



ABN 23 080 939 135

**Interim Financial Report to Shareholders
For the Half Year Ended
31 December 2020**

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CORPORATE INFORMATION

Directors:

Mr Timothy Moore
Non-Executive Chairman

Mr Morgan Barron
Non-Executive Director

Mr Roger Steinepreis
Non-Executive Director

Mr Nick Castleden
Non-Executive Director

Mr Paul Adams
Non-Executive Director

Chief Executive Officer:
Tim Davidson

Company Secretary:
Mr Harry Miller

Home Securities Exchange:
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152-158 St Georges Terrace
PERTH WA 6000

ASX Code: LCD

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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

DIRECTORS' REPORT FOR THE SIX MONTHS ENDED 31 DECEMBER 2020

The Directors hereby present their Report on Latitude Consolidated Limited (ASX: LCD) (the Company or Latitude) and the entities it controlled at the end of, or during, the half year ended 31 December 2020 (together referred to as the Group). This report has been prepared in accordance with AASB 134 Interim Financial Reporting. The financial report is presented in Australian currency.

DIRECTORS

The names of Directors in office at any time during or since the end of the period were as follows:

Name	Period of Directorship
Mr Timothy J Moore <i>Non-Executive Chairman</i>	Appointed 23 April 2004
Mr Morgan Barron <i>Non-Executive Director</i>	Appointed 6 November 2012
Mr Roger Steinepreis <i>Non-Executive Director</i>	Appointed 6 November 2012
Mr Nicholas Castleden <i>Non-Executive Director</i>	Appointed 26 June 2017
Mr Paul Adams <i>Non-Executive Director</i>	Appointed 15 February 2021

REVIEW OF OPERATIONS AND RESULTS

Net loss after income tax of the Group for the six months ended 31 December 2020 was \$235,539 (2019: \$96,649). Operating costs of the Group consisted mainly of consulting and exploration costs, professional fees, directors' fees and other administration costs generally attributable to an ASX listed company.

EXPLORATION ACTIVITIES

Andy Well and Gnaweeda Gold Projects

On 21 December 2020, Latitude announced the signing of a Binding Agreement (Share Sale Agreement) with Silver Lake Resources Ltd (ASX: SLR) (Silver Lake) to acquire 100% of the issued capital of Andy Well Mining Pty Ltd (Andy Well), the owner of the Andy Well and Gnaweeda Projects.

Combined, the Andy Well and Gnaweeda projects, cover 343km² within the prolific Murchison Gold Fields and host an existing JORC 2012 Mineral Resource estimate of 776,000oz gold with clear pathway for resource growth through the drilling of several previously defined exploration targets.

Latitude is planning to launch an exploration drilling program covering targets at both Andy Well and Gnaweeda in April 2021 following the completion of the transaction with Silver Lake Resources (which occurred on 15 February 2021, subsequent to the half year ended 31 December 2020). Moreover, the Company will look to rapidly advance mining studies through a scoping study to establish a base case scenario for a combined Andy Well and Gnaweeda mining operation to commence immediately following completion of the transaction.

Andy Well Gold Project Summary

Located approximately 45km from the town of Meekatharra (Figure 1), the Andy Well Project has an existing 505,000oz (1.8Mt @ 8.6g/t Au) Mineral Resource. The Andy Well Project previously produced over 300,000 ounces at 8g/t over 5 years and was last mined when the gold price was ~A\$1,600/oz. In 2017 Andy Well was placed on care and maintenance due to the low gold price, a large debt burden (\$48m)¹ and competing capital requirements at Doray's newly established Deflector Mine. The gold price has increased A\$800/oz

¹ Refer to Doray Minerals announcement to the ASX on 20th October 2017.

since Andy Well was last in production and significant near mine exploration potential remains. Parallel and linking structures have historically had limited follow up drilling and multiple high-grade drill intercepts require further drill testing (Figure 2).

Significant infrastructure remains in place at the Andy Well with underground mine development and surface haul roads, a processing plant partially in place, a tailings storage facility, a large stores building and core shed (Figure 3).

Current royalties in place over Andy Well are as follows:

- A net smelter royalty of 1% is payable on gold production to prospector Scott Wilson.

