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# latitude consolidated limited

Annual Report  
2021

# LETTER FROM THE CHAIRMAN

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It has been a defining year for Latitude Consolidated Ltd with the February 2021 purchase of the Andy Well and Gnaweeda gold projects north-east of Meekatharra, WA. The A\$8 million purchase of mine infrastructure and a 343 square kilometre tenure has been well received by the market.

As part of our ongoing restructure evolving from a small exploration company to a mid-level developer, we welcomed our new CEO Tim Davidson and a new director Paul Adams who have both added immense benefit to the Company in a short period. In April the Board farewelled our fellow director Nick Castleden due to his other work commitments. Nick has been a trusted colleague and instrumental in our growth.

In May, an Earn Back right held over the Gnaweeda gold project was renegotiated by the CEO Tim Davidson delivering Latitude with 100% ownership of Gnaweeda and within a month of that delivering a growth in our JORC from 776,000oz resource to 1,115,000oz.

We have commenced our brownfield drill campaigns with the aim of resource extension and our Mine Scoping Study is underway paving the way for Latitude Consolidated to be a developer of its gold tenure, to that end we completed a successful capital raising in May for \$6.75m to end the year with \$9.2m cash at bank.

My sincere thanks to our shareholders for their continued support and to our staff and directors for their excellent effort during the year.

Tim Moore



*Timothy J Moore*  
**Timothy J Moore**  
Chairman

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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.

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# CORPORATE DIRECTORY

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## Directors

Mr Timothy Moore  
Mr Morgan Barron  
Mr Roger Steinepreis  
Mr Paul Adams

## Chief Executive Officer

Mr Timothy Davidson

## Company Secretary

Mr Harry Miller

## Home Securities Exchange:

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

**ASX Code:** LCD

## Share Registry

Link Market Services Limited  
Level 4 Central Park  
152 St Georges Terrace  
PERTH WA 6000  
Telephone: +61 1300 554 474

## Registered Office

Ground Floor 16 Ord Street  
WEST PERTH WA 6005

Telephone: +61 8 9482 0550  
Email : [info@latitudeconsolidated.com](mailto:info@latitudeconsolidated.com)  
Website : [www.latitudeconsolidated.com.au](http://www.latitudeconsolidated.com.au)

## Postal Address

P.O. Box 902  
WEST PERTH WA 6872

## 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

**ABN:** 23 080 939 135

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# LATITUDE'S PROJECTS

## MURCHISON GOLD PROJECT (ANDY WELL AND GNAWEEDA GOLD PROJECTS)

Our Murchison Gold Project covers the northern extent of the highly prospective Mount Magnet and Youanmi Shear Zones in the prolific Murchison Gold Fields of Western Australia. The project tenure includes 46km<sup>2</sup> of granted Mining Leases and 297km<sup>2</sup> of Exploration Licenses for a combined 343km<sup>2</sup> landholding and hosts a large high grade 1.1Moz Mineral Resource.

The project is located adjacent to several multi-million ounce gold mines and large gold processing facilities, which provide processing options without the need for capital intensive infrastructure. We see a clear pathway to rapidly expand the known Mineral Resources through drilling near mine targets identified in historical drilling that have not received sufficient follow-up drill testing.

## CIRCLE VALLEY GOLD PROJECT

Our Circle Valley Gold Project is located 85km south of Norseman in Western Australia. The project tenure covers a section of the southwestern Albany-Fraser Mobile Belt where past reconnaissance-style aircore drilling had located primary gold mineralisation at both the Anomaly A and Fenceline prospects.

Kilometres of unexplored magnetic features extend from each of these prospects, and we consider that two bedrock gold occurrences in otherwise unexplored terrain is an excellent indicator and suggests broader gold exploration potential.

Gold exploration along the western edge of the Albany Fraser Mobile Belt has historically 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). The potential prize with this project could be a new gold 'camp'.



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# REVIEW OF OPERATIONS

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The Group's primary focus during the 2021 financial year was completing the acquisition of the Murchison Gold Project from Silver Lake Resources (ASX:SLR) and on rapidly mobilising resources to commence exploration field work at the project, located in the Murchison Gold Fields of Western Australia.

Upon completion of the acquisition in mid-February (see ASX announcement dated 16<sup>th</sup> February 2021), a Programme of Work application was submitted with the Department of Mines, Industry Regulation and Safety, which was approved in mid-March. Geology field staff were immediately deployed to site and drilling commenced on the 31<sup>st</sup> of March 2021.

This Phase 1 first pass drilling systematically tested several highly prospective exploration targets outside of the known Mineral Resources. The company received several excellent results, including confirmation of a new mineralised trend at Suzie North (see ASX release dated 15<sup>th</sup> June 2021), identification of a high-grade footwall structure at Margaret (see ASX release dated 23<sup>rd</sup> June 2021) and confirmation of a large mineralised system at the Fairway trend extending 5.5km from Turnberry (existing 610koz Mineral Resource) to the St Anne's prospect (see ASX release dated 15<sup>th</sup> June 2021). Phase 2 drilling will start in October of this year and will build on the Phase 1 drilling success, further testing the most prospective results from Phase 1 as well as targeting high grade depth extensions at Turnberry.

In addition to exploration field work we extinguished the clawback option held by Teck Australia Pty Ltd over a number of the Murchison Gold Project tenements (see ASX release dated 3<sup>rd</sup> May 2021) and proceeded at pace with the mining study work to define the optimum development pathway for the large high grade gold mineral resource at our Murchison Gold Project. The study work is progressing as planned and we are pleased with the outcome of the work completed to date. It is anticipated that the study work will be completed and released by December of this year.

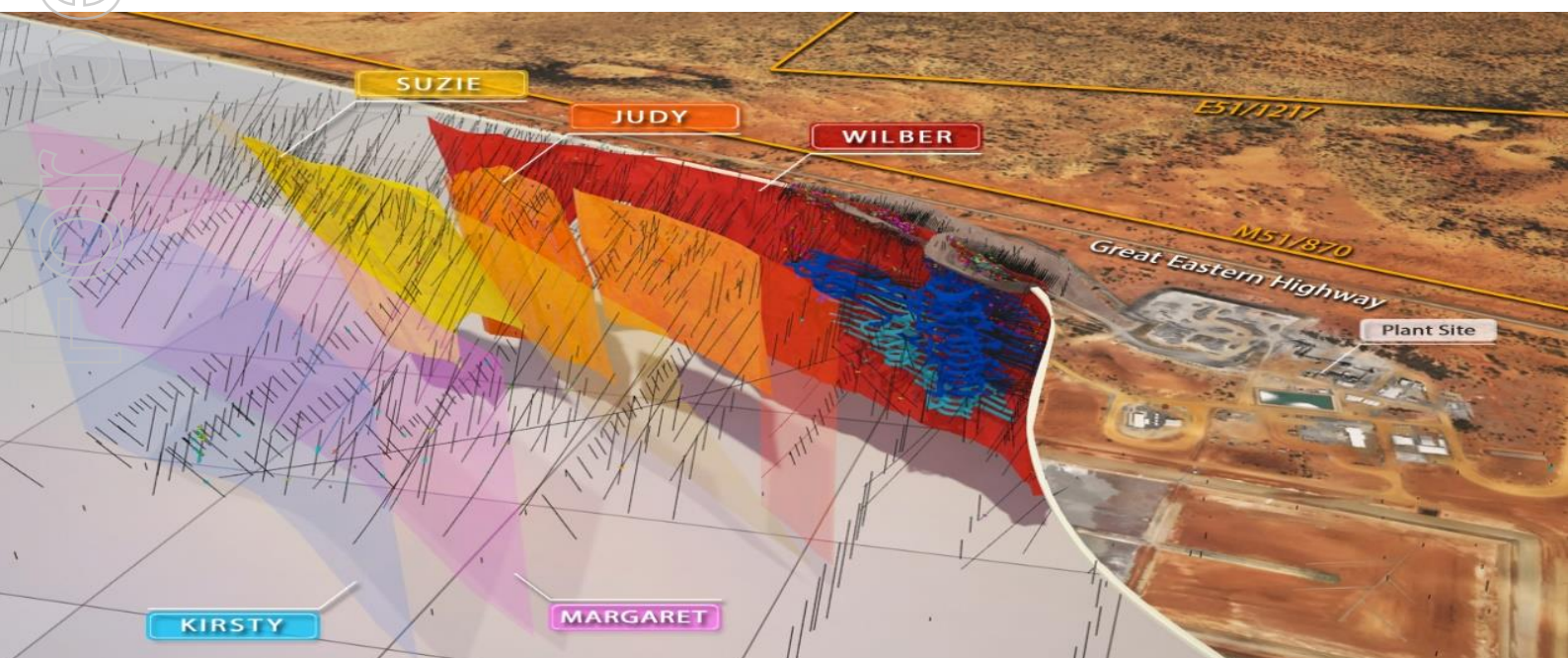


At the Circle Valley Gold Project, we were successful in Round 22 of the Western Australian Government's Exploration Incentive Scheme and were awarded a \$150,000 funding grant to test bedrock gold occurrences. This followed the successful auger geochemical sampling program last financial year, covering Anomaly A, that identified gold in soil over a 1.2km strike. We recommenced field work ahead of schedule in June this year with a first pass 2,165 metre aircore drill program to map the underlying geology and identify remnant portions of greenstone, which have the potential to host primary gold mineralisation. Further aircore drilling, followed by RC and diamond drilling is planned this year and will build on the success of the previous exploration and our geological understanding of the project area.



