



**LAKE RESOURCES**

**LAKE RESOURCES N.L. (ASX:LKE)**

**31 October 2017**

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Mr Chris Dobbs  
ASX Compliance Pty Ltd  
20 Bridge Street  
Sydney NSW 2000  
**By email:** chris.dobbs@asx.com.au

Dear Mr Dobbs,

**Re: ASX Aware Query re Lake Resources Limited (“Lake” or the “Company”)**

With reference to your letter dated 27 October 2017 (the “Letter”) and with specific reference to your queries contained therein, and using the same terms as defined therein, we advise as follows:

1. No, based on the information provided in Question 2 below, the Company not does consider the information contained in the Announcement to be information that a reasonable person would expect to have a material effect on the price or value of its securities.
2. The Announcement was released to the ASX Market Announcements Platform (“MAP”) at 10.19am on 27 October 2017. The opening price of the Company’s shares on the ASX, being prior to the release of the Announcement, was 13.5c. The high for the day for trading in the Company’s shares was 15c, which was achieved on numerous occasions throughout the day, both before and after the release of the Announcement on MAP. The closing price for the day, which was also the low for the day, was the same as the opening price at 13.5c.

On the basis that the Company’s shares closed at a price (after the release of the Announcement) identical to the price at opening (prior to the release of the Announcement), the Company is of the view that a reasonable person would conclude that the information contained in the Announcement did not have a material effect on the price or value of the entity’s securities.

3. Not applicable.

4. Not applicable.

5. The Company confirms that it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

Yours Sincerely

A handwritten signature in black ink, appearing to read 'A. Bursill'.

ANDREW BURSILL

Company Secretary



27 October 2017

Andrew Bursill  
Principal  
Lake Resources NL  
Suite 2, Level 10,  
70 Phillip Street  
SYDNEY NSW 2000

By email: [abursill@fa.com.au](mailto:abursill@fa.com.au)

Dear Mr Bursill,

**Lake Resources NL (“LKE”): aware query**

ASX Limited (“ASX”) refers to the following:

- A. The announcement entitled ‘Response to ASX Price Query’ lodged on the ASX Market Announcements Platform (‘MAP’) and released on 2:32pm on 25 October 2017 (‘the Price Query’), which noted that the Company was in the process of holding community meetings in Catabarca, Argentina which were required as part of its drilling approvals requirements.
- B. The fact that today between 10:04am to 10:18am, LKE’s share price surged from a low of 13.5 cents to a high of 15 cents.
- C. LKE’s announcement entitled ‘Drilling to commence at Kachi Lithium Brine Project’ lodged on the ASX Market Announcements Platform (‘MAP’) and released at 10:19am on 27 October 2017 (the “Announcement”), disclosing that LKE had **completed** a successful local community meeting as a final step in the approval process to allow drilling to commence over the Kachi Lithium Brine Project in Catamarca (‘the Information’).
- D. Listing Rule 3.1, which requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity’s securities.
- E. The definition of “aware” in Chapter 19 of the Listing Rules, which states that:

*“an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity”*

and section 4.4 in Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B “When does an entity become aware of information”*.

- F. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

*“3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:*

*3.1A.1 One or more of the following applies:*

- It would be a breach of a law to disclose the information;*
- The information concerns an incomplete proposal or negotiation;*
- The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- The information is generated for the internal management purposes of the entity; or*
- The information is a trade secret; and*

*3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

*3.1A.3 A reasonable person would not expect the information to be disclosed.”*

G. ASX’s policy position on the concept of “confidentiality”, which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. In particular, the Guidance Note states that:

*“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.”*

Having regard to the above, ASX asks LKE to respond separately to each of the following questions and requests for information:

1. Does LKE consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is “no”, please advise the basis for that view.
3. If the answer to question 1 is “yes”, when did LKE first become aware of the Information?
4. If the answer to question 1 is “yes” and LKE first became aware of the Information before the relevant time, why was the Information not released before market open or alternatively, if LKE could not release the information before market open, why was a trading halt not requested? In answering this question please comment specifically on when you believe LKE was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps LKE took to ensure that the Information was released promptly and without delay.
5. Please confirm that LKE is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that LKE’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of LKE with delegated authority from the board to respond to ASX on disclosure matters.

### **When and where to send your response**

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than half an hour before the start of trading (ie before 9.30 a.m. AEDT on Tuesday 31 October 2017). If we do not have your response by then, ASX will have no choice but to consider suspending trading in LKE's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, LKE's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at [chris.dobbs@asx.com.au](mailto:chris.dobbs@asx.com.au). It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

### **Listing Rules 3.1 and 3.1A**

In responding to this letter, you should have regard to LKE's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that LKE's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

### **Trading halt**

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in LKE's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

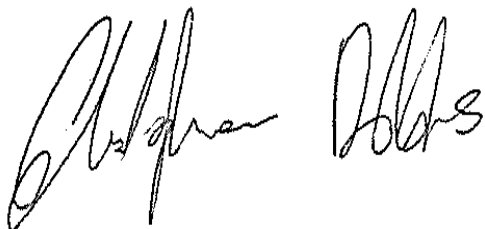
- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Christopher Dobbs', written in a cursive style.

**Christopher Dobbs**  
**Adviser, Listings Compliance**  
P: (02) 92270488  
E: [chris.dobbs@asx.com.au](mailto:chris.dobbs@asx.com.au)