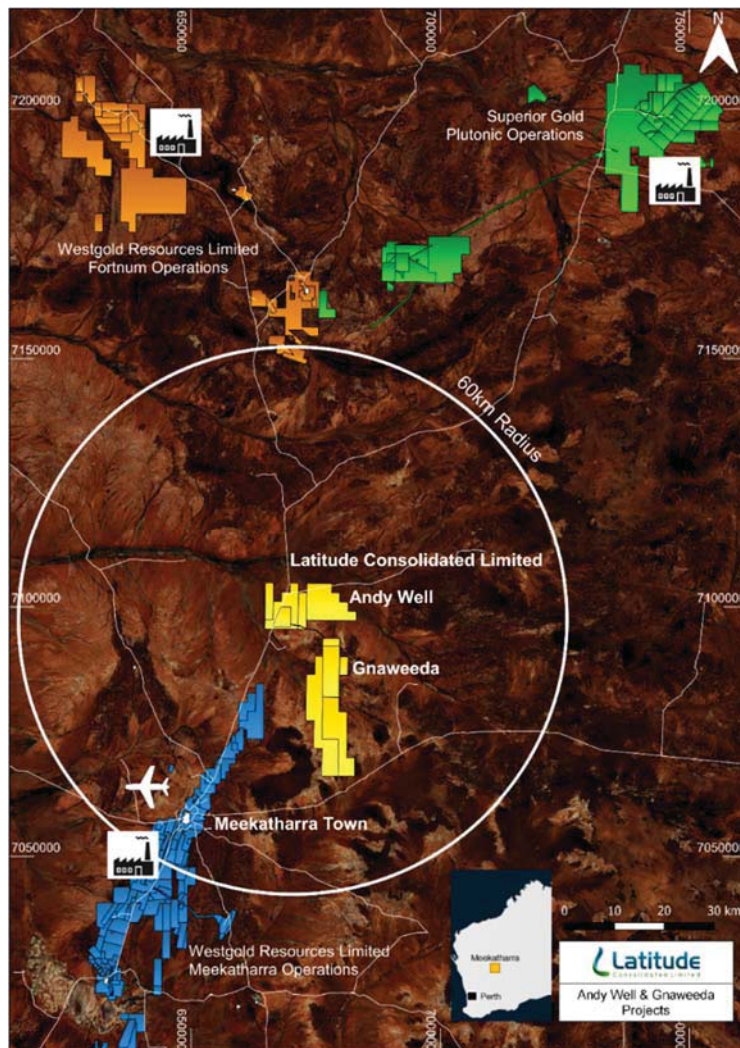


Figure 1: Andy Well and Gnaweeda projects



Figure 2: Andy Well exploration targets

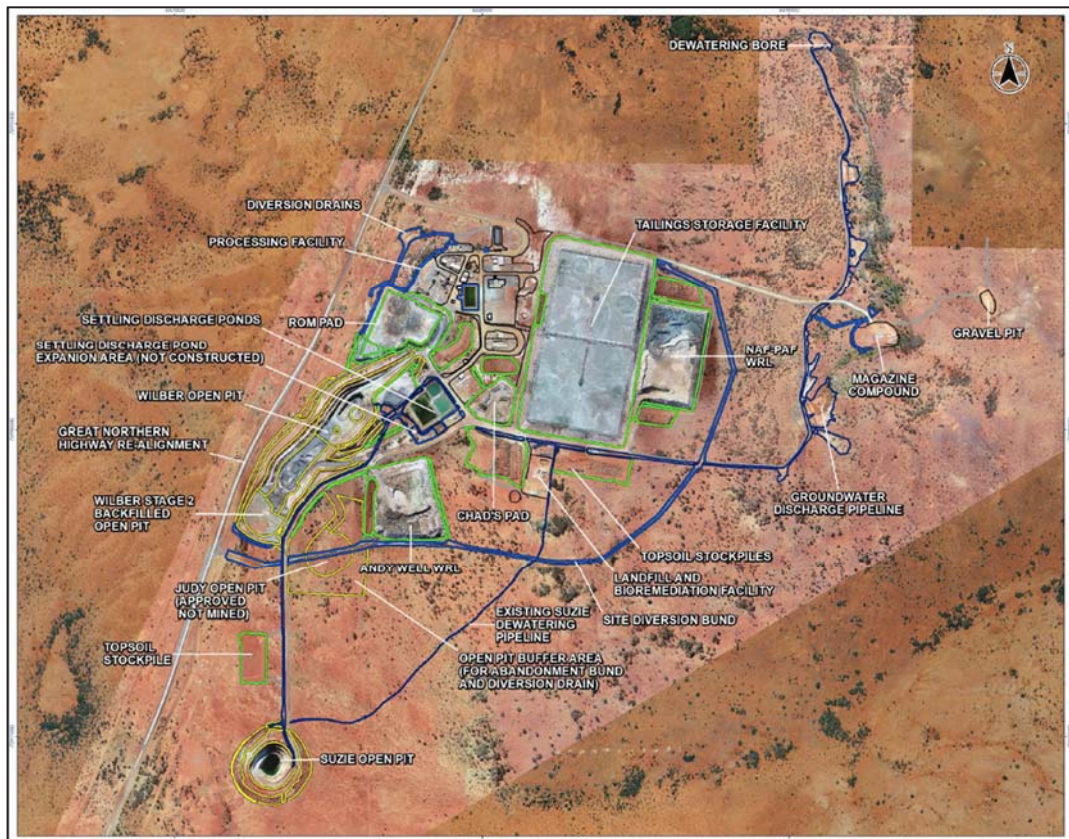


Figure 3: Previous Andy Well Project infrastructure

Gnaweeda Gold Project Summary

The Gnaweeda Project has exploration licenses covering ~25km strike of the Archean Gnaweeda Greenstone Belt with a granted Mining Lease covering Turnberry & St Annes (Figure 4). The Project has an existing 271,000oz (4.2Mt @ 2.0g/t Au)² near surface Mineral Resource at Turnberry, situated 15km from the Andy Well Project. The Turnberry deposit strikes over approximately 1.5km and remains open along strike and at depth. There is potential to extend Turnberry Mineral Resource at depth with significant high grade drill intercepts including³:

- TBRC204 – 5m @ 9.4g/t Au from 53m
- TBRC205 – 3m @ 10.1g/t Au from 96m
- TBRC206 – 5m @ 15.3g/t Au from 125m
- TBRC207 – 12m @ 11.6g/t Au from 37m
- TBRC208 – 23m @ 7.1g/t Au from 69m

St Anne's⁴ & Chiddle Well⁵ significant intercepts to be followed up:

- SARC005 – 20m @ 2.4g/t Au (including 8m @ 5.0g/t Au)
- CWR096 – 7m @ 2.5g/t Au from 33m

Significant historical drilling results returned from the Bunarra⁶ prospect include:

- BN003 – 10m @ 18.5g/t Au from 113m (including 4m @ 39.8g/t Au)
- BBP11 – 6m @ 5.9g/t Au from 30m
- BBP2 – 3m @ 4.1g/t Au from 24m

Current royalties in place over Gnaweeda are as follows:

- Archean Star Resources - \$5 per ounce of gold poured, capped at \$1m.
- Teck Australia – 8.8% net profit interest with the option to earn back 66% interest in the Gnaweeda tenements by defining 1.0Moz at own cost within 4 years (minimum Teck expenditure requirement of \$7.5m during the option period). If Teck does not define 1.0Moz, the option lapses.

² Refer to Latitude Consolidated announcement to the ASX on 21st December 2020.

³ Refer to Doray Minerals announcement to the ASX on 27th January 2017.

⁴ Refer to Doray Minerals announcement to the ASX on 19th September 2017.

⁵ Refer to Latitude Consolidated announcement to the ASX on 21st December 2020.

⁶ Refer to Doray Minerals announcement to the ASX on 16th July 2014.