In March 2021 we entered into an option agreement for the sale of our Gecko North Gold Project (E15/1587), located west of Coolgardie in the Western Australian Gold Fields. The option agreement is in place with Origin Gold Mines Limited, a pre-IPO company that is seeking to list on the ASX in 2021. The total completed value of the Gecko North transaction is \$220,000 in cash and Origin shares, plus 1.5% net smelter return royalty over all minerals extracted from the property (see ASX release dated 17<sup>th</sup> March 2021). We have a clear strategy to rationalise our project portfolio, freeing up capital to advance exploration activities on our flagship Western Australian gold properties. The Gecko North transaction aligns with this strategy while maintaining exposure to project upside through a shareholding in Origin and a net smelter return royalty over the property.

In South Australia we worked through the approvals process to commence exploration field work at the Skye Gold Project. While considerable progress was made by our team during the year, with registration of the Native Title Agreement and completion of a heritage survey over the proposed drill locations, the ongoing travel interruptions and new regulatory approvals process implemented at the beginning of 2021 caused delays in gaining access. These difficulties resulted in our decision to return the project to the vendor in July 2021. This decision is consistent with our strategy to rationalise the project portfolio and focus exploration activities at our flagship Western Australian gold properties, and we retain a royalty equal to 1% of the net smelter return for any product recovered from this tenure. As a result of this, the Group has written off all exploration expenditure as at 30 June 2021. Furthermore, no contingent consideration payable to the vendor as part of the original transaction remains.



# MINERAL RESOURCES

Project	Measured			Indicated			Inferred			Total		
	Tonnes ('000t)	Grade (g/t)	Ounces ('000oz)	Tonnes ('000t)	Grade (g/t)	Ounces ('000oz)	Tonnes ('000t)	Grade (g/t)	Ounces ('000oz)	Tonnes ('000t)	Grade (g/t)	Ounces ('000oz)
Andy Well	150	11.4	55	1,050	9.3	315	650	6.5	135	1,800	8.6	505
Turnberry				6,800	1.6	355	4,500	1.8	255	11,300	1.7	610
<b>TOTAL</b>	<b>150</b>	<b>11.4</b>	<b>55</b>	<b>7,850</b>	<b>2.7</b>	<b>670</b>	<b>5,150</b>	<b>2.4</b>	<b>390</b>	<b>13,100</b>	<b>2.6</b>	<b>1,115</b>

1. Mineral Resources previously reported to the ASX on 18th May 2021 in announcement titled "Murchison Gold Mineral Resource Grows 44% to +1.1 Million Ounces". The Company is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.
2. Mineral Resources are produced in accordance with the 2012 Edition of the Australian Code for Reporting of Mineral Resources and Ore Reserves (JORC 2012).
3. Andy Well Mineral Resource is reported using 0.1g/t cut-off grade.
4. Turnberry Open Pit Mineral Resource is reported within a A\$2,400/oz pit shell and above 0.5g/t cut-off grade.
5. Turnberry Underground Mineral Resource is reported outside a A\$2,400/oz pit shell and above 1.5g/t cut-off grade.
6. Numbers in the Mineral Resource table have been rounded.





# 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 2021. 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
Ms Paul Adams	Non-Executive Director	Appointed 15 February 2021
Mr Nicholas Castleden	Non-Executive Director	Appointed 21 June 2017 Resigned 31 March 2021
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 a Bachelor of Business degree from UTS and is an active investor and board member in the resources, media, and technology industries. He has some 20 years of experience in the international marketplace acquiring and restructuring businesses.

### 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 Paul Adams**

**Non-Executive Director**

**Qualifications:**

B.SC., Grad Dip App Fin and Investment

**Other current directorships of listed companies:**

Kalamazoo Resources Limited – Appointed 2<sup>nd</sup> July 2018

**Other directorships held in listed companies in the last three years:**

Spectrum Metals Limited - Resigned 6 May 2020

Mr Adams is a qualified geologist and finance professional with over 30 years' experience across capital markets, exploration and mining. Paul was Managing Director of Spectrum Metals Limited prior to it being taken over by Ramelius Resources and previously served as Director – Head of Research and Natural Resources at DJ Carmichael Pty Ltd for 12 years. Paul's operational experience includes senior roles with leading mining companies Placer Dome, Australian Gold Mines Ltd and Dominion Mining, both within Australia and overseas. Paul holds a Graduate Diploma in Applied Finance and Investment from the Financial Services Institute of Australia.

**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, particularly at its flagship Murchison Gold Project in the Murchison Goldfields.

**RESULTS**

The loss attributable to members of the Group for the year ended 30 June 2021 amounted to \$3,440,213 (2020: \$330,426).

**DIVIDENDS**

There were no dividends paid or declared during the year.

## CORPORATE ACTIVITIES AND FINANCIAL RESULTS

Below is a description of the corporate/financial performance and results of the Group for the year ended 30 June 2021.

### Corporate Activities

#### **Exercise of Skye Gold Option**

On 4 August 2020, the Company was granted the Exploration Licence ELA2019/128. The Company exercised the Option to acquire 100% of the Skye Gold Project from Resource Holdings Pty Ltd.

#### **General Meeting of Shareholders**

On 24 September 2020, the Company held a General Meeting of Shareholders to approve the following Resolutions in relation to the acquisition of the Skye Gold Project:

- Resolution 1: Creation of a new class of Shares – Class A Performance Shares
- Resolution 2: Issue of performance shares to Vendor as consideration

All Resolutions were passed by proxy vote, including Resolution 1 which was passed as a special resolution. The Resolutions pertained to 8,823,529 Class A performance shares that were approved to be created and issued to the vendor of the Skye Gold Project, Resource Holdings Pty Ltd.

#### **Settlement of the Skye Gold Option Agreement**

On 5 October 2020, the Company completed the acquisition of the Skye Gold Project Option Agreement. In line with the Option Agreement, the Company had now provided the following consideration to the Vendor, Resource Holdings Pty Ltd:

- Payment of \$25,000 cash which occurred on 24 June 2020.
- Payment of a following \$25,000 cash which occurred on 1 October 2020 following exercise of the Option.
- The issue of 4,411,765 fully paid ordinary shares at a deemed issue price of \$0.017 cents per share on 1 October 2020. These shares were subject to a 3 month period of voluntary escrow.
- The issue of 8,823,529 Class A performance shares on 1 October 2020 as approved at the General Meeting of Shareholders on 24 September 2020.

The remaining deferred consideration at this point in time was as follows:

- The issue of 2,941,176 fully paid ordinary shares on or before 5 months from the settlement date of 1 October 2020; and
- The issue of 8,823,529 fully paid ordinary shares as deferred consideration on the 2<sup>nd</sup> anniversary of the date of signing of the Skye Gold Option Agreement, being 21 June 2022.

#### **Success in obtaining EIS Co-Funding at the Circle Valley Gold Project**

As announced on 16 November 2020, The Company was successful in Round 22 of the Western Australian Government's Exploration Incentive Scheme (EIS) co-funded drilling program and was awarded \$150,000 of funding for its Circle Valley Gold Project.

#### **Native Title and Land Access Agreement Secured at Skye Gold Project**

On 19 November 2020, the Company signed a Native Title Mining and Land Access Agreement with the Antakirinja Matu-Yankuntjatjara Aboriginal Corporation (AMYAC) in relation to the Skye Gold Project.

#### **Annual General Meeting**

On 23 November 2020, the Company held its Annual General Meeting to approve the following Resolutions:

- Resolution 1: Adoption of Remuneration Report
- Resolution 2: Approval of 7.1A Mandate
- Resolution 3: Re-election of Director Mr Roger Steinepreis
- Resolution 4: Ratification of Prior Issue of Shares

All Resolutions were passed on a poll, including Resolution 2 which was passed as a special resolution.

#### **Acquisition of High Grade Murchison Gold Project from Silver Lake Resources (ASX: SLR) and Capital Raising**

On 21 December 2020, the Company announced the acquisition of the Murchison Gold Projects from Silver Lake Resources (ASX: SLR) for \$8m cash. The Company also announced that it had received firm commitments to undertake a two tranche share placement to raise \$10m and that Shaw and Partners Limited would act as Sole Lead Manager to the capital raising. The capital raising was expected to settle in February 2021 subject to a General Meeting of Shareholders.

### **Completion of Tranche 1 Placement**

On 11 January 2021, the Company issued 41,938,615 fully paid ordinary shares at \$0.02 each to sophisticated investors under Tranche 1 of the Placement. The shares were issued using the Company's existing placement capacity available under Listing Rule 7.1 of the ASX Listing Rules.

### **General Meeting of Shareholders**

On 8 February 2021, the Company held a General Meeting of Shareholders to approve the following Resolutions in relation to the acquisition of the Murchison Gold Project:

- Resolution 1: Ratification of Prior Issue of Shares – T1 Capital Raising
- Resolution 2: Approval to Issue Shares – T2 Capital Raising
- Resolution 3: Issue of Shares to Related Party – Roger Steinepreis
- Resolution 4: Issue of Shares to Related Party – Timothy Moore
- Resolution 5: Issue of Shares to Related Party – Morgan Barron
- Resolution 6: Issue of Shares to Related Party – Nick Castleden
- Resolution 7: Issue of Performance Shares – Tim Davidson
- Resolution 8: Issue of Performance Shares – Paul Adams
- Resolution 9: Issue of Options to Related Party – Timothy Moore
- Resolution 10: Issue of Options to Related Party – Morgan Barron
- Resolution 11: Issue of Options to Related Party – Roger Steinepreis
- Resolution 12: Issue of Options to Related Party – Nick Castleden
- Resolution 13: Approval to Issue Options – Shaw and Partners
- Resolution 14: Adoption of Incentive Option Plan

All Resolutions were passed on a poll.

### **Completion of Tranche 2 Placement**

On 11 February 2021, the Company issued 458,061,385 fully paid ordinary shares at \$0.02 each to sophisticated investors under Tranche 2 of the Placement. The shares were approved for issue at the Company's General Meeting of Shareholders on 8 February 2021.

