

31 October 2019

LAKE APPOINTS CFO TO DRIVE PROJECT FUNDING

- **Experienced CFO appointed as joint Company Secretary, with focus on successfully securing funding for initial lithium production.**
- **Start of series of changes to better position company for the transition to pre-production.**

Lithium explorer and developer **Lake Resources NL (ASX:LKE)** announced today the appointment of an experienced chief financial officer (CFO), Garry Gill to help ensure successful funding of the Company's planned initial lithium production in Argentina.

Mr Gill will serve as joint Company Secretary, supported by Automic which will continue as Joint Company Secretary and Lake's share registry. A chartered accountant with more than 30 years' experience in all facets of corporate, financial and administrative functions, Mr Gill has served in a range of positions including as CFO, company secretary and other senior executive positions for a number of listed and unlisted public companies. These have included serving as finance director and company secretary of Jupiters Limited, CFO/Corporate Services Manager of South Bank Corporation in Brisbane, before forming a consultancy service for small cap ASX companies over the last decade. He has delivered improved strategic analysis and financial management, streamlined budgets, refinancing, and stakeholder management of small/mid cap resource companies.

Welcoming his appointment, Lake's Managing Director, Steve Promnitz said: "Garry has a wealth of experience, particularly in the small cap sector, key to supporting Lake's drive for initial production at our Kachi and Cauchari projects.

This transition has created a need for a dedicated financial person to interact with service providers and financial institutions, including SD Capital Advisory Limited, currently seeking to secure debt funding of up to US\$25 million for pre-production. Lake thanks the current outsourced accountants for their work to date."

Lake is continuing to assess a range of funding solutions including debt or investment directly at the project level to minimise any potential dilution to the Company's equity investors.

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**AT THE HEART OF THE
LITHIUM TRIANGLE**

About Lake Resources NL (ASX:LKE)

Lake Resources NL (ASX:LKE, Lake) is a lithium exploration and development company focused on reaching pre-production in early 2020 using an ethical, efficient direct extraction process to develop lithium brine projects. The three lithium brine projects, owned 100% by lake, 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 at the lowest cost. Lake holds one of the largest lithium tenement packages in Argentina (~200,000Ha). The large holdings and direct extraction technique 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 maiden indicated and inferred resource of 4.4 Mt LCE (Indicated 1.0Mt and Inferred 3.4Mt) over a large lithium brine bearing basin 800+m deep, from 16 drill holes (3100m) (refer ASX announcement 27 November 2018).

A direct extraction technique using ion exchange has been lab tested for more than 6 months in partnership with Lilac Solutions, which has shown 80-90% recoveries and lithium brine concentrations 50-60,000 mg/L lithium. Phase 1 Engineering Study results have shown operating costs forecast in the lowest cost quartile (refer ASX announcement 10 December 2018). This process is will be trialled on site with a pilot plant 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 the Ganfeng Lithium/Lithium Americas Cauchari project, with high grade lithium 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).

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. 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/>