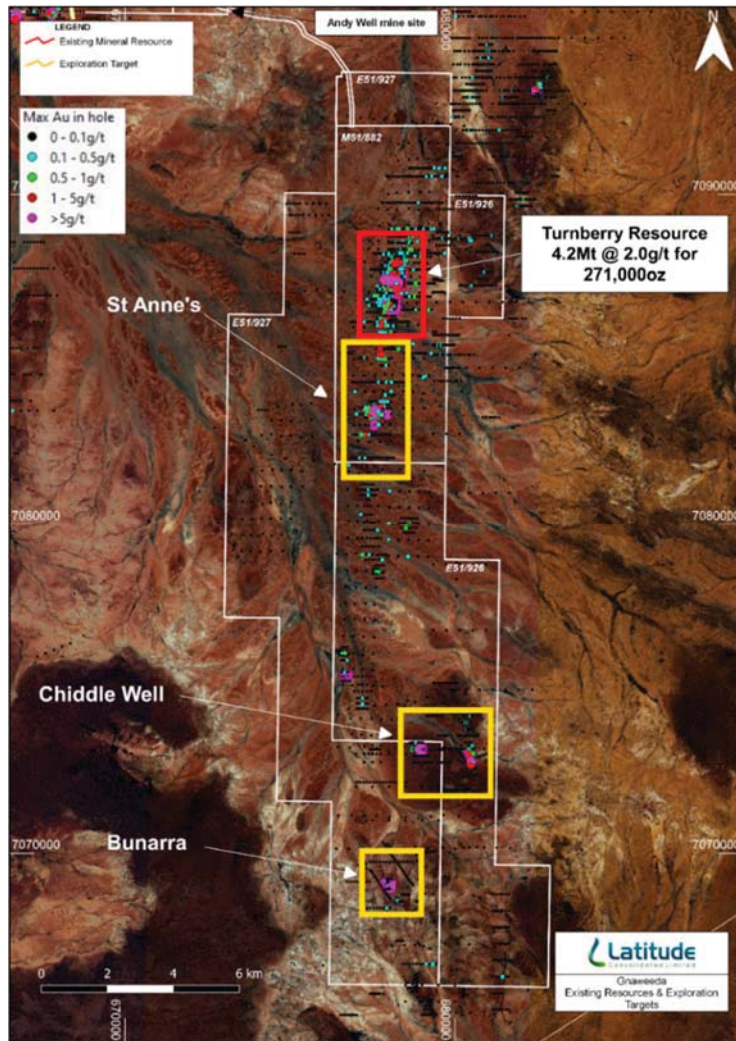


Figure 4: Gnaweeda Project Location

Mineral Resource Summary – Andy Well and Gnaweeda

Project	Measured			Indicated			Inferred			Total		
	Tonnes (kt)	Au Grade (g/t)	Au Ounces (oz)	Tonnes (kt)	Au Grade (g/t)	Au Ounces (oz)	Tonnes (kt)	Au Grade (g/t)	Au Ounces (oz)	Tonnes (kt)	Au Grade (g/t)	Au Ounces (oz)
Andy Well	127	13.7	56,000	1,063	9.2	315,000	628	6.6	134,000	1,818	8.6	505,000
Turnberry				2,043	2.2	146,000	2,196	1.8	124,000	4,239	2.0	271,000
TOTAL	127	13.7	56,000	3,106	4.6	461,000	2,824	2.8	258,000	6,057	4.0	776,000

- Mineral Resources are produced in accordance with the 2012 Edition of the Australian Code for Reporting of Mineral Resources and Ore Reserves (JORC 2012).
- Andy Well Mineral Resource is reported using 0.1g/t cut-off grade.
- Gnaweeda Mineral Resource is reported using 1.0g/t cut-off grade.

Acquisition Terms

Settlement of the acquisition of the Andy Well and Gnaweeda Gold Projects occurred on 15 February 2021, subsequent to the half year ended 31 December 2020.

Latitude paid a total consideration of \$8,000,000 for the Acquisition, comprising:

- a non-refundable deposit of \$250,000 payable within two business days of execution of the Share Sale Agreement. As at 31 December 2020, this amount had been paid; and
- \$7,750,000 cash at Settlement. This amount was paid subsequent to 31 December 2020 on the settlement date, being 15 February 2021.

The acquisition was completed on the basis that it has no other liabilities or indebtedness (other than rehabilitation liabilities in respect of the Tenements) and at settlement all intra-company debts and loans would be paid in full.

Separately, in connection with the Acquisition, the Company granted a total of 77,900,000 performance rights to Mr Davidson (CEO) and Mr Paul Adams and or their nominees for their assistance and participation in the Company and the Andy Well 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 Andy Well and Gnaweeda 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 terms and conditions of the Class A, Class B and Class C Performance Rights were formally approved by the ASX. The performance rights were issued on 11 February 2021 subsequent to 31 December 2020.

Skye Gold Project

The Skye Gold Project is in the Gawler Craton, South Australia a proven million-ounce terrain some 700km northwest of Adelaide (Figure 5). The tenement area is adjacent to Marmota Limited's (ASX: MEU) Aurora Tank Gold Project and reported significant high-grade gold intercepts at the Goshawk Zone (*refer to recent ASX: MEU announcements*). The project lies only 50km from the Challenger Gold Mine (Figure 6) that has produced more than 1Moz of gold, including open pit mining before an underground production history to end 2016 of 4.38Mt @ 6.26g/t Au for 881,000oz⁷. In addition, the presence of the 119,000oz Golf Bore JORC compliant Mineral Resource⁸ within 2km of the tenement boundary further attests to the underlying gold prospectivity within the region.

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

The Skye Gold Project includes multiple prospects where shallow drilling by previous explorers has identified near-surface gold mineralisation within a wide, north-east trending structural corridor, however most of the structural corridor remains untested below transported cover.

Latitude is planning to apply an exploration model whereby reconnaissance drilling first identifies low-level gold dispersion in shallow oxidized profiles, followed by detailed follow-up drilling to locate higher-grade material that may represent the top of high-grade plunging gold shoots as exemplified within 2km of the Project at Aurora Tank (MEU) and Golf Bore (TYX), and further southeast at Challenger (Barton Gold Pty Ltd).

Latitude considers the project to have excellent potential to deliver exciting new gold mineralisation below cover, while existing gold prospects such as Skye and Birdie already have sufficient indications of gold mineralisation to now progress to high-density aircore drilling.

⁷ Refer to ASX: WPG 25th October 2016.

⁸ Refer to ASX: TYX 30th May 2018.

