
LATITUDE CONSOLIDATED LIMITED

ACN 080 939 135

NOTICE OF GENERAL MEETING

TIME: 9.00 am WST

DATE: Thursday, 1 March 2018

PLACE: Ground Floor, 16 Ord Street, West Perth WA 6005

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9482 0550.

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IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the Meeting will be held at 9.00 am WST on Thursday, 1 March 2018 at:

Ground Floor, 16 Ord Street, West Perth WA 6005

Your vote is important

The business of the Meeting affects your shareholding and your vote is important.

Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4.00 pm WST on 27 February 2018.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and

- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (ie as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (ie as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (ie as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting; or
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – DISPOSAL OF MT IDA GOLD ASSETS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 11.2 and for all other purposes, approval is given for the sale by the Company of all of the Mt Ida Gold Assets on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities. If the resolution is passed, and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated: 22 January 2018

By order of the Board

**Joel Ives
Company Secretary**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolution.

1. RESOLUTION 1 – DISPOSAL OF MT IDA GOLD ASSETS

1.1 Background

On 16 January 2018 the Company announced to ASX that it had entered into a binding heads of agreement (**Agreement**) for the disposal of its subsidiary MGK Resources Pty Ltd (**Subsidiary**) which directly owns the mineral licenses located near Mt Ida set out in Schedule 1 (**Mt Ida Gold Assets**), being its main undertaking, to Alt Resources Limited (**ARS**) (**Disposal**).

The material terms of the Agreement are as follows:

- (a) **Condition Precedent:** the Disposal is subject to and conditional on the Company obtaining all regulatory, shareholder and ASX approvals required (if any) within 60 days of the parties signing of the Agreement.
- (b) **Consideration:** in consideration for the Disposal, ARS agreed:
 - (i) to make a cash payment of \$400,000 to the Company (or its nominee) within seven (7) days of signing of the Agreement;
 - (ii) on 31 March 2018 (**Completion Date**):
 - (A) to issue 12,500,000 fully paid ordinary shares in the capital of ARS (**ARS Shares**) at an issue price of \$0.06 per ARS Share to the Company (or its nominee); and
 - (B) to grant 3,125,000 options over ARS Shares, with each option having an exercise price \$0.08 and expiring 31 January 2021 (being 3 years from the date of issue) (**Consideration Options**); and
 - (iii) on or before the Completion Date, to make a cash payment to the Company (or its nominee) of \$600,000 (**Cash Consideration**).

The parties have agreed that the ARS Shares to be issued to the Company as consideration will be subject to a voluntary escrow period of six (6) months from the date of issue, being 31 March 2018.

The Company has warranted that the amount of \$400,000 to be paid by ARS to the Company pursuant to paragraph (b)(i) above will be held in trust until the Condition Precedent is satisfied and will be released to the Company thereafter.

- (c) **Completion:** on satisfaction of the Condition Precedent and following the issue of the ARS Shares, Consideration Options and payment of the Cash Consideration, the Company will transfer to ARS (or its nominee) 100% of the issued capital in the Subsidiary free from all encumbrances and procure the resignation of the Company's nominees from the Subsidiary's board of directors.

- (d) **Acknowledgement:** the parties have acknowledged and agreed that, upon the grant of exploration licence 15/1587 (**EL15/1587**) (which is currently an application), the Subsidiary will apply to the Department of Mines, Industry Regulation and Safety for the transfer EL 15/1587 to the Company. The Subsidiary is required to execute all transfers, assurances, declarations and notices and do all acts and things necessary to transfer the beneficial and legal title in EL15/1587 to the Company free from encumbrances.

1.2 ASX Listing Rule 11.2

ASX Listing Rule 11.2 provides that where a company proposes to make a significant change in the nature or scale of its activities which involves the disposal of its main undertaking, it must first obtain the approval of its shareholders.

Resolution 1 seeks Shareholder approval for the disposal of the Company's main undertaking.