### **Appointment of CEO and Non-Executive Director**

On 15 February 2021, the Company appointed Mr Tim Davidson as CEO of the Company. Mr Davidson introduced the Murchison Gold Projects to the Company. Additionally, on 15 February 2021, Mr Paul Adams, was appointed as a Non-Executive Director of the Company.

### **Completion of the Murchison Gold Project Acquisition from Silver Lake Resources (ASX: SLR)**

On 16 February 2021, the Company announced that it had completed the acquisition of the Murchison Gold Projects from Silver Lake Resources (ASX: SLR).

### **Issue of securities in relation to the Murchison Gold Project Acquisition**

On 16 February 2021, The Company announced the issue of various securities in relation to the acquisition of the Murchison Gold Project. The securities issued were as follows:

- Issue of 10,000,000 unlisted options to directors as approved by shareholders at the General Meeting of Shareholders on 9 February 2021. Refer to Resolutions 9,10,11 and 12.
- Issue of 20,000,000 unlisted options to Shaw and Partners as Lead Manager to the placement announced by the Company on 21 December 2020. The unlisted options were approved for issue at the General Meeting of Shareholders on 9 February 2021. Refer to Resolution 13.
- Issue of 21,650,000 Class A Performance Shares to Mr Tim Davidson and Mr Paul Adams or their nominees. The performance shares were approved for issue at the General Meeting of Shareholders on 9 February 2021. Refer to Resolutions 7 and 8.
- Issue of 34,600,000 Class B Performance Shares to Mr Tim Davidson and Mr Paul Adams or their nominees. The performance shares were approved for issue at the General Meeting of Shareholders on 9 February 2021. Refer to Resolutions 7 and 8.
- Issue of 21,650,000 Class C Performance Shares to Mr Tim Davidson and Mr Paul Adams or their nominees. The performance shares were approved for issue at the General Meeting of Shareholders on 9 February 2021. Refer to Resolutions 7 and 8.
- Issue of 500,000 unlisted options to a consultant for services rendered. These unlisted options were issued under the Company's Incentive Option Plan which had been approved at the General Meeting of Shareholders on 9 February 2021. Refer to Resolution 14.

### **Issue of deferred shares in relation to the Skye Gold Project Acquisition**

On 1 March 2021, being 5 months from the settlement of the Skye Gold Option Agreement, the Company issued 1,470,588 fully paid ordinary shares at a deemed issue price of \$0.017 cents per shares to the vendor, Resource Holdings Pty Ltd. The shares were issued using the Company's existing placement capacity available under Listing Rule 7.1 of the ASX Listing Rules. As per the Option Agreement, the number of deferred shares to be issued on this date was 2,941,176 however a variation agreement was signed by the Company and Resource Holdings Pty Ltd on 1 March 2021 to agree the split the issue of the deferred shares into two tranches. As per the Variation Agreement, the second tranche of 1,470,588 shares was agreed to be issued of the date that the first drill campaign commences on the Skye Gold Tenement.

### **Divestment of the Gecko North Project**

On 17 March 2021, the Company announced that it had entered into an Option Agreement with Origin Gold Mines Limited for the sale of the Company's Gecko North Project. The total completed value of the transaction including option fee was \$210,000, inclusive of \$110,000 cash and \$100,000 worth of Origin fully paid ordinary shares upon their listing on the ASX. This was also inclusive of a 1.5% net smelter return royalty.

### **Resignation of Non-Executive Director**

On 31 March 2021, the Company announced the resignation of Non-Executive Director Mr Nick Castleden.

### **Earn Back Option on Gnaweeda Tenements Extinguished**

On 3 May 2021, the Company announced that it extinguished the clawback option held by Teck Australia over the Gnaweeda tenements. The earn back option provided an avenue for Teck to earn a 66% interest in the Gnaweeda project by meeting certain resource definition hurdles and expenditure. As consideration, the Company issued Teck \$300,000 pf fully paid ordinary shares in the Company priced at the 10-day VWAP immediately prior to completion. On 3 May 2021, the Company issued 5,929,513 fully paid ordinary shares to Teck Australia Pty Ltd at \$0.05059. The shares were issued using the Company's existing placement capacity available under Listing Rule 7.1 of the ASX Listing Rules.

### **Issue of Unlisted Options**

On 26 May 2021, the Company announced the issue of 1,200,000 unlisted options to an employee under the Company's Incentive Option Plan.

### **Exercise of Unlisted Options**

On 31 May 2021, the Company issued 12,500,000 fully paid ordinary shares pursuant to the exercise of 12,500,000 unlisted options with an exercise price of \$0.05 expiring on 31 May 2021, raising \$625,000.

### **Completion of Capital Raising to Fund Phase 2 Exploration at Murchison Gold Project**

On 3 June 2021, the Company issued 99,244,397 fully paid ordinary shares at \$0.068 to existing shareholders of the Company as well as new sophisticated, institutional, and professional investors to fund the next phase of exploration at the Company's Murchison Gold Project. Net of capital raising fees, the Company raised \$6,303,210.15. Shaw and Partners Limited acted as Lead Manager to the Capital Raising. The shares were issued using the Company's existing placement capacity available under Listing Rule 7.1 of the ASX Listing Rules.

### **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

Following the end of the financial year the Company returned the Skye Gold Project tenure to the project vendor in accordance with the terms set out in the Skye Tenement Acquisition Agreement. This decision is consistent with the Company's strategy to rationalise its project portfolio and focus exploration activities on its flagship Western Australian gold properties. As a result of this decision, all carried forward exploration expenditure, a total of \$233,214, was written off as at 30 June 2021. See exploration and evaluation expenditure note 9 for further detail.

No other matters 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	11,771,458	-	2,500,000
Mr Morgan Barron	-	10,650,395	-	2,500,000
Mr Roger Steinepreis	1,812,930	34,925,991	-	2,500,000
Mr Paul Adams	-	5,000,000	-	-
<b>TOTAL</b>	<b>1,966,967</b>	<b>62,347,844</b>	<b>-</b>	<b>7,500,000</b>

As at the date of this report, the interests of the Directors in performance related securities of the Group were:

Directors	Performance Shares		Performance Rights	
	Held Directly	Held Indirectly	Held Directly	Held Indirectly
Mr Timothy Moore	-	-	-	-
Mr Morgan Barron	-	-	-	-
Mr Roger Steinepreis	-	-	-	-
Mr Paul Adams	-	-	-	7,790,000
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,790,000</b>

#### MEETINGS OF DIRECTORS

During the financial year, there were 8 meetings of Directors, held with the following attendances:

Directors	Attended	Eligible to Attend
Mr Timothy Moore	8	8
Mr Morgan Barron	8	8
Mr Roger Steinepreis	8	8
Mr Nick Castleden	6	6
Mr Paul Adams	4	4

Additionally, there were 16 Circular Resolutions passed in the 2021 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 2021. 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 Paul Adams (Non-Executive Director)  
Mr Nick Castleden (Non-Executive Director) (Resigned 31 March 2021)

#### Executives

Mr Tim Davidson (CEO)

### 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 2021 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 14.

### 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.

Principles used to determine the nature and amount of variable remuneration, relationship between remuneration and Group performance:

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	2017 \$	2018 \$	2019 \$	2020 \$	2021 \$
Revenue	21,893	3,621	62,469	45,646	27,561
Net (loss)	(654,655)	(1,518,734)	(1,335,370)	(330,426)	(3,440,213)
Share price at year-end	0.022	0.032	0.014	0.022	0.058
Market capitalisation	2,885,938	8,805,728	3,852,506	5,965,938	52,126,645

Directors and Executives may be issued options and or performance related securities 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 or performance rights issued as remuneration are retained by the relevant party. Given that there is no specific service condition relating to the performance rights of the Group currently on issue, on resignation of directors or key management personnel, any vested performance rights 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 \$40,000 per annum plus statutory superannuation (if applicable).
- There is no notice period stipulated to terminate the contract by either party.

**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 2020. 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.



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2021 Key Management Personnel	Short Term Benefits		Post-Employment Benefits	Share Based Payments	Total	Performance Related
	Salary, Fees & Consulting	Non-Monetary	Super-annuation	Options / Performance Rights		
	\$	\$	\$	\$		
<b>Non-Executive Directors</b>						
Mr Timothy Moore	34,167	-	-	60,740	94,907	64%
Mr Morgan Barron	34,167	-	3,246	60,740	98,153	62%
Mr Roger Steinepreis	33,333	-	-	60,740	94,073	65%
Mr Paul Adams	13,332	-	-	212,571	225,903	94%
Mr Nick Castleden*	24,167	-	-	60,740	84,907	72%
<b>Executive Staff</b>						
Mr Tim Davidson (CEO)	123,039	-	10,387	956,569	1,089,995	88%
<b>Total</b>	<b>262,205</b>	<b>-</b>	<b>13,633</b>	<b>1,412,100</b>	<b>1,687,938</b>	

\*Resigned 31 March 2021

2020 Key Management Personnel	Short Term Benefits		Post-Employment Benefits	Share Based Payments	Total	Performance Related
	Salary, Fees & Consulting	Non-Monetary	Super-annuation	Options/ Performance Rights		
	\$	\$	\$	\$		
<b>Non-Executive Directors</b>						
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	-
<b>Total</b>	<b>138,333</b>	<b>-</b>	<b>2,692</b>	<b>-</b>	<b>141,025</b>	

#### Share-Based Compensation to Key Management Personnel

There was \$1,412,100 of share based compensation to Key Management Personnel in the year ended 30 June 2021 (2020: nil).