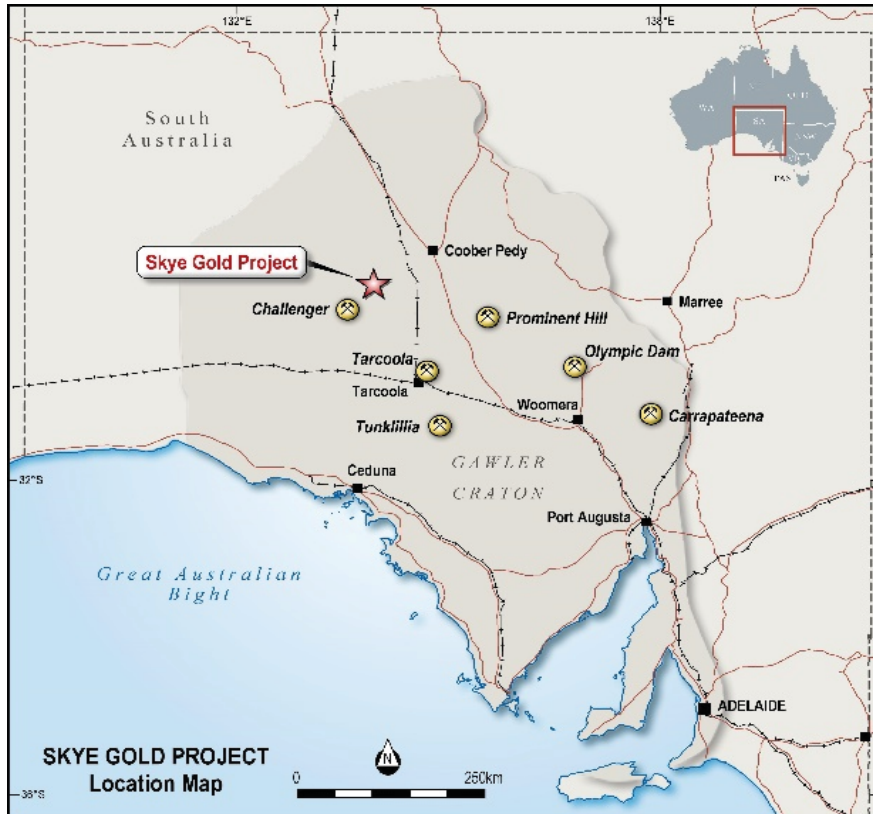


Figure 5: Skye Gold Project Location Map

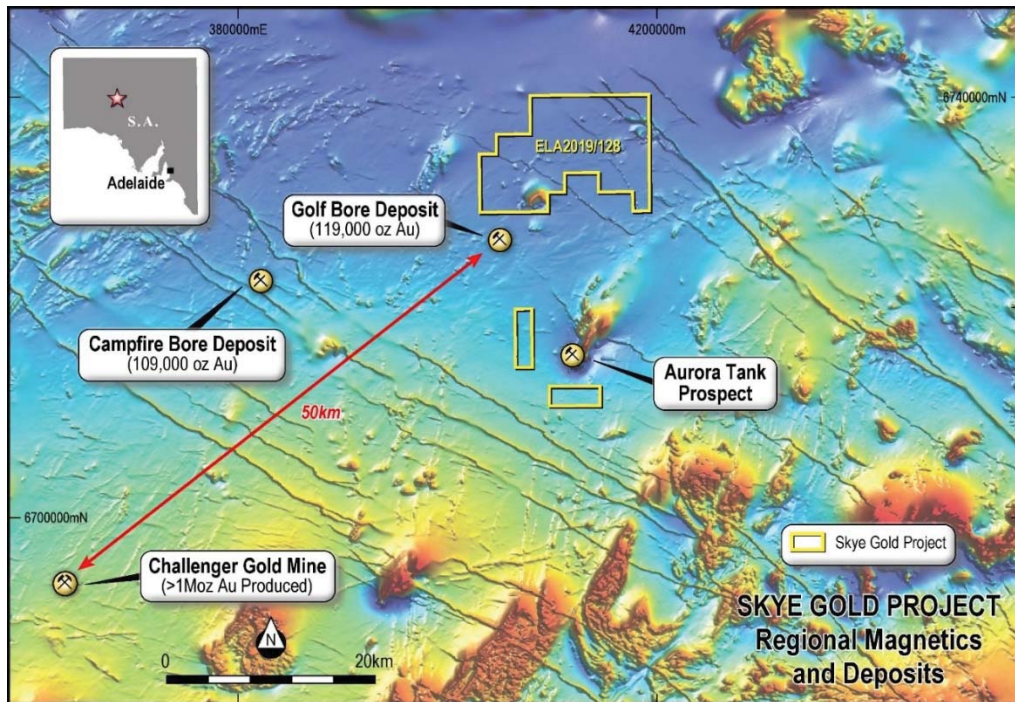


Figure 6: Skye Gold Project Regional TMI and Deposit Location Map

Circle Valley Project

The Circle Valley Gold Project (Circle Valley) is a greenfield exploration project which is located 85km south of Norseman in Western Australia. Circle Valley covers a soil-covered section of the southwestern Albany-Fraser Mobile Belt where limited past reconnaissance-style aircore (AC) drilling had located primary gold mineralisation in two separate locations: Anomaly A and Fenceline (Figure 7) (see past exploration details in ASX: LCD 6th March 2020 "Priority Gold Targets Identified at Circle Valley" and ASX: LCD 7th September 2020 "Gold Portfolio Exploration Update").

Despite the positive indications, no systematic gold exploration has been undertaken to date. Multiple kilometres of unexplored magnetic features extend from each of these prospects. Latitude considers that two bedrock gold occurrences in otherwise unexplored terrain is an excellent indicator and points to broader gold exploration potential. The potential prize in this type of target could be a new gold 'camp'. Gold exploration along the western edge of the Albany Fraser Mobile Belt has met with considerable success as highlighted by the discovery and development of the 7.1Moz Tropicana gold mine (AngloGold Ashanti and IGO Limited Joint Venture).

During the period, Latitude reported that it had been successful in securing co-funding as part of the Western Australian Government's Exploration Incentive Scheme (EIS), as well as progressing landowner access agreements. The EIS funds will partially fund Latitude's maiden aircore drilling program at the Circle Valley Project.

The EIS co-funding of up to \$150,000 in direct drilling costs (plus up to \$5000 in mobilisation costs) is a competitive award by the State Government to support technically driven mineral exploration in Western Australia. Latitude's approach is multi-faceted, with RC drillholes (plus diamond tails) testing the two bedrock Au occurrences and aircore traverses designed to increase the understanding of depth of cover, regolith environment and the basement geology.

