

Lake Resources achieves high conductive brine flows from Cauchari

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In this latest 261m intercept, Lake Resources anticipates the results could be better than the 480mg/l lithium reported earlier this week in brine samples from 186m.

Lake Resources (ASX: LKE) has achieved further high flow rates of conductive brines from an intercept at the Cauchari lithium brine project in Argentina's Lithium Triangle.

Today's news follows Lake's announcement earlier in the week when Lake managing director Steve Promnitz described the company had hit a "watershed moment" when it revealed up to 480 milligrams per litre lithium in samples taken from a 186m depth.

In this latest 261m intercept, Lake anticipates the lithium levels could be better than those reported this week.

According to Lake, the results are similar to those revealed by nearby pre-production projects including Ganfeng/Lithium Americas and Advantage Lithium/Orocobre joint ventures.

Lake noted it was drilling in the same basin with similar brines and anticipated better results at depth.

The current diamond drill hole is targeting a sand horizon between 350-450m deep, where higher lithium values and fluid flows were recorded at the adjoining project.

“High fluid flows of brines under pressure is exactly what any operator would want to see when drilling a lithium brine filled basin,” Mr Promnitz explained.

“Recent lithium results confirm the potential for our Cauchari project to replicate the success of similar projects, and vindicate our long held view that the basin is fault-bounded and extends beneath thick alluvial cover.”

Earlier this week, when assays were revealed for the 186m intercept, Mr Promnitz said the results compare favourably to those at adjoining major pre-development projects subject to multi-billion dollar transactions.

Orocobre and Advantage Lithium generated 450mg/l of lithium between 6-240m – about 350m from Lake’s drilling area.

Meanwhile, Ganfeng and Lithium Americas’ 34m at 741mg/l lithium was revealed about 500m from Lake’s drill hole.

“With a major project under development in the adjoining leases, these results reaffirm Cauchari’s potential to become a highly valuable project for Lake, adding to our portfolio of wholly-owned projects located in the heart of the Lithium Triangle,” Mr Promnitz said.

As part of Lake’s strategy to fast-track Cauchari, the company is in discussions with potential partners in Asia and North America regarding development funding.

The company will release further results from the rig’s progress at Cauchari as they come to hand.

By late morning trade, shares in Lake had rocketed more than 42% to \$0.074.