#### Share Holdings of Key Management Personnel

The number of ordinary shares of Latitude held, directly, indirectly or beneficially, by each Director and Key Management Personnel, including their personally-related entities for the year ended 30 June 2021 is as follows:

Key Management Personnel	Held at 1-Jul-20	Granted as Remuneration	Options Exercised	Net Change (Other)	Held at 30-Jun-21
Mr Timothy Moore	8,425,495	-	1,000,000	2,500,000	11,925,495
Mr Morgan Barron	7,150,395	-	1,000,000	2,500,000	10,650,395
Mr Roger Steinepreis	24,238,921	-	1,000,000	12,500,000	37,738,921
Mr Paul Adams	-	-	-	5,000,000	5,000,000
Mr Nick Castleden*	2,551,113	-	-	(2,551,113)	-
Mr Tim Davidson (CEO)	-	-	-	3,738,754	3,738,754
<b>Total</b>	<b>42,365,924</b>	<b>-</b>	<b>3,000,000</b>	<b>23,687,641</b>	<b>69,053,565</b>

\*Resigned 31 March 2021

### Option Holdings of Key Management Personnel

The number of options over ordinary shares in Latitude held, directly, indirectly or beneficially, by each Director and Key Management Personnel, including their personally-related entities for the year ended 30 June 2021 is as follows:

Key Management Personnel	Held at 1-Jul-20	Options Expired/ Exercised	Granted as Remuneration	Held at 30-Jun-21	Vested and Exercisable at 30-Jun-21
Mr Timothy Moore	1,000,000	(1,000,000)	2,500,000	2,500,000	2,500,000
Mr Morgan Barron	1,000,000	(1,000,000)	2,500,000	2,500,000	2,500,000
Mr Roger Steinepreis	1,000,000	(1,000,000)	2,500,000	2,500,000	2,500,000
Mr Paul Adams	-	-	-	-	-
Mr Nick Castleden*	1,000,000	(1,000,000)	-	-	-
Mr Tim Davidson (CEO)	-	-	-	-	-
<b>Total</b>	<b>4,000,000</b>	<b>(4,000,000)</b>	<b>7,500,000</b>	<b>7,500,000</b>	<b>7,500,000</b>

\*Resigned 31 March 2021

### Performance Rights Holdings of Key Management Personnel

The number of performance rights in Latitude held, directly, indirectly or beneficially, by each Director and Key Management Personnel, including their personally-related entities for the year ended 30 June 2021 is as follows:

Key Management Personnel	Held at 1-Jul-20	Options Expired/ Exercised	Granted as Remuneration	Held at 30-Jun-21	Vested and Exercisable at 30-Jun-21
Mr Timothy Moore	-	-	-	-	-
Mr Morgan Barron	-	-	-	-	-
Mr Roger Steinepreis	-	-	-	-	-
Mr Paul Adams	-	-	7,790,000	7,790,000	2,165,000
Mr Nick Castleden*	-	-	-	-	-
Mr Tim Davidson (CEO)	-	-	35,055,000	35,055,000	9,742,500
<b>Total</b>	<b>-</b>	<b>-</b>	<b>42,845,000</b>	<b>42,845,000</b>	<b>11,907,500</b>

\*Resigned 31 March 2021

### Other Related Party Transactions

All transactions with other related parties are made on normal commercial terms and conditions 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 \$132,821 (2020: \$101,740) was paid to Ventnor Capital Pty Ltd for providing the above services for the year ended 30 June 2021. There was no amount outstanding at 30 June 2021 (2020: \$12,386).

#### 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 \$118,947 (2020: \$8,911) was paid to Steinepreis Paganin Lawyers & Consultants during the year. There was no amount outstanding at 30 June 2021 (2020: \$3,075).

#### 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 \$8,020 (2020: \$6,875) was paid to Darjeeling Pty Ltd during the year. There was no amount outstanding at 30 June 2021 (2020: \$Nil).

#### Cratonix Pty Ltd (Mr Nick Castleden – Non-Executive Director) – Resigned 31 March 2021

Cratonix Pty Ltd, a company of which Mr Nick Castleden is a director, was reimbursed for site trips to various Company projects throughout the year. A total amount of \$577 was paid to Cratonix Pty Ltd during the year. There was no amount outstanding at 30 June 2021.

\*\*\*\*\*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.

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 2021 has been received and can be found on page 18.

## 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 2021 there were 32,450,000 (2020: 16,450,000) share options on issue. During the year 3,200,000 options expired unexercised (2020: 5,738,000) and 12,500,000 options were exercised (2020: Nil).

### Unlisted Options over Ordinary Shares

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	750,000	\$0.25	24-Nov-21
Unlisted Options	500,000	\$0.04	15-Feb-25
Unlisted Options	30,000,000	\$0.04	31-Jan-25
Unlisted Options	300,000	\$0.05	26-May-25
Unlisted Options	300,000	\$0.075	26-May-25
Unlisted Options	600,000	\$0.10	26-May-25
<b>Total</b>	<b>32,450,000</b>		

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

30 September 2021

## COMPETENT PERSON'S STATEMENT

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The information in this release that relates to Exploration Results as those terms are defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserve", is based on information reviewed by Mr Duncan Franey, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy. Mr Franey is a full-time employee of the Company. Mr Franey has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Franey consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this release that relates to Mineral Resources was first reported by the Company in its announcement to the ASX on 18<sup>th</sup> May 2021. The Company is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

## FORWARD LOOKING STATEMENTS

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Certain statements in this report relate to the future, including forward looking statements relating to the Company's financial position, strategy and expected operating results. These forward-looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such statements. Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement and deviations are both normal and to be expected. Other than required by law, neither the Company, their officers nor any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements will actually occur. You are cautioned not to place undue reliance on those statement.

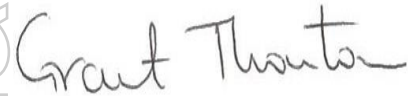
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## Auditor's Independence Declaration

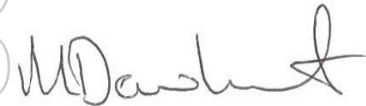
To the Directors of Latitude Consolidated Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Latitude Consolidated Limited for the year ended 30 June 2021, 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 AUDIT PTY LTD  
Chartered Accountants



M D Dewhurst  
Partner – Audit & Assurance

Perth, 30 September 2021

Grant Thornton Audit Pty Ltd ACN 130 913 594  
a subsidiary or related entity of Grant Thornton Australia Ltd ABN 41 127 556 389

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# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Interest revenue		7,561	35,646
Other income		20,000	10,000
Fair value gain on financial assets	8	-	97,750
Consulting and professional fees		(279,510)	(164,677)
Directors' benefit expense		(114,999)	(138,333)
Employee benefits expense		(142,477)	(2,809)
Exploration & evaluation expenditure		(58,257)	(93,271)
Impairment of exploration & evaluation expenditure	9	(233,214)	-
Insurance expense		(21,989)	(19,125)
Other expenses		(194,992)	(38,503)
Share registry costs		(14,310)	(6,393)
Share based payment expense		(2,392,368)	-
Travel expenses		(15,658)	(740)
Bad debts expense		-	(9,971)
<b>Loss before income tax expense</b>		<b>(3,440,213)</b>	<b>(330,426)</b>
Income tax expense	5	-	-
<b>Loss before other comprehensive income</b>		<b>(3,440,213)</b>	<b>(330,426)</b>
Other comprehensive income		-	-
<b>Total comprehensive loss for the year attributed to equity holders of the parent entity</b>		<b>(3,440,213)</b>	<b>(330,426)</b>
<b>Loss per share attributable to the ordinary equity holders of the Group</b>			
Basic and Diluted Loss per share – cents per share	4	(0.71)	(0.12)

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 2021

	Note	2021 \$	2020 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6	9,214,503	3,198,676
Trade and other receivables	7	223,928	22,689
<b>Total Current Assets</b>		<b>9,438,431</b>	<b>3,221,365</b>
<b>Non-Current Assets</b>			
Exploration and evaluation asset	9	13,475,888	-
<b>Total Non-Current Assets</b>		<b>13,475,888</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>22,914,319</b>	<b>3,221,365</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	10	842,727	39,368
<b>Total Current Liabilities</b>		<b>842,727</b>	<b>39,368</b>
<b>Non-Current Liabilities</b>			
Mine rehabilitation	11	3,151,215	-
<b>Total Non-Current Liabilities</b>		<b>3,151,215</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>3,993,942</b>	<b>39,368</b>
<b>NET ASSETS</b>		<b>18,920,377</b>	<b>3,181,997</b>
<b>EQUITY</b>			
Issued capital	12	53,116,826	36,816,609
Reserve	12	3,075,202	277,733
Accumulated losses		(37,271,651)	(33,912,345)
<b>TOTAL EQUITY</b>		<b>18,920,377</b>	<b>3,181,997</b>

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 2021

2020	Note	Issued Capital \$	Reserve \$	Accumulated Losses \$	Total Equity \$
<b>Total equity as at 30 June 2019</b>		<b>36,816,609</b>	<b>500,977</b>	<b>(33,805,163)</b>	<b>3,512,423</b>
Loss for the year		-	-	(330,426)	(330,426)
Total other comprehensive income		-	-	-	-
<b>Total comprehensive loss for the year</b>		-	-	<b>(330,426)</b>	<b>(330,426)</b>
Expiry of unlisted options		-	(223,244)	223,244	-
<b>Total equity as at 30 June 2020</b>		<b>36,816,609</b>	<b>277,733</b>	<b>(33,912,345)</b>	<b>3,181,997</b>
<b>2021</b>					
Loss for the year		-	-	(3,440,213)	(3,440,213)
Total other comprehensive income		-	-	-	-
<b>Total comprehensive loss for the year</b>		-	-	<b>(3,440,213)</b>	<b>(3,440,213)</b>
Expiry of unlisted options	12	-	(80,907)	80,907	-
Issue of options	12	-	752,580	-	752,580
Issue of performance rights	12	-	2,125,708	-	2,125,708
Share placements	12	16,748,619	-	-	16,748,619
Exercise of options	12	625,000	-	-	625,000
Issue of shares to extinguish Back-in Rights	12	299,974	-	-	299,974
Performance share reserve movement	12	-	88	-	88
Issue of shares for Skye acquisition	12	100,000	-	-	100,000
Share issue costs	12	(1,473,377)	-	-	(1,473,377)
<b>Total equity as at 30 June 2021</b>		<b>53,116,825</b>	<b>3,075,202</b>	<b>(37,271,651)</b>	<b>18,920,377</b>