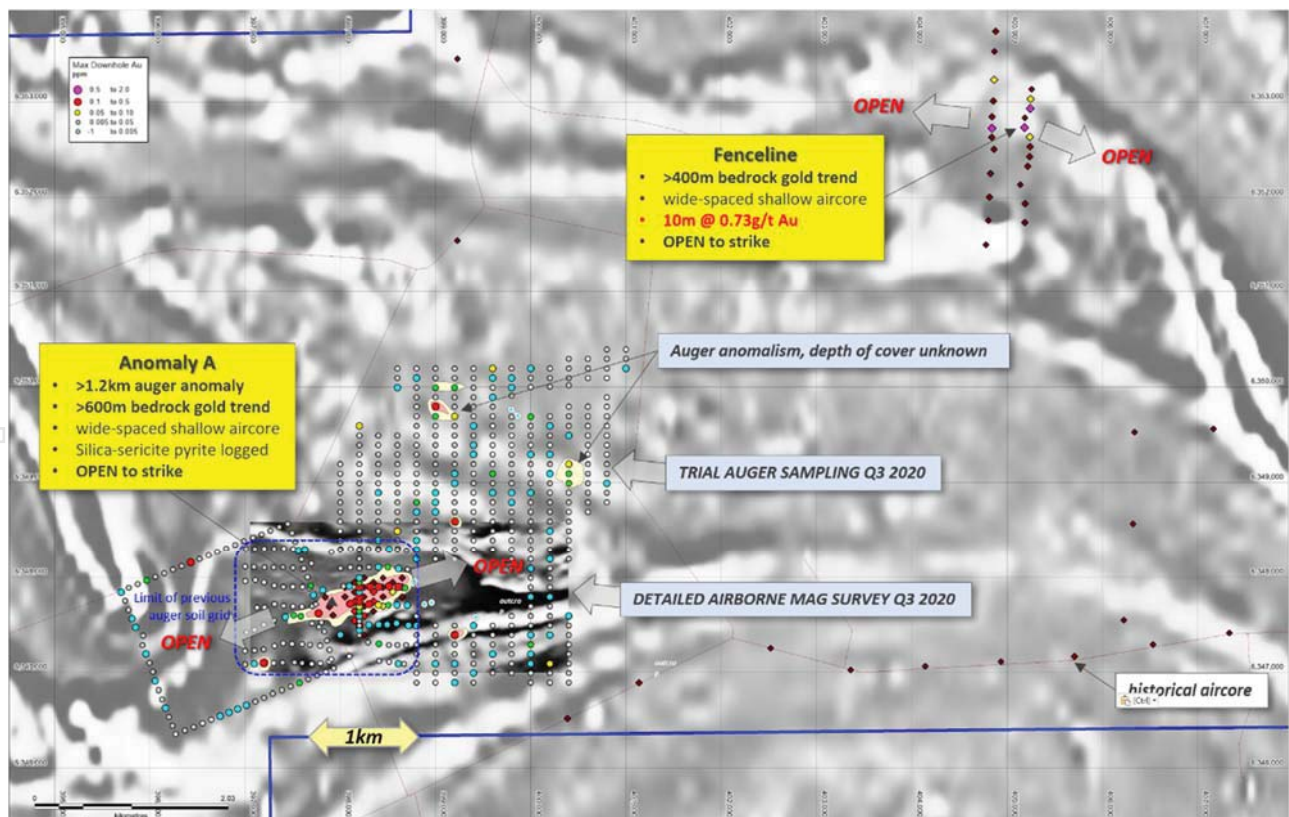


Figure 7: Auger geochemical sampling

Gecko North Project E15/1587

Gecko North E15/1587 is situated west of Coolgardie in the WA Goldfields and covers unexplored paleochannel positions similar to that in production at the Jaurdi Gold Project (ASX: BCN) 5km to the north-east of the Project. No significant exploration work was conducted on the Gecko North Project during the 6 months to 31 December 2020.

EVENTS AFTER THE REPORTING DATE

The following matters occurred after the half year ended 31 December 2020, in chronological order:

On 12 January 2021, the Company announced the completion of the Tranche 1 Placement that was announced as part of the Andy Well and Gnaweeda Gold Projects acquisition from Silver Lake Resources on 21 December 2020. 41,938,615 fully paid ordinary shares at \$0.02 each were issued to sophisticated investors for total cash receipts of \$838,772.

On 8 February 2021, the Company held an Extraordinary General Meeting to approve various aspects of the Andy Well and Gnaweeda Gold Projects acquisition. All resolutions were passed by poll. See ASX announcement on 8 February 2021 – *Results of Meeting* for the specific outcomes of each resolution.

On 11 February 2021, the Company announced the completion of the Tranche 2 Placement that was announced as part of the Andy Well and Gnaweeda Gold Projects acquisition from Silver Lake Resources on 21 December 2020. 458,061,385 fully paid ordinary shares at \$0.02 each were issued to sophisticated investors for total cash receipts of \$9,161,228. Under the placement, the Company in total issued 500,000,000 fully paid ordinary shares at \$0.02 per share to sophisticated investors for total cash receipts of \$10,000,000 gross of lead manager fees.

On 15 February 2021, the Company formally achieved settlement of the Agreement with Silver Lake Resources to acquire the Andy Well and Gnaweeda Gold Projects. As set out in the Agreement, the following events occurred at completion:

- Mr Paul Adams was appointed as Non-Executive Director of the Company.
- Mr Tim Davidson was appointed as Chief Executive Officer of the Company.
- The Company issued 77,900,000 performance rights to Mr Tim Davidson and Mr Paul Adams and or their nominees for their assistance and participation in the Company and the Andy Well Projects moving forward. See announcement dated 21 December 2020 for further details. The performance rights were approved by Shareholders at the General Meeting dated 9 February 2021.
- A total of 10,000,000 unlisted options exercisable at \$0.04 and expiring 31 January 2025 issued to the Directors of the Company as approved by shareholders at the General Meeting dated 9 February 2021.
- A total of 20,000,000 unlisted options exercisable at \$0.04 and expiring 31 January 2025 issued to the Lead Manager of the Placement as approved by shareholders at the General Meeting dated 9 February 2021.

