

LAKE RAISES \$2M IN PLACEMENT**Kachi PFS and Exploration enters new stage**

- **Lake welcomes investor support with commitments for a private placement of A\$2 million to sophisticated and professional investors.**
- **Funds to advance PFS and pilot plant at Kachi Lithium Brine project and exploration at Cauchari and Olaroz projects.**

Lake Resources NL (ASX: LKE) welcomed today the support of investors to advance its key projects with commitments to raise A\$2 million, before costs, in a private placement to sophisticated and professional investors. Lake's projects are in the heart of the Lithium Triangle, home to the world's lowest cost lithium production.

Under the placement, the Company will issue approximately 45,000,000 new fully paid ordinary LKE shares (Offer Shares) at \$0.045 cents per share (Placement) to sophisticated and professional investors using its existing placement capacity under ASX Listing Rules 7.1 and 7.1A.

Funds raised through the Placement will be used by Lake to complete the Pre-Feasibility Study (PFS) and advance the construction of a pilot plant using the Lilac direct extraction process at the Kachi Project, together with exploration at Olaroz and Cauchari Lithium Brine Projects, and additional working capital. Funds will also be used towards closing the remaining convertible Notes with a temporary halt on conversions while being negotiated.

Lake's Managing Director Steve Promnitz commented: *"Lake welcomes the support of investors at this critical time in the advancement of the Company's key projects, with the Kachi PFS set for completion in the next few months followed by the launch of the planned pilot plant. This will demonstrate the compelling nature of a flexible process that produces high quality lithium products at the low end of the cost curve, with potentially industry-leading recovery rates."*

"Low costs and consistent quality product have been a focus by downstream players in the lithium market. The new discovery at Cauchari has demonstrated the successful approach to exploration which augers well for Olaroz. Our discussions continue with potential development partners. These are exciting times for Lake and we are focused on seizing the opportunity for the benefit of all shareholders."

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About Lake Resources NL (ASX:LKE)

Lake Resources NL (ASX:LKE, Lake) is a lithium exploration and development company focused on developing its three lithium brine projects and hard rock project in Argentina, all owned 100%. The leases are in a prime location among the lithium sector's largest players within the Lithium Triangle, where half of the world's lithium is produced. Lake holds one of the largest lithium tenement packages in Argentina (~200,000Ha) secured in 2016 prior to a significant 'rush' by major companies. The large holdings provide the potential to provide consistent security of supply, scalable as required, which is demanded by battery makers and electric vehicle manufacturers.

The Kachi project covers 70,000 ha over a salt lake south of FMC's lithium operation and near Albemarle's Antofalla project in Catamarca Province. Drilling at Kachi has confirmed a large lithium brine bearing basin over 20km long, 15km wide and 400m to 800m deep. Drilling over Kachi (currently 16 drill holes, 3100m) has produced a maiden indicated and inferred resource of 4.4 Mt LCE (Indicated 1.0Mt and Inferred 3.4Mt) (refer ASX announcement 27 November 2018).

A direct extraction technique is being tested in partnership with Lilac Solutions, which has shown 80-90% recoveries and lithium brine concentrations over 50,000 mg/L lithium. Phase 1 Engineering Study results have shown operating costs forecast at US\$2600/t LCE in the lowest cost quartile (refer ASX announcement 10 December 2018). This process is will be trialed on site with a pilot plant in tandem with conventional methods as part of the PFS underway, ready by year end. Discussions are advanced with downstream entities, mainly battery makers, to jointly develop the project.

The Olaroz-Cauchari and Paso brine projects are located adjacent to major world class brine projects either in production or being developed in the highly prospective Jujuy Province. The Olaroz-Cauchari project is located in the same basin as Orocobre's Olaroz lithium production and adjoins Ganfeng Lithium/Lithium Americas Cauchari project, with high grade lithium (600 mg/L) with high flow rates drilled immediately across the lease boundary.

The Cauchari project has shown lithium brines over 506m interval with high grades averaging 493 mg/L lithium (117-460m) and high flow rates, with up to 540 mg/L lithium. These results are similar to lithium brines in adjoining pre-production areas under development and infer an extension and continuity of these brines into Lake's leases (refer ASX announcements 28 May, 12 June 2019). The Olaroz project is planned to be drilled for the first time in LKE's 100% owned Olaroz leases as soon as drilling is completed at Cauchari.

Significant corporate transactions continue in adjacent leases with development of Ganfeng Lithium/Lithium Americas Cauchari project with Ganfeng announcing a US\$237 million for 37% of the Cauchari project previously held by SQM, followed by a further US\$160 million to increase Ganfeng's equity position to 50% on 1 April 2019, together with a resource that had doubled to be the largest on the planet. Ganfeng then announced a 10 year lithium supply agreement with Volkswagen on 5 April 2019. Nearby projects of Lithium X were acquired via a takeover offer of C\$265 million completed March 2018. The northern half of Galaxy's Sal de Vida resource was purchased for US\$280 million by POSCO in June-Dec 2018. LSC Lithium was acquired in Jan-Mar 2019 for C\$111 million by a mid-tier oil & gas company with a resource size half of Kachi. These transactions imply an acquisition cost of US\$55-110 million per 1 million tonnes of lithium carbonate equivalent (LCE) in resources.

For more information on Lake, please visit <http://www.lakeresources.com.au/home/>