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 2021

	Note	2021 \$	2020 \$
<b>Cash flows from operating activities</b>			
Interest received		7,561	35,646
Payments to suppliers and employees		(688,106)	(399,832)
Payments for exploration expenditure		(58,257)	-
Other income		20,000	10,000
<b>Net cash used in operating activities</b>	13	<b>(718,802)</b>	<b>(354,186)</b>
<b>Cash flows from investing activities</b>			
Payments for exploration expenditure	9	(1,593,157)	(93,271)
Payments for acquisition of project and tenements	9	(8,058,375)	-
Proceeds on the sale of ARS shares		-	326,033
<b>Net cash (used) / provided by investing activities</b>		<b>(9,651,532)</b>	<b>232,762</b>
<b>Cash flows from financing activities</b>			
Issue of shares		17,373,619	-
Capital raising costs		(987,456)	-
<b>Net cash provided by in financing activities</b>		<b>16,386,163</b>	<b>-</b>
Net increase / (decrease) in cash and cash equivalents		6,015,827	(121,424)
Cash and cash equivalents at the beginning of the year	6	3,198,676	3,320,100
<b>Cash and cash equivalents at the end of the year</b>		<b>9,214,503</b>	<b>3,198,676</b>

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 2021

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## 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 2021 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 30 September 2021.

The consolidated annual report has been prepared on the historical cost basis.

#### 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 2021, the Group incurred a loss from continuing operations of \$3,440,213 (2020: \$330,426), net operating cash outflows of \$718,803 (2020: \$354,186) and year-end cash and cash equivalents balance of \$9,214,503 (2020: \$3,198,676).

The Group's cashflow forecasts for the 12 months ending 30 September 2022 indicates 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 and evaluation expenditure*

The Group’s accounting policy for exploration and evaluation expenditure results in expenditure being capitalised for an area of interest where it is considered likely to be recoverable by future exploitation or sale or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. This policy requires management to make certain estimates as to future events and circumstances, in particular whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised the expenditure under the policy, a judgement is made that the recovery of the expenditure is unlikely, the relevant capitalised amount will be written off to profit or loss.

#### *Share options and performance rights*

The Group measures the options issued by reference to the fair value of the equity instruments at the date at which they are granted using the Black-Scholes model, taking into account the terms and conditions upon which the instruments were granted.

For performance rights, the Group makes a judgement around whether service and non-market performance conditions are more than probable to be met at which point the value of the rights are recognised based on the number of performance rights expected to vest and considering any service period if applicable. This judgement is made based on management’s knowledge of the performance condition-related milestones or targets and how the Group is tracking based on activities as at the report date. The fair value of performance rights, giving due consideration to any applicable market conditions, is measured at the date at which they are granted and are determined using the Monte Carlo model, and considering the terms and conditions upon which the instruments were granted.

#### *Acquisition of Murchison Gold Projects*

In relation to the acquisition of the Murchison Gold Project in the year, an assessment was made by the Group as to whether the acquisition was an asset acquisition or business combination in line with the relevant accounting standards. It was determined by the Group that the acquisition was an asset acquisition and not a business combination.

#### *Mine rehabilitation provision*

Significant judgement is required in determining the provision for mine rehabilitation and closure as there are many factors that will affect the ultimate liability payable to rehabilitate pre-existing mine site, including future disturbances caused by further development, changes in technology, changes in regulations, price increases, changes in timing of cash flows which are based on life-of-mine plans and changes in discount rates. When the factors become known in the future, such differences will impact the mine rehabilitation provision in the period which the changes become known.

### **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 21 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 capitalised and accumulated in respect of each identifiable area of interest. The costs are only carried forward to the extent that they are valid exploration and evaluation expenditure in area of interests that have current tenement licences belonging to the Group and 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 resources and further work is intended to be performed. Accumulated costs in relation to an abandoned area will be written off in full against the profit and loss in the year in which the decision to abandon the area is made.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

## **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.

### *Mine rehabilitation provisions*

Mine rehabilitation costs will be incurred by the Group either while operating, or at the end of the operating life of, the Group's facilities and mine properties. The Group assesses its mine rehabilitation provision at each reporting date. The Group recognises a rehabilitation provision where it has a legal and constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made.

The nature of these restoration activities includes: dismantling and removing structures; rehabilitating mines; dismantling operating facilities; closing plant and waste sites; and restoring, reclaiming and revegetating affected areas. The obligation generally arises when the asset is installed or the ground/environment is disturbed at the mining operation's location.

When the liability is initially recognised, the present value of the estimated costs is capitalised by increasing the carrying amount of the related mining assets to the extent that it was incurred as a result of the development/construction of the mine. Any rehabilitation obligations that arise through the production of inventory are recognised as part of the related inventory item. Additional disturbances that arise due to further development/construction at the mine are recognised as additions or charges to the corresponding assets and rehabilitation liability when they occur. Costs related to the restoration of site damage (subsequent to the start of commercial production) that is created on an ongoing basis during production are provided for at their net present values and recognised in profit or loss as extraction progresses. Changes in the estimated timing of rehabilitation or changes to the estimated future costs are dealt with prospectively by recognising an adjustment to the rehabilitation liability and a corresponding adjustment to the asset to which it relates, if the initial estimate was originally recognised as part of an asset measured in accordance with AASB 116.

Any reduction in the rehabilitation liability and, therefore, any deduction from the asset to which it relates, may not exceed the carrying amount of that asset. If it does, any excess over the carrying value is taken immediately to the statement of profit or loss and other comprehensive income. If the change in estimate results in an increase in the rehabilitation liability and, therefore, an addition to the carrying value of the asset, the Group considers whether this is an indication of impairment of the asset as a whole, and if so, tests for impairment. If, for mature mines, the estimate for the revised mine assets net of rehabilitation provisions exceeds the recoverable value, that portion of the increase is charged directly to expense.

Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognised in the statement of profit or loss and other comprehensive income as part of finance costs. For closed sites, changes to estimated costs are recognised immediately in the statement of profit or loss and other comprehensive income. The Group recognises neither the deferred tax asset in respect of the temporary difference on the decommissioning liability nor the corresponding deferred tax liability in respect of the temporary difference on a decommissioning asset.

### **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 subsidiaries Latitude Consolidated Holdings Pty Ltd and Andy Well Mining 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 a 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, options over shares, or performance related securities 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 involving the award of shares and options over shares are measured at fair value on grant date. Fair value is independently determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, 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 fair value of performance rights granted are recognised as an expense with a corresponding increase in equity. The fair value is measured at grant date and recognised either up front or over the period during which the employees become unconditionally entitled to the performance rights, depending on the presence of a service condition. The fair value of performance rights at grant date is determined using the Monte Carlo model.

#### **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 amortised cost*

Financial assets are measured at amortised cost if they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows, and the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The consolidated group's cash and cash equivalents, trade and other receivables fall into this category of financial instruments.

#### *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 measured at amortised cost. 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.

## **T) ACQUISITIONS AND BUSINESS COMBINATIONS**

### **BUSINESS COMBINATIONS**

In each transaction that results in the acquisition of a subsidiary, the Company determines if AASB 3 'Business Combinations' shall apply to the transaction by assessing if the Company has acquired "business". A business is an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing goods or services to customers, generating investment income (such as dividends or interest) or generating other income from ordinary activities. A business consists of inputs and processes applied to those inputs that have the ability to contribute to the creation of outputs. If the Company determines that the acquisition results in the acquisition of a business, then the Company applies the requirements of AASB 3 to the acquisition.

### **ASSET ACQUISITIONS**

If the Company determines that the acquired subsidiary does not constitute a business, then the transaction is accounted for as an acquisition of an asset (or group of assets) that do not constitute a business combination within the scope of AASB 3. In the acquisition of a group of assets, the cost of the acquisition is allocated between the individual assets and liabilities in the group based on their relative fair values at the date of acquisition.



### NOTE 3: APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS

#### A) NEW OR REVISED STANDARDS/INTERPRETATIONS THAT ARE FIRST EFFECTIVE 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.

IFRIC has published two agenda decisions clarifying how arrangements in respect of a specific part of cloud technology, Software-as-a-Service (SaaS), should be accounted for. The Company has taken the guidance for cloud computing into account for the year ended 30 June 2021 with no significant impact on the current or prior periods.

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Group's accounting policies and has no effect on the amounts reported for the current or prior years.

#### B) NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2021 reporting periods and have not been early adopted by the group. The group's assessment of the impact of these new standards and interpretations is set out below. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

There are no other standards that are not yet effective and that are expected to have a material impact on the Group in the current or future reporting period and in the foreseeable future.