On 15 February 2021, the Company issued 500,000 employee incentive options exercisable at \$0.04 and expiring on 15 February 2025 under the Company's Employee Share Option Plan.

On 1 March 2021, the Company issued 1,470,588 ordinary fully paid shares at a deemed issue price of \$0.017 to Resource Holdings Pty Ltd as deferred consideration for the Skye Gold Project as detailed in the announcement dated 22 June 2020. The shares are subject to a 3 month period of voluntary escrow from date of issue.

No other matter or circumstance has arisen since the end of the financial period 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.

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration is set out on page 11 and forms part of the Directors' Report for the half year ended 31 December 2020.

Signed in accordance with a resolution of the Directors.



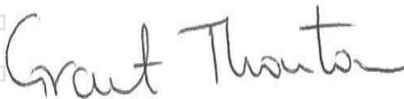
Timothy Moore
Non-Executive Chairman
12 March 2021

Auditor's Independence Declaration

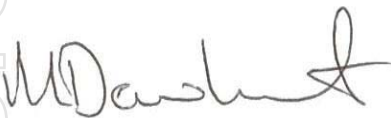
To the Directors of Latitude Consolidated Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Latitude Consolidated Limited for the half-year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



M D Dewhurst
Partner – Audit & Assurance

Perth, 12 March 2021

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DIRECTORS' DECLARATION FOR THE SIX MONTHS ENDED 31 DECEMBER 2020

In the Directors' opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 *'Interim Financial Reporting'*, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto give a true and fair view of the Group's financial position as at 31 December 2020 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5) of the Corporations Act 2001.

Signed in accordance with a resolution of the Board of Directors.



Timothy Moore
Non-Executive Chairman
12 March 2021

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 31 DECEMBER 2020

	Note	Consolidated	
		31-Dec-20	31-Dec-19
		\$	\$
Interest income		5,765	21,101
Other income		10,000	-
Fair value gain or (loss) on financial assets		-	106,632
Consulting and professional fees		(99,146)	(87,029)
Directors' benefit expense		(52,500)	(76,425)
Employee benefit expense		(1,425)	-
Exploration and evaluation expenditure		(47,948)	(12,133)
Insurance fees		(10,790)	(9,174)
Other expenses		(35,979)	(13,660)
Share registry fees		-	(3,044)
Travel expenses		(3,516)	(115)
Bad debts expense		-	(22,802)
Loss from continued operations		(235,539)	(96,649)
Income tax expense		-	-
Loss after income tax for the half year		(235,539)	(96,649)
Other comprehensive income for the half-year:			
Other comprehensive income for the half year, net of income tax		-	-
Total comprehensive loss for the half year attributed to members of Latitude Consolidated Limited		(235,539)	(96,649)
<i>Loss per share for the half year attributable to the members of Latitude Consolidated Limited</i>			
Basic and Diluted Loss per share – cents per share	4	(0.08)	(0.04)

The above consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the attached notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

		Consolidated	
	Note	31-Dec-20 \$	30-Jun-20 \$
ASSETS			
Current Assets			
Cash and cash equivalents		2,833,806	3,198,676
Trade and other receivables		46,276	22,689
Total Current Assets		2,880,082	3,221,365
Non-Current Assets			
Exploration and evaluation asset	5	497,669	-
Total Non-Current Assets		497,669	-
TOTAL ASSETS			
		3,377,751	3,221,365
LIABILITIES			
Current Liabilities			
Trade and other payables		54,627	39,368
Accrued expenses		16,486	-
Other current liabilities		3,780	-
Total Current Liabilities		74,893	39,368
TOTAL LIABILITIES			
		74,893	39,368
NET ASSETS			
		3,302,858	3,181,997
EQUITY			
Issued capital	6	36,889,642	36,816,609
Unissued capital (subscription monies in advance)	6	283,278	-
Reserves	6	196,914	277,733
Accumulated losses		(34,066,976)	(33,912,345)
TOTAL EQUITY			
		3,302,858	3,181,997

The above consolidated statement of financial position is to be read in conjunction with the attached notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 31 DECEMBER 2020

Consolidated 31 December 2020

Note	Share Capital \$	Share Based Payment Reserve \$	Accumulated Losses \$	Total Equity \$
Total Equity at 1 July 2019	36,816,609	500,977	(33,805,163)	3,512,423
Total Comprehensive Loss for the Half Year				
Loss for the half year	-	-	(96,649)	(96,649)
Total Comprehensive Loss for the Half Year	-	-	(96,649)	(96,649)
Total Equity at 31 December 2019	36,816,609	500,977	(33,901,812)	3,415,774
Total Equity at 1 July 2020	36,816,609	277,733	(33,912,345)	3,181,997
Total Comprehensive Loss for the Half Year				
Loss for the half year	-	-	(235,539)	(235,539)
Total Comprehensive Loss for the Half Year	-	-	(235,539)	(235,539)
Expiry of unlisted options	-	(80,907)	80,907	-
Issue of performance shares	-	88	-	88
Issue of fully paid ordinary shares	75,000	-	-	75,000
Unissued capital (subscription monies in advance)	283,278	-	-	283,278
Share issue costs	(1,966)	-	-	(1,966)
Total Equity at 31 December 2020	37,172,921	196,914	(34,066,977)	3,302,858

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The above consolidated statement of changes in equity is to be read in conjunction with the attached notes.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 31 DECEMBER 2020

	Consolidated	
	31-Dec-20 \$	31-Dec-19 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received	5,765	21,101
Payments to suppliers	(191,418)	(277,661)
Payments for exploration expenditure	(47,948)	(12,133)
Other income received	10,000	-
Net cash used in operating activities	(223,601)	(268,693)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for exploration expenditure	(147,581)	-
Payments for acquisition of tenements and projects	(275,000)	-
Proceeds on the sale of ARS shares	-	265,257
Net cash (used in) / generated from investing activities	(422,581)	265,257
CASH FLOWS FROM FINANCING ACTIVITIES		
Unissued capital (subscription monies in advance)	283,278	-
Share issued costs	(1,966)	-
Net cash generated from financing activities	281,312	-
Net decrease in cash and cash equivalents	(364,870)	(3,436)
Cash and cash equivalents at the beginning of the half year	3,198,676	3,320,100
Cash and cash equivalents at the end of the half year	2,833,806	3,316,664

The above consolidated statement of cash flows is to be read in conjunction with the attached notes.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE SIX MONTHS ENDED 31 DECEMBER 2020

NOTE 1: CORPORATE INFORMATION

Reporting Entity

The Condensed Consolidated Interim Financial Report of Latitude Consolidated Limited ('LCD' or the 'Company') and its controlled entity (the 'Group') for the half year ended 31 December 2020 was authorised for issue in accordance with a resolution of the directors on 12 March 2021.

