

Lake Resources N.L.

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Lake Resources N.L.

Notice of 2019 Annual General Meeting

Explanatory Statement | Proxy Form

26 November 2019

11:00am AEDT

Address

Automic Group
Level 5, 126 Phillip Street,
Sydney NSW 2000

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.

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Venue and Voting Information

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 11:00am AEDT on 26 November 2019 at Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000.

Your vote is important

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

Voting in person

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

Voting by proxy

To vote by proxy, please use one of the following methods:

Online	Lodge the Proxy Form online at https://investor.automic.com.au/#/loginsah by following the instructions: Login to the Automic website using the holding details as shown on the Proxy Form. Click on 'View Meetings' – 'Vote'. To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form.
By post	Automic, GPO Box 5193, Sydney NSW 2001
By hand	Automic, Level 5, 126 Phillip Street, Sydney NSW 2000

Your Proxy instruction must be received not later than 48 hours before the commencement of the Meeting. **Proxy Forms received later than this time will be invalid.**

Power of Attorney

If the proxy form is signed under a power of attorney on behalf of a shareholder, then the attorney must make sure that either the original power of attorney or a certified copy is sent with the proxy form, unless the power of attorney has already provided it to the Share Registry.

Corporate Representatives

If a representative of a corporate shareholder or a corporate proxy will be attending the Meeting, the representative should bring to the Meeting adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of Shareholders of Lake Resources N.L. ACN 079 471 980 will be held at 11:00am AEDT on 26 November 2019 at Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000 (**Meeting**).

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form forms part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 11:00am AEDT on 24 November 2019.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

Agenda

Ordinary business

Financial statements and reports

"To receive and to consider the Annual Financial Report of the Company for the financial year ended 30 June 2019 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report for that financial year."

Note: This item of ordinary business is **for discussion only and is not a resolution**.

Pursuant to the Corporations Act, Shareholders will be given a reasonable opportunity at the Meeting to ask questions about, or make comments in relation to, each of the aforementioned reports during consideration of these items.

Resolutions

Remuneration Report

1. Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's Annual Financial Report for the financial year ended 30 June 2019."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement: In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the Company's key management personnel (including the Directors), whose remuneration details are included in the Remuneration Report (**KMP**), or any of that person's Closely Related Parties (such as close family members and any controlled companies of those persons) (collectively referred to as Restricted Voter). However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; and
- (b) it is not cast on behalf of a Restricted Voter.

If you appoint the person chairing the Meeting (**Chair**) and you are not a Restricted Voter, by submitting the Proxy Form you authorise the person chairing the Meeting to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP, and you will be taken to have directed the Chair to vote in accordance with his or her stated intention to vote in favour of Resolution 1. If you do not want your vote exercised in favour of Resolution 1, you should direct the person chairing the Meeting to vote "against", or to abstain from voting on, this Resolution.

Re-election of Directors

2. Resolution 2 – Re-election of Nicholas Lindsay as Director

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"That Nicholas Lindsay, a Director who retires by rotation in accordance with the Company's Constitution and ASX Listing Rule 14.5, and being eligible offers himself for re-election as a Director of the Company, effective immediately."

Ratification of Prior Issue of Ordinary Shares

3. Resolution 3 – Ratification of Prior Issue of Ordinary Shares

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the allotment and prior issue of 45,319,508 ordinary shares issued on 6 September 2019 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:

- (a) a person who participated in the issue; or
- (b) an Associate of those persons.

However, the Company will not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair 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.

ASX Listing Rule 7.1A (Additional 10% Capacity)

4. Resolution 4 – ASX Listing Rule 7.1A Approval of Future Issue of Securities

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, the Shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an Associate of those persons.

However, the Company will not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair 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.

Adoption of New Constitution

5. Resolution 5 – Adoption of New Constitution

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“That, in accordance with section 136 of the Corporations Act, and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form as signed by the Chairperson of the Meeting for identification purposes.”

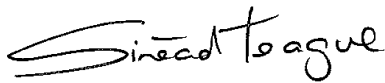
Approval of Proportional Takeover Provisions in New Constitution

6. Resolution 6 – Approval of Proportional Takeover Provisions in New Constitution

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“That, subject to Resolution 6 being passed, the proportional takeover provisions in the form of schedule 5 of the new Constitution be included in the new Constitution for a period of three years commencing from the date of this Meeting.”

BY ORDER OF THE BOARD



Sinead Teague
Company Secretary

Explanatory Statement

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 11:00am AEDT on 26 November 2019 at Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

If you are in any doubt about what to do in relation to the Resolutions contemplated in the Notice of Meeting and this Explanatory Statement, it is recommended that you seek advice from an accountant, solicitor or other professional advisor.

Full details of the business to be considered at the Annual General Meeting are set out below.

Agenda

Ordinary business

Financial statements and reports

In accordance with the Constitution and the Corporations Act, the business of the Annual General Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 30 June 2019 together with the declaration of the Directors, the Director's Report, the Remuneration Report and the Auditor's Report.

In accordance with the amendments to the Corporations Act, the Company is no longer required to provide a hard copy of the Company's Annual Financial Report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company's Annual Financial Report unless specifically requested to do so, Shareholders may view the Company Annual Financial Report on its website at <https://lakeresources.com.au/investors/reports/>.

No resolution is required for this item, but Shareholders will be given the opportunity to ask questions and to make comments on the management and performance of the Company.

The Company's auditor will be present at the Meeting. During the discussion of this item, the auditor will be available to answer questions on the:

- Conduct of the audit;
- Preparation and content of the Auditor's Report;
- Accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- Independence of the auditor in relation to the conduct of the audit.

Written questions of the auditor

If you would like to submit a written question about the content of the Auditor's Report or the conduct of the audit of the Annual Financial Report of the Company's auditor, please send your question to the Company Secretary. A list of qualifying questions will be made available at the Meeting.

Please note that all written questions must be received at least five business days before the Meeting, which is by 19 November 2019.

Resolutions

Remuneration Report

Resolution 1 – Adoption of Remuneration Report

In accordance with section 250R(2) of the Corporations Act, the Company is required to present to its Shareholders the Remuneration Report as disclosed in the Company's Annual Financial Report.

The vote on the Resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company's Annual Financial Report and is also available on the Company's website at <https://lakeresources.com.au/investors/reports/>.

However, if at least 25% of the votes cast are against the adoption of the Remuneration Report at the Meeting (subject of this Notice of Meeting), and then again at the 2020 Annual General Meeting (**2020 AGM**), the Company will be required to put to the vote a resolution (**Spill Resolution**) at the 2020 AGM to approve the calling of a further meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the