,450,000
	18	**16,450,000**

The following Option holders hold more than 20% of a particular class of the Company's Unlisted Options.

Holder	LCD-OP04	LCDESOPB	LCDESOPC	LCD-OP06
DJ Carmichael	-	-	-	7,500,000
Maincoast Pty Ltd	1,000,000	-	-	-
Gazzard Investments Pty Ltd	1,000,000	-	-	-
Michael Edwards	-	750,000	750,000	-
Alan Downie	-	450,000	-	-

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SCHEDULE OF MINING & EXPLORATION TENEMENTS

Project/Tenements	Location	Held at year end	Acquired in the year	Disposed in the year
E15/1587 Gecko North	WA	100%	-	-
E63/2007 Circle Valley	WA	100%	Granted 5 March 2020	-
EL 6492 Skye Gold	SA	100%	-	-