### NOTE 4: LOSS PER SHARE

	2021 \$	2020 \$
Basic and diluted loss per share – cents	(0.71)	(0.12)
Loss used in the calculation of basic and diluted loss per share	(3,440,213)	(330,426)
Weighted average number of ordinary shares outstanding during the year used in calculation of basic and diluted loss per share	482,238,040	275,179,002
Weighted number of options outstanding	32,450,000	12,030,466
Less: anti-dilutive options	(32,450,000)	(12,030,466)
Weighted average number of ordinary shares outstanding during the year used in calculation of diluted loss per share	<b>482,238,040</b>	<b>275,179,002</b>

### NOTE 5: INCOME TAX

Major components of income tax expense for the periods ended 30 June 2021 and 30 June 2020 are:

	2021 \$	2020 \$
<b>Income statement</b>		
<i>Current income</i>		
Current income tax charge (benefit)	(3,041,312)	(112,779)
Current income tax not recognised	3,041,312	112,779
<i>Deferred income tax</i>		
Relating to origination and reversal of temporary differences	348,638	(75,747)
Deferred tax benefit not recognised	(348,638)	75,747
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 2021 and 30 June 2020 is as follows:

	2021 \$	2020 \$
Accounting profit (loss) before tax from continuing operations	(3,440,213)	(330,426)
Accounting profit (loss) before income tax	(3,440,213)	(330,426)
At the statutory income tax rate of 26% (2020: 30%)	(894,455)	(99,128)
Add:		
Non-deductible expenditure	619,416	22,081
Temporary differences and losses not recognised	358,246	84,652
Less:		
Tax amortisation of capital raising costs	(83,207)	(7,605)
At effective income tax rate of 0% (2020: 0%)	-	-
Income tax expense reported in income statement	-	-
<i>Carry forward tax losses</i>		
Unused tax losses for which no deferred tax asset has been recognised	37,186,013	25,356,813
Potential tax benefit @ 26% (2020: 30%)	9,668,363	7,607,044

The benefit of deferred tax assets not brought to account will only be brought to account if:

- Future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
- The conditions for deductibility imposed by tax legislation continue to be complied with; and
- No changes in tax legislation adversely affect the Group in realising the benefit.

#### NOTE 6: CASH AND CASH EQUIVALENTS

	2021 \$	2020 \$
Cash at bank <sup>(1)</sup>	9,214,503	3,198,676
	<b>9,214,503</b>	<b>3,198,676</b>

<sup>(1)</sup> Cash at bank is subject to floating interest rates at an effective interest rate of 0.08% (2020: 1.11%).

#### NOTE 7: TRADE AND OTHER RECEIVABLES

	2021 \$	2020 \$
Other receivables	215,479	15,149
Prepaid expenses	8,449	7,540
	<b>223,928</b>	<b>22,689</b>

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**

	2021	2020
	\$	\$
Listed ordinary shares	-	-
Unlisted options	-	-
	-	-

A reconciliation of the fair value movement in the financial assets is set out below:

	2021	2020
	\$	\$
Balance at the beginning of the year	-	228,283
Disposals	-	(326,033)
Revaluations	-	97,750
Balance at the end of the year	-	-

**NOTE 9: EXPLORATION AND EVALUATION ASSET**

	2021	2020
	\$	\$
Exploration and evaluation expenditure	13,475,888	-
	<b>13,475,888</b>	-
Opening balance	-	-
Acquisition costs in purchase of Murchison Gold Project	8,359,830	-
Environmental rehabilitation asset	3,151,215	-
Amount capitalised during the year	2,198,057	-
Impairment/write-offs	(233,214)	-
Closing balance	<b>13,475,888</b>	-

The carrying value of the Group's interest in exploration and evaluation expenditure is dependent upon the continuance of the Group's rights to tenure of the areas of interest and the results of future exploration and recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale. Post 30 June 2021, the Skye Gold Project in South Australia was returned to the project vendor in accordance with the terms set out in the Skye Tenement Acquisition Agreement. The decision to return the asset was made prior to 30 June 2021, hence the Group has impaired the balance as at the reporting date.

On 16 February 2021, Latitude, via a share sale agreement, completed the acquisition of the Murchison Gold Projects from Silver Lake Resources (ASX:SLR) for a purchase consideration of \$8m. The acquisition of the projects has been treated as an asset acquisition. The Group has recognised a mine rehabilitation provision of \$3,151,215 that relates to the Murchison Gold projects.

**NOTE 10: TRADE AND OTHER PAYABLES**

	2021	2020
	\$	\$
Trade payables <sup>(1)</sup>	249,539	20,749
Other payables	18,572	44
Accruals <sup>(2)</sup>	574,615	18,575
<b>Total Trade and Other Payables</b>	<b>842,726</b>	<b>39,368</b>

<sup>(1)</sup> Trade payables are non-interest bearing and are normally settled on 30-day terms.

<sup>(2)</sup> A total of \$405,000 relates to stamp duty payable in relation to the acquisition of the Murchison Gold Project.

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

**NOTE 11: REHABILITATION PROVISION**

	2021	2020
	\$	\$
Opening balance	-	-
Rehabilitation provision recognised in the period	3,151,215	-
<b>Closing balance</b>	<b>3,151,215</b>	-

The Group makes full provision for the future cost of rehabilitating mine sites and related production facilities on a discounted basis at the time of developing the mines and installing and using those facilities. The rehabilitation provision represents the present value of rehabilitation costs relating to mine sites, which are expected to be incurred up to 2032, which is when the producing mine properties are expected to cease operations. These provisions have been created based on the Group's internal estimates. Assumptions based on the current economic environment have been made, which management believes are a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to take into account any material changes to the assumptions. However, actual rehabilitation costs will ultimately depend upon future market prices for the necessary rehabilitation works required that will reflect market conditions at the relevant time. Furthermore, the timing of rehabilitation is likely to depend on when the mines cease to produce at economically viable rates. This, in turn, will depend upon future gold prices, which are inherently uncertain.

**NOTE 12: ISSUED CAPITAL & RESERVES**

	2021	2021	2020	2020
	No.	\$	No.	\$
<b>(a) Issued Capital</b>				
Fully paid ordinary shares	898,735,265	53,116,826	275,179,002	36,816,609

<b>(b) Movements in fully paid shares on issue</b>	Issue			
	Date	Price \$	No.	\$
<b>Balance as at 1 July 2019</b>			<b>275,179,002</b>	<b>36,816,609</b>
<b>Balance as at 30 June 2020</b>			<b>275,179,002</b>	<b>36,816,609</b>
Issue of shares	1/10/2020	\$0.017	4,411,765	75,000
Issue of shares	11/1/2021	\$0.02	41,938,615	838,772
Issue of shares	11/2/2021	\$0.02	458,061,385	9,161,228
Issue of deferred shares	1/3/2021	\$0.017	1,470,588	25,000
Issue of shares	3/5/2021	\$0.05059	5,929,513	299,974
Issue of shares	31/5/2021	\$0.05	12,500,000	625,000
Issue of placement shares	3/6/2021	\$0.068	99,244,397	6,748,619
Capital raising costs				(1,473,377)
<b>Balance as at 30 June 2021</b>			<b>898,735,265</b>	<b>53,116,825</b>

The following fully paid ordinary shares were issued throughout the year ended 30 June 2021 and reflect the table above:

- 4,411,765 fully paid ordinary shares issued as consideration to the vendor of the Skye Gold Project acquisition on 1 October 2020 at an issued price of \$0.017.
- 41,938,615 fully paid ordinary shares issued under tranche 1 of the capital raising to sophisticated investors on 11 January 2021 at \$0.02.
- 458,061,385 fully paid ordinary shares issued under tranche 2 of the capital raising to sophisticated investors on 11 February 2021 at \$0.02.
- 1,470,588 fully paid ordinary shares issued as deferred consideration to the vendor of the Skye Gold Project acquisition on 1 March 2021 at an issue price of \$0.017, which reflects the fair value of the underlying asset acquired.
- 5,929,513 fully paid ordinary shares issued to Teck Australia Pty Ltd as consideration for extinguishing the clawback provision held on the Gnaweeda tenements on 2 May 2021 at an issue price of \$0.05059 which reflects the fair value of the agreed consideration.

- 12,500,000 fully paid ordinary shares issued to option holders upon conversion of 12,500,000 unlisted options at 0.05c. The options were converted on a 1 for 1 basis on 31 May 2021.
- 99,244,397 fully paid ordinary shares issued to sophisticated investors under a capital raising on 3 June 2021 at \$0.068.

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.

(c) Reserves	2021	2020
	\$	\$
Options Reserve	949,406	277,773
Performance Rights Reserve	2,125,708	-
Performance Shares	88	-
	<b>3,075,202</b>	<b>277,773</b>

Options Reserve	No.	\$
<b>Balance as at 1 July 2019</b>	<b>22,188,000</b>	<b>500,977</b>
Expiry of unlisted options	(5,738,000)	(223,244)
<b>Balance as at 30 June 2020</b>	<b>16,450,000</b>	<b>277,733</b>
Expiry of options*	(1,200,000)	(3,480)
Expiry of options*	(2,000,000)	(77,427)
Issue of options to directors*	10,000,000	242,960
Issue of options to lead managers*	20,000,000	485,921
Issue of options to consultant*	500,000	13,376
Issue of options to employee*	1,200,000	10,324
Exercise of options*	(12,500,000)	-
<b>Balance as at 30 June 2021</b>	<b>32,450,000</b>	<b>949,407</b>

Performance Rights Reserve	No.	\$
<b>Balance as at 1 July 2019</b>	<b>4,000,000</b>	-
Lapse of performance rights	(4,000,000)	-
<b>Balance as at 30 June 2020</b>	-	-
Issue of class A performance rights**	21,650,000	684,180
Issue of class B performance rights**	34,600,000	950,562
Issue of class C performance rights**	21,650,000	490,966
<b>Balance as at 30 June 2021</b>	<b>77,900,000</b>	<b>2,125,708</b>

#### Nature and purpose of the Reserve

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

#### **\*Option valuations and movements during the period**

31,700,000 unlisted options were granted during the year ended 30 June 2021. The Group uses the Black & Scholes method and the valuation model inputs to determine the fair value of options 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
10	26/11/2015	24/11/2021	0.029	0.25	172%	-	2.27%	0.023
11	8/2/2021	31/1/2025	0.037	0.04	97.2%	-	0.27%	0.0243
12	16/2/2021	15/2/2025	0.04	0.04	96.8%	-	0.28%	0.0268
13	26/5/2021	26/5/2025	0.074	0.05	101.9%	-	0.39%	0.0556
13	26/5/2021	26/5/2025	0.074	0.075	101.9%	-	0.39%	0.0512
13	26/5/2021	26/5/2025	0.074	0.10	101.9%	-	0.39%	0.0478

As at 30 June 2021 the Group had a total of 32,450,000 (2020: 16,450,000) unlisted options on issue.