1.3 Indicative Timetable

Subject to ASX Listing Rules and Corporations Act requirements, the Company anticipates completion of the Disposal will be in accordance with the following timetable:

Event	Date
ASX announcement of Disposal	16 January 2018
Meeting to approve Disposal	1 March 2018
Satisfaction/waiver of all conditions in Agreement	5 March 2018

1.4 Financial effect of the Disposal on the Company

The impact of the Disposal on the Company's balance sheet is set out in the proforma balance sheet contained in Schedule 2.

The cash consideration payable under the Agreement will be used to fund the operational costs of the Company and to pursue other investment opportunities.

There will be no impact on the capital structure of the Company.

1.5 No change to Board as a result of the Disposal

The Directors confirm that there will be no changes to the Company's Board nor to senior management personnel of the Company as a result of the Disposal.

1.6 Reasons for and against the Disposal

Advantages

The Directors believe that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on the proposed Disposal:

- (a) the Company will not have the operational costs or contingent liabilities associated with the Subsidiary and the Mt Ida Gold Assets following the settlement of the Agreement; and
- (b) the Company maintains some interest in the upside potential of the Mt Ida Gold Assets through the equity interest received in consideration under the Agreement.

Disadvantages

The Directors believe that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on the proposed Disposal:

- (a) the Company will not be able to participate in or derive all of the future potential (or 80% for the Mt Ida JV tenements) profits from the Mt Ida Gold Assets;
- (b) the proposed Disposal involves the Company selling its principal operating business activities. However, the Board is actively investigating other investment opportunities and will provide Shareholders with further information when an appropriate investment is identified;
- (c) there is a risk the Company may not be able to locate and acquire other suitable investment opportunities; and
- (d) the Company will be changing the scale of its activities by a significant extent, which may not be consistent with the investment objectives of Shareholders.

1.7 Future activities and direction post Disposal

After completion of the Disposal, the Company will pursue other investment opportunities which have the potential to create Shareholder wealth.

ASX customarily allows listed entities a period of up to 6 months to allow it to identify and make an announcement of its intention to acquire a suitable new business. If the Company is unable to announce such an intention within this timeframe ASX will generally exercise its discretion to suspend the quotation of the Company's securities at the end of that 6 month period. The suspension would continue until the Company makes an announcement about its future activities which is acceptable to ASX. It is expected this 6 month period will commence from the time the Company disposes of its interest in the Mt Ida Gold Assets.

In the event Shareholder approval is not obtained and completion of the Disposal is unable to occur the Company intends to initiate processes to further reduce operational costs and pursue more favourable sale terms with another party. It is noted that any further operational cost reduction may adversely affect the ability of the Company to sell the Mt Ida Gold Assets and potentially reduce the value of sale terms.

In the event Shareholder approval is obtained but Alt Resources Limited does not proceed to acquire the interest in the Mt Ida Gold Assets, the Company intends to seek alternative options to divest of the Mt Ida Gold Assets.

1.8 Directors interests and recommendations

The Directors do not have any material interest in the outcome of the Resolution other than as a result of their interest arising solely in the capacity as Shareholders.

The Directors have a relevant interest in the securities of the Company as set out in the following table:

Director	Shares	Performance Rights
Timothy Moore	5,125,495	2,000,000
Roger Steinepreis	5,052,190	1,500,000
Morgan Barron	4,150,395	1,500,000
Nick Castleden	1,751,113	Nil

The Board has approved the proposal to put the Resolution to Shareholders.

Each of the Directors intends to vote all of their Shares in favour of the Resolution.

Based on the information available, all of the Directors consider that the proposed Disposal is in the best interest of the Company and recommend that Shareholders vote in favour of the Resolution.

SCHEDULE 1 – TENEMENT LIST

Tenement Id	Status	% interest
E29/0649	LIVE	100
E29/0748	LIVE	100
E29/0790	LIVE	100
E29/0901	LIVE	80
E29/0921	LIVE	80
E29/0930	LIVE	100
E29/0943	LIVE	100
E29/0969	LIVE	80
E29/0970	LIVE	80
E29/0971	LIVE	80
E29/0973	LIVE	80
E29/0993	LIVE	80
E29/0997	LIVE	100
E29/1007	PENDING	100
E29/1008	LIVE	100
E29/1014	PENDING	100
E29/1016	LIVE	100
M29/0036	LIVE	100
M29/0037	LIVE	100
M29/0065	LIVE	100
M29/0421	LIVE	100