Latitude Consolidated Limited is a Company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

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

Statement of compliance

The half year financial report is a condensed general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the annual financial report for the year ended 30 June 2020 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Basis of preparation

The condensed interim financial report for the half-year reporting period ended 31 December 2020 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all of the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2020 and any public announcements made by Latitude during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the ASX Listing Rules.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

The half-year financial report has been prepared on a historical cost basis, except where stated. For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

a. New Accounting Standards and Interpretations

In the half-year ended 31 December 2020, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2020.

The adoption of the new and revised Standards and Interpretations have not had a material impact on this half-year financial report.

b. New Standards not yet effective

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

c. Estimates

The preparation of the interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim financial statements, significant judgements made by management in applying the Company's accounting policies and key sources of estimation uncertainty were the same as those that were applied to the consolidated financial report as at and for the year ended 30 June 2020.

Basis of consolidation

Subsidiaries

The consolidated financial statements comprise the assets and liabilities of Latitude Consolidated Limited and its subsidiaries at 31 December 2020 and the results of all subsidiaries for the period then ended. A subsidiary is any entity controlled by Latitude Consolidated Limited.

Subsidiaries are all those entities (including special purpose entities) over which the Company has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

The financial statements of subsidiaries are prepared from the same reporting period as the Parent Company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist. All inter-company balances and transactions, including unrealised profits arising from intra-entity transactions, have been eliminated in full. Unrealised losses are eliminated unless costs cannot be recovered. Investments in subsidiaries are accounted for at cost in the individual financial statements of Latitude Consolidated Limited.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting involves recognising at acquisition date, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. The identifiable assets acquired, and the liabilities assumed are measured at their acquisition date fair values. A change in the ownership interest of a subsidiary that does not result in a loss of control is accounted for as an equity transaction.

d. Going Concern Basis

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

The Group incurred operating losses of \$235,539 (31 December 2019: \$96,649 losses) and had net cash outflows from operating activities of \$175,653 and net cash outflows from investing activities of \$470,529 for the half year ended 31 December 2020. The Group has a cash and cash equivalents balance of \$2,833,806 (30 June 2020: \$3,198,676) as at 31 December 2020.

The Directors believe that it is reasonably foreseeable that the Group will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- The Group has a sufficient cash and cash equivalents balance as at 31 December 2020 to fund the following 12 months of business activities;
- If required, the Company has the ability to issue additional equity securities under the *Corporations Act 2001* to raise further working capital; and
- The Group has the ability to curtail administrative, discretionary exploration and overhead cash outflows as and when required.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Group does not continue as a going concern.

NOTE 2: DIVIDENDS

No dividends have been declared or paid during the period under review (2019: nil).

NOTE 3: SEGMENT REPORTING

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Board of the Group in order to allocate resources to the segment and to assess its performance. There has been no change in segment reporting since 30 June 2020.

NOTE 4: LOSS PER SHARE

Loss used in calculating basic and diluted loss per share

Weighted average number of ordinary shares used in calculating basic and diluted loss per share

Basic and diluted loss per share

31-Dec-2020	31-Dec-2019
\$	\$
(235,539)	(96,649)
No.	No.
277,372,830	275,179,002
Cents	Cents
(0.08)	(0.04)

NOTE 5: EXPLORATION AND EVALUATION ASSET

Exploration and Evaluation Expenditure - WA

Exploration and Evaluation Expenditure - SA

Exploration and Evaluation Expenditure - WA

Opening Balance

Additions

Impairment

Closing Balance

Exploration and Evaluation Expenditure - SA

Opening Balance

Additions

Impairment

Closing Balance

31-Dec-2020	30-Jun-2020
\$	\$
364,482	-
133,187	-
497,669	-
-	-
364,482	-
-	-
133,187	-
-	-
133,187	-

During the period the group incurred acquisition and exploration expenditure in relation to its Andy Well and Circle Valley projects in Western Australia and its Skye Gold project in South Australia. Under the group's accounting policy, exploration and evaluation expenditure is capitalised to the extent that these costs are expected to be recouped through the successful development of the area of interest or where activities in the area have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. The Directors have assessed that the costs associated with Andy Well, Circle Valley and Skye Gold meet the recognition criteria and the company has capitalised these costs during the period.

Costs relating to the company's Gecko North project continue to be expensed in line with prior years as the recognition criteria are not considered to have been met during the period.

NOTE 6: ISSUED CAPITAL AND RESERVES

(a) Issued and Paid Up Capital

Fully paid ordinary shares

(b) Movements in share capital

Balance as at 1 July 2020

Issue of Consideration Shares – Skye Gold

Unissued capital (subscription monies in advance)

Share issue costs

Balance as at 31 December 2020

No.	\$
279,590,767	36,889,642
275,179,002	36,816,609
4,411,765	75,000
-	283,278
-	(1,966)
279,590,767	37,172,921

During the interim period ended 31 December 2020 the following movements in issued capital occurred:

- 4,411,765 fully paid ordinary shares were issued to Resource Holdings Pty Ltd as consideration for the Company's acquisition of the Skye Gold Project. These shares were issued at a deemed issue price of \$0.017 per share, representing a total value of \$75,000. Share issue costs accompanying this issue totalled \$1,967.
- As per the ASX announcement of 21 December 2020, Latitude acquired the Andy Well Gold Project from Silver Lake Resources (ASX: SLR). In conjunction with the acquisition, Latitude sought to raise \$10,000,000 by way of a capital raising via two tranches (T1 and T2). The initial placement (T1) sought to raise \$838,772 and the shares would be issued on 11 January 2021. The T1 capital raising monies received in advance represents the funds received in relation to the T1 capital raise prior to balance date of 31 December 2020. The Group has treated these monies received as unissued share capital. The Group confirms it was not waiting on any form of shareholder approval to issue the shares as at 31 December 2020.