During the year ended 30 June 2021, 12,500,000 options over shares were exercised (2020: Nil).

#### \*\*Performance Rights valuations and movements during the period

In connection with the Acquisition of the Murchison Gold Project from Silverlake Resources (ASX: SLR), Latitude granted a total of 77,900,000 performance rights to Mr Davidson (CEO), Mr Paul Adams (Non-Executive Director) and Mr Chris Davidson and or their nominees for their assistance and participation in the Group and the Murchison Gold Projects moving forward. The Performance Rights will convert to LCD Shares on the achievement of the proposed milestones as follows:

**(Class A):** 21,650,000 Performance Rights convertible into an equal number of LCD Shares upon LCD announcing the achievement of a share price above \$0.05 at a 15 day VWAP and a 1,000,000 JORC ounce at Resource Estimate calculated using lower cut-off grades no less than previously used at each of the Murchison Gold Projects within 24 months from the date of issue;

**(Class B):** 34,600,000 Performance Rights convertible into an equal number of LCD Shares upon LCD announcing the achievement of a \$50,000,000 Net Present Value 8% scoping study, subject to LCD having a share price of \$0.075 at a 15 day VWAP within 30 months from the date of issue; and

**(Class C):** 21,650,000 Performance Rights convertible into an equal number of LCD Shares upon LCD announcing the completion of a bankable feasibility study and subject to a share price above \$0.10 on a 15 day VWAP within 30 months from the date of issue.

The performance rights were valued using the Monte Carlo model. The valuation model inputs used to determine the fair value at the grant date, are as follows.

Class	Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant value
A	8/2/2021	11/2/2026	\$0.037	-	85%	-	0.07%	\$0.0316
B	8/2/2021	11/2/2026	\$0.037	-	85%	-	0.1001%	\$0.0275
C	8/2/2021	11/2/2026	\$0.037	-	85%	-	0.1001%	\$0.0227

The weighted average fair value of the performance rights is \$0.0273 per right.

As at 30 June 2021, the 21,650,000 Class A performance rights market and non-market conditions have been met and therefore vested. As at 30 June 2021 they remain unexercised.

As at 30 June 2021, the 34,600,000 Class B and 21,650,000 Class C performance rights are yet to trigger their respective market and non-market vesting conditions. The board have made an assessment on the likely probability of these vesting conditions being met within the required timeframe as stipulated in the vesting criteria. It was concluded by the board that it is highly probable that these non-market vesting conditions for Class B and C performance rights will be triggered within the required timeframes.

There is no service conditions attached to the above performance rights. As a result, given that Class A performance rights have vested as at 30 June 2021, and given the boards assessment of the high probability that Class B and Class C performance rights vesting criteria will be met within the required timeframes, the Group has recorded the share based payment expense of \$2,125,708 in full as at 30 June 2021.

#### 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

	2021 \$	2020 \$
<b>Reconciliation of Loss for the Year to Net Cash Flows provided by Operations</b>		
Loss for the year	(3,440,213)	(330,426)
Adjustments for:		
Revaluation benefit	-	(97,750)
Exploration & evaluation expenditure written off	233,214	93,271
Share based payment expense	2,392,368	-
Bad debts expense	-	9,971
Changes in assets and liabilities:		
(Increase) / decrease in trade receivables and other assets	(201,239)	17,023
Increase / (decrease) in trade and other payables	297,066	(46,275)
<b>Net cash flows used in operations</b>	<b>(718,804)</b>	<b>(354,186)</b>

#### 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	262,204	138,333
Share based payments benefits	1,412,100	-
Post-employment benefits	13,633	2,692
	<b>1,687,937</b>	<b>141,025</b>

##### (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.

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 \$132,821 (2020: \$101,740) was paid to Ventnor Capital Pty Ltd for providing the above services for the year ended 30 June 2021. There was no amount outstanding at 30 June 2021 (2020: \$12,386).

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 \$118,947 (2020: \$8,911) was paid to Steinepreis Paganin Lawyers & Consultants during the year. There was no amount outstanding at 30 June 2021 (2020: \$3,075).

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 \$8,020 (2020: \$6,875) was paid to Darjeeling Pty Ltd during the year. There was no amount outstanding at 30 June 2021 (2020: \$Nil)

Cratonix Pty Ltd (Mr Nick Castleden – Non-Executive Director) – Resigned 31 March 2021

Cratonix Pty Ltd, a company of which Mr Nick Castleden is a director, was reimbursed for site trips to various Company projects throughout the year. A total amount of \$577 was paid to Cratonix Pty Ltd during the year. There was no amount outstanding at 30 June 2021.

**NOTE 15: AUDITOR'S REMUNERATION**

	2021	2020
	\$	\$
<i>Amounts Payable to Auditor</i>		
Audit and review services - payable to Grant Thornton Audit Pty Ltd	56,438	26,582
	<b>56,438</b>	<b>26,582</b>

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 2 to the financial statements.

**(c) Categorisation of Financial Instruments**

Details of each category in accordance with Australian Accounting Standard AASB 9 *Financial Instruments* 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:

	2021 \$	2020 \$
Cash and cash equivalents	9,214,503	3,198,676
	<b>9,214,503</b>	<b>3,198,676</b>

**(ii) Interest Rate Risk**

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

	Range of Effective Interest Rate (%)	Carrying Amount \$	Interest Rate Exposure			Total \$
			Variable Interest Rate \$	Non Interest Bearing \$	Floating Interest Rate \$	
<b>2021</b>						
<b>Financial Assets - Current</b>						
Cash and cash equivalents	0.08%	9,214,503	9,214,503	-	-	9,214,503
<b>2020</b>						
<b>Financial Assets - Current</b>						
Cash and cash equivalents	1.11%	3,198,676	3,198,676	-	-	3,198,676

**(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			Impaired Financial Assets \$
			1-3 Months \$	3 Months to 1 Year \$	1 Year to 5 Years \$	
<b>2021</b>						
<b>Financial Assets - Current</b>						
Trade and other receivables	215,479	215,479	-	-	-	-
<b>2020</b>						
<b>Financial Assets - Current</b>						
Trade and other receivables	22,689	22,689	-	-	-	-

**(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:

	2021 \$	2020 \$
<b>Financial Liabilities - Current</b>		
Trade and other payables	437,797	38,916
<b>Total Financial Liabilities</b>	<b>437,797</b>	<b>38,916</b>

**(ii) Contractual Maturity Risk**

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

	Carrying Amount	Less than 1 month	1-3 Months	Maturity Dates		
				3 Months to 1 Year	1 Year to 5 Years	Over 5 Years
2021	\$	\$	\$	\$	\$	\$
<b>Financial Liabilities - Current</b>						
Trade and other payables	437,797	437,797	-	-	-	-
<b>2020</b>						
<b>Financial Liabilities – Current</b>						
Trade and other payables	39,368	39,368	-	-	-	-

**(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.

	Carrying Amount \$	Interest Rate Risk			
		+1% Profit \$	+1% Equity \$	-1% Profit \$	-1% Equity \$
<b>2021</b>					
<b>Financial Assets – Current</b>					
Cash and cash equivalents	9,214,503	92,145	92,145	(92,145)	(92,145)
<b>2020</b>					
<b>Financial Assets - Current</b>					
Cash and cash equivalents	3,198,676	31,986	31,986	(31,986)	(31,986)

#### NOTE 17: EVENTS OCCURRING AFTER THE REPORTING PERIOD

After financial year end the Group returned the Skye Gold Project tenure to the project vendor in accordance with the terms set out in the Skye Tenement Acquisition Agreement. This decision is consistent with the Group's strategy to rationalise its project portfolio and focus exploration activities on its flagship Western Australian gold properties. As a result of this decision, all carried forward exploration expenditure, a total of \$233,214, was written off as at 30 June 2021. See exploration and evaluation expenditure note 9 for further detail.

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

#### NOTE 18: CONTINGENT ASSETS AND LIABILITIES

The Directors are not aware of any contingent assets or liabilities that may arise from the Group's operations as at 30 June 2021 (2020: Nil).

#### NOTE 19: SEGMENT REPORTING

The Group 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 20: PARENT ENTITY INFORMATION

Information relating to Latitude Consolidated Limited (the Parent Entity)

	2021 \$	2020 \$
<b>Statement of financial position</b>		
Current assets	9,223,024	3,221,365
Non-current assets	9,818,578	-
<b>Total assets</b>	<b>19,041,602</b>	<b>3,221,365</b>
Current liabilities	121,024	39,368
<b>Total liabilities</b>	<b>121,024</b>	<b>39,368</b>
<b>Net assets</b>	<b>18,920,578</b>	<b>3,181,997</b>
Issued capital	53,116,826	36,816,609
Reserve	3,075,202	277,733
Retained earnings	(37,271,450)	(33,912,345)
<b>Total equity</b>	<b>18,920,578</b>	<b>3,181,997</b>
<b>Statement of profit or loss and other comprehensive income</b>		
Loss for the year	(3,440,013)	(330,426)
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>(3,440,013)</b>	<b>(330,426)</b>

## NOTE 21: INTEREST IN SUBSIDIARIES

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

Name	Country of Incorporation	Principal activity	30 June 2021	30 June 2020
Latitude Consolidated Holdings Pty Ltd	Australia	Mineral exploration	100%	100%
Andy Well Holdings Pty Ltd	Australia	Mineral Exploration	100%	-

# DIRECTOR'S DECLARATION

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In the Directors' opinion:

- (a) the accompanying financial statements set out on pages 20 to 40 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 2021 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 2021.