Note: In relation to E29/0973 and E29/0993, the Subsidiary is the beneficial owner of the interests in the proportions set out above, but not the registered holder

SCHEDULE 2 – PRO-FORMA BALANCE SHEET

The unaudited balance sheet and the unaudited pro-forma balance sheet as at 31 December 2017 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position assuming the Resolution has been passed and completion of the Disposal.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro forma assets and liabilities of the Company as noted below. The historical and proforma information is presented in an abbreviated form, insofar as it does not include all disclosures required by Australian Accounting Standards applicable to annual financial statements.

	Note	Consolidated (unaudited) 2017 \$	Proforma Adjustments	Pro-Forma December 2017
ASSETS				
Current Assets				
Cash and cash equivalents	1	407,257	1,000,000	1,407,257
Trade and other receivables		7,800	-	7,800
Total Current Assets		415,057	1,000,000	1,415,057
Non-Current Assets				
Investment in Alt Resources Limited	2, 3	-	896,776	896,776
Property Plant and Equipment		4,185	-	4,185
Exploration and evaluation expenditure		2,205,255	(2,205,255)	-
Total Non-Current Assets		2,209,440	-	900,961
TOTAL ASSETS		2,624,497	(308,479)	2,316,018
LIABILITIES				
Current Liabilities				
Trade and other payables		87,838	-	87,838
Total Current Liabilities		87,838	-	87,838
TOTAL LIABILITIES		87,838	-	87,838
NET ASSETS / (LIABILITIES)		2,536,659	(308,479)	2,228,180
EQUITY				
Issued capital		33,431,399	-	33,431,399
Reserve		329,827	-	329,827
Accumulated losses		(31,224,567)	(308,479)	(31,533,046)
TOTAL EQUITY		2,536,659	(308,479)	2,228,180

Notes:

1. Assumes both \$400,000 amount received on signing as well as the final \$600,000 received on Completion of the Transaction.
2. Investment value comprises of \$750,000 of ordinary fully paid shares in Alt, using a deemed issue price of \$0.06 per share for a total of 12,500,000 shares and the value of options using Black and Scholes method (see Note 3).
3. The 3,125,000 Alt options to be received by Latitude have been valued using black and Scholes Method with the following inputs

Variable	Input
Value date	12/01/2017
Term	3 years form date of issue
Risk free rate	1.80%
Volatility	150%
Share price	\$0.06
Exercise Price	\$0.08

GLOSSARY

\$ means Australian dollars.

Agreement means the binding heads of agreement entered into by the Company and ARS on 12 January 2018.

ARS means Alt Resources Limited (ASX Code: ARS).

ARS Shares means the fully paid ordinary shares in the capital of ARS.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Company means Latitude Consolidated Limited (ACN 080 939 135).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Disposal has the meaning given in clause 1.1.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Mt Ida Gold Assets means the mineral licenses owned by MGK and located near Mt Ida, as set out in Schedule 1.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Proxy Form means the proxy form accompanying the Notice.

Resolution means the resolution set out in the Notice, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

Subsidiary means MGK Resources Pty Ltd.

WST means Western Standard Time as observed in Perth, Western Australia.

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PROXY FORM

LATITUDE CONSOLIDATED LIMITED
ACN 080 939 135

GENERAL MEETING

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

OR: the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 9.00 am WST, on 27 February 2018 at Ground Floor, 16 Ord Street, West Perth WA 6005, and at any adjournment thereof.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of the Resolution. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

Voting on business of the Meeting	FOR	AGAINST	ABSTAIN
Resolution 1 Disposal of Mt Ida Gold Assets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: _____ %

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date: _____

Contact name: _____

Contact ph (daytime): _____

E-mail address: _____

**Consent for contact by e-mail
in relation to this Proxy Form:** YES NO

Instructions for completing Proxy Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Latitude Consolidated Limited, PO Box 902, West Perth, Western Australia, 6872; or
 - (b) email to the Company – info@latitudeconsolidated.com;

so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy Forms received later than this time will be invalid.