(c) Reserves

Balance as at 1 July 2020

Expiry of unlisted options

Expiry of unlisted options

Issue of Class A Performance Shares

Balance as at 31 December 2020

No. Options	No. Performance Shares	\$
16,450,000	-	277,733
(1,200,000)	-	(3,480)
(2,000,000)	-	(77,427)
-	8,823,529	(88)
13,250,000	8,823,529	196,738

During the interim period ended 31 December 2020 the following movements in reserves occurred:

- No options were exercised to take up ordinary shares (2019: nil).
- 3,200,000 unlisted options expired unexercised (2019: 5,738,000):
 - o LCDESOPB [1,200,000 unlisted options expiring 24/11/2020 exercisable at \$0.15]
 - o LCDOPT04 [2,000,000 unlisted options expiring 30/11/2020 exercisable at \$0.25]
- 8,823 529 Class A Performance Shares were issue to Resource Holdings Pty Ltd as consideration for the Company's acquisition of the Skye God Project. The vesting criteria for the Performance Shares is as follows:
 - o Class A Performance Shares – 8,823,529 performance shares vest on the achievement of a milestone drill intersection reported in accordance with the JORC Code containing greater than 20 g/metres (g/metres drill intersection of greater than 1 metre length, calculated at >0.50g/t gold lower cut-off and allowing a maximum of 2 metres internal dilution at <0.50 g/t gold) from drilling on the Tenement.

NOTE 7: CONTINGENT ASSETS AND LIABILITIES

As at 31 December 2020, Latitude has the following contingent liabilities:

- In relation to the Skye Gold Project, 2,941,176 fully paid ordinary shares are to be issued to Resource Holdings Pty Ltd on the date being 5 months from settlement, being 1 March 2021. Subsequent to the period ended 31 December 2020, a variation agreement was signed by both parties which stated that a revised figure of 1,470,588 fully paid ordinary shares would be issued on 1 March 2021. These securities were issued on this date as disclosed in the significant after balance date events note 8. The following 1,470,588 fully paid ordinary shares are to be issued on the date that the first drill campaign commences at the Skye Gold tenement.
- In relation to the Skye Gold Project, 8,823,529 fully paid ordinary shares are to be issued to Resource Holdings Pty Ltd 30 months from the settlement date of the Skye Gold Project, being 1 April 2023.

The Directors are not aware of any other contingent assets or liabilities that may arise from the Group's operations as at 31 December 2020.

NOTE 8: SIGNIFICANT AFTER BALANCE DATE EVENTS

The following matters occurred after the half year ended 31 December 2020, in chronological order:

On 12 January 2021 the Company announced the completion of the Tranche 1 Placement that was announced as part of the Andy Well and Gnaweeda Gold Projects acquisition from Silver Lake Resources on 21 December 2020. 41,938,615 fully paid ordinary shares at \$0.02 each were issued to sophisticated investors for total cash receipts of \$838,772.

On 8 February 2021, the Company held an Extraordinary General Meeting to approve various aspects of the Andy Well and Gnaweeda Gold Projects acquisition. All resolutions were passed by poll. See ASX announcement on 8 February 2021 – *Results of Meeting* for the specific outcomes of each resolution.

On 11 February 2021 the Company announced the completion of the Tranche 2 Placement that was announced as part of the Andy Well and Gnaweeda Gold Projects acquisition from Silver Lake Resources on 21 December 2020. 458,061,385 fully paid ordinary shares at \$0.02 each were issued to sophisticated investors for total cash receipts of \$9,161,228. The Company in total issued 500,000,000 fully paid ordinary shares at \$0.02 per share to sophisticated investors for total cash receipts of \$10,000,000 gross of lead manager fees.

On 15 February 2021, the Company formally achieved settlement of the Agreement with Silver Lake Resources to acquire the Andy Well and Gnaweeda Gold Projects. As set out in the Agreement, the following events occurred at completion:

- Mr Paul Adams was appointed as Non-Executive Director of the Company.
- Mr Tim Davidson was appointed as Chief Executive Officer of the Company
- The Company issued 77,900,000 performance rights to Mr Tim Davidson and Mr Paul Adams and or their nominees for their assistance and participation in the Company and the Andy Well Projects moving forward. See announcement dated 21 December 2020 for further details. The performance rights were approved by Shareholders at the General Meeting dated 9 February 2021.
- A total of 10,000,000 unlisted options exercisable at \$0.04 and expiring 31 January 2025 issued to the Directors of the Company as approved by shareholders at the General Meeting dated 9 February 2021.
- A total of 20,000,000 unlisted options exercisable at \$0.04 and expiring 31 January 2025 issued to the Lead Manager of the Placement as approved by shareholders at the General Meeting dated 9 February 2021.

On 15 February 2021 the Company issued 500,000 employee incentive options exercisable at \$0.04 and expiring on 15 February 2025 under the Company's Employee Share option Plan.

On 1 March 2021, the Company issued 1,470,588 ordinary fully paid shares at a deemed issue price of \$0.017 to Resource Holdings Pty Ltd as deferred consideration for the Skye Gold Project as detailed in the announcement dated 22 June 2020. The shares are subject to a 3 month period of voluntary escrow from date of issue.

No matter or circumstance has arisen since the end of the financial period 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.

NOTE 9: RELATED PARTY TRANSACTIONS

Paul Adams was appointed as a Non-Executive Director on 15 February 2021 after the period ended 31 December 2020. Mr Adams related entity is Makalu Capital Pty Ltd.

No other material changes to the Group's related party transactions to those disclosed in the 30 June 2020 Annual Report.

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Independent Auditor's Review Report

To the Members of Latitude Consolidated Limited

Report on the review of the half year-financial report

Conclusion

We have reviewed the accompanying half-year financial report of Latitude Consolidated Limited (the Company) and its controlled entities (the Group), which comprises the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a description of accounting policies, other selected explanatory notes, and the directors' declaration.

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

- (a) giving a true and fair view of the Latitude Consolidated Limited financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

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


Directors' responsibility for the half-year financial report

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

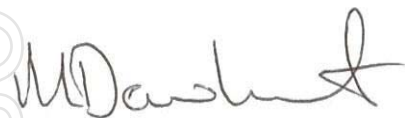
Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Groups' financial position as at 31 December 2020 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



M D Dewhurst
Partner – Audit & Assurance

Perth, 12 March 2021