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

On behalf of the Directors



**Mr Timothy Moore**  
Chairman

Perth  
30 September 2021

# 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 2021, 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 2021 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 (including Independence Standards)* (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.

## 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.

## Key audit matter

### Evaluation and exploration assets – Note 9

At 30 June 2021 the carrying value of Exploration and Evaluation Assets was \$13,475,888.

In accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*, the Group is required to assess at each reporting date if there are any triggers for impairment which may suggest the carrying value is in excess of the recoverable value.

The process undertaken by management to assess whether there are any impairment triggers in each area of interest involves an element of management judgement.

This area is a key audit matter due to the significant judgement involved in determining the existence of impairment triggers.

## How our audit addressed the key audit matter

Our procedures included, amongst others:

- obtaining management's reconciliation of capitalised exploration and evaluation expenditure and review for unusual items and agree to the general ledger;
- conducting a review of Management's impairment assessment and potential trigger events prepared in accordance with AASB 6 including:
  - tracing projects to statutory registers, exploration licences and third-party confirmations to determine whether a right of tenure exists;
  - enquiring of management regarding their intentions to carry out exploration and evaluation activity in the relevant exploration area, including a review of management's budgeted expenditure;
  - enquiring of management regarding their intention to discontinue exploration and evaluation activities due to the discovery of a resource that lacks commercial viability; and
  - whether any data exists to suggest that the carrying value of these exploration and evaluation assets are unlikely to be recovered through development or sale;
- assessing the accuracy of impairment recorded for the year as it pertains to exploration interests;
- evaluating the competence, capabilities and objectivity of management's experts in the evaluation of potential impairment triggers; and
- reviewing the appropriateness of the related disclosures within the financial statements.

### Andy Well and Skye Gold acquisitions – Note 9

During the year the Group acquired the Andy Well and Skye Gold projects in separate transactions.

The transactions are subject to estimation and judgement in assessing the accounting treatments to be applied to the acquisitions as well as the fair values of consideration paid.

This area is a key audit matter due to the estimates and judgements required in determining the accounting under accounting standards.

Our procedures included, amongst others:

- obtaining management's paper covering the accounting treatments and assessing in light of the underlying sale and purchase agreements, other public information and applicable accounting standards;
- tracing consideration paid to underlying support such as sale and purchase agreements and other public information; and
- reviewing the appropriateness of the related disclosures within the financial statements.

### Provision for rehabilitation – Note 11

The Group has recognised a rehabilitation provision of \$3,151,215 as at 30 June 2021 relating to the Andy Well mine site.

The ability of the Group to determine an appropriate rehabilitation provision in accordance with the requirements of AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* involves significant management judgement and subjectivity with regards to the underlying assumptions in determining the expected significant movement in rehabilitation provision.

This area is a key audit matter due to the degree of management estimation and judgement required in assessing the treatment under accounting standards.

Our procedures included, amongst others:

- obtaining an understanding of management's process for determining the rehabilitation process, including use of management's expert;
- reviewing management's estimates and assumptions used in the calculation of the rehabilitation provision;
- assessing the Group's legal obligations with respect to the rehabilitation requirements and the associated effect on the estimated costs;
- engaging the services of an independent expert to evaluate management's expert's assessment of the estimate and assumptions used in the calculation of the rehabilitation provision;
- assessing the competencies of the experts used in the estimation process; and
- reviewing the appropriateness of the related disclosures within the financial statements.

### 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 2021, 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: [https://www.auasb.gov.au/auditors\\_responsibilities/ar1\\_2020.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar1_2020.pdf). This description forms part of our auditor's report.

### Report on the remuneration report

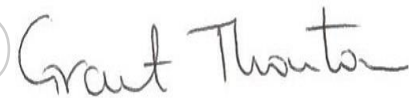
#### Opinion on the remuneration report

We have audited the Remuneration Report included in pages 12 to 15 of the Directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Latitude Consolidated Limited, for the year ended 30 June 2021 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 AUDIT PTY LTD  
Chartered Accountants



M D Dewhurst  
Partner – Audit & Assurance

Perth, 30 September 2021

# ASX ADDITIONAL INFORMATION

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 6 September 2021 is 898,735,265 ordinary fully paid shares. All ordinary shares carry one vote per share.

### TOP 20 SHAREHOLDERS AS AT 6 SEPTEMBER 2021

		No. of Shares Held	% Held
1	BT PORTFOLIO SERVICES LIMITED	32,676,471	3.64
2	GOLDJAZZ PTY LTD	30,000,000	3.34
3	RANCLAND HOLDINGS PTY LTD	23,686,731	2.64
4	VIMINALE PTY LTD	21,917,706	2.44
5	MOUTIER PTY LTD	20,000,000	2.23
6	TOPSFIELD PTY LTD	18,000,000	2.00
7	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	17,500,000	1.95
8	SPEAR HOLDINGS 2 PTY LTD	16,000,000	1.78
9	SUNSHORE HOLDINGS PTY LTD	15,400,000	1.71
10	SAMLISA NOMINEES PTY LTD	15,000,000	1.67
10	RAIGN PTY LTD	15,000,000	1.67
11	MELVIN PEEBLES PTY LTD	12,500,000	1.39
11	PARETO NOMINEES PTY LTD	12,500,000	1.39
11	MS PINGHUA LIU	12,500,000	1.39
12	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	11,371,458	1.27
13	MCNEIL NOMINEES PTY LIMITED	11,260,000	1.25
14	PARKRANGE NOMINEES PTY LTD	11,176,471	1.24
15	MS ROBIN MARGARET KNOX	10,434,782	1.16
16	CITICORP NOMINEES PTY LIMITED	10,303,197	1.15
17	TUKDAH PTY LTD	10,278,999	1.14
18	REPLAY HOLDINGS PTY LTD	10,000,000	1.11
18	STEPHENS GROUP SUPER FUND PTY LTD	10,000,000	1.11
18	MS KELLY MAREE BICKERS	10,000,000	1.11
19	HAVELOCK MINING INVESTMENT LTD	9,623,054	1.07
20	OAKHURST ENTERPRISES PTY LTD	9,000,000	1.00
		<b>376,128,869</b>	<b>41.85%</b>

### SHAREHOLDER RANGE AS AT 6 SEPTEMBER 2021

Shares Range	No. of Holders	No. of Shares
100,001 and over	566	867,959,660
10,001 to 100,000	686	29,907,542
5,001 to 10,000	91	763,163
1,001 to 5,000	33	93,265
1 to 1,000	105	11,635
	<b>1,481</b>	<b>898,735,265</b>
Number holding less than a marketable parcel	231	888,376

## SHAREHOLDERS BY LOCATION AS AT 6 SEPTEMBER 2021

Shareholders by Location	No. of Holders	No. of Shares
Australian holders	1,438	850,403,643
Overseas holders	43	48,331,622
	<b>1,481</b>	<b>898,735,265</b>

## VOTING RIGHTS

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

## SUBSTANTIAL SHAREHOLDERS AS AT 6 SEPTEMBER 2021

There are no substantial holders of fully paid ordinary shares above the 5% threshold as at 6 September 2021.

## OPTION HOLDINGS

The Company has the following classes of options on issue at 6 September 2021 as detailed below. Options do not carry any rights to vote.

Class	Terms	No. of Options
LCDOPT10	Unlisted Options Exercisable at 0.10c expiring on or before 26 May 2025	600,000
LCDOPT09	Unlisted Options Exercisable at 0.075c expiring on or before 26 May 2025	300,000
LCDOPT08	Unlisted Options Exercisable at 0.05c expiring on or before 26 May 2025	300,000
LCDESOPE	Unlisted Options Exercisable at 0.04c expiring on or before 15 February 2025	500,000
LCDESOPC	Unlisted Options Exercisable at 0.25c expiring on or before 24 November 2021	750,000
LCDOPT07	Unlisted Options Exercisable at 0.04c expiring on or before 31 January 2025	30,000,000
		<b>32,450,000</b>

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	13	32,450,000
	<b>13</b>	<b>32,450,000</b>

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

Holder	LCDOPT10	LCDOP T09	LCDOPT08	LCDESOPE	LCDESOPC	LCDOPT07
Duncan James Franey	-	300,000	-	-	-	-
Duncan James Franey	-	-	300,000	-	-	-
Duncan James Franey	600,000	-	-	-	-	-
Shaw and Partners Limited	-	-	-	-	-	10,000,000
Michael Edwards	-	-	-	-	750,000	-
Harry William Miller	-	-	-	500,000	-	-

#### SCHEDULE OF MINING & EXPLORATION TENEMENTS

Project	State	Tenement	Status	LCD interest at start of quarter	LCD interest at end of quarter
Murchison Gold Project	WA	E 51/1596	Granted	100%	100%
		E 51/1217	Granted	100%	100%
		M 51/870	Granted	100%	100%
		E 51/1625	Granted	100%	100%
		E 51/1626	Granted	100%	100%
		E 51/926	Granted	100%	100%
		E 51/927	Granted	100%	100%
		M 51/882	Granted	100%	100%
Circle Valley	WA	E 63/2007	Granted	100%	100%
Gecko North	WA	E 15/1587	Granted	100%	100%
Skye*	SA	EL6492	Granted	100%	100%

\*Note: Following the end of the 2021 financial year the Company returned the Skye tenure to the project vendor in accordance with the terms set out in the Skye Tenement Acquisition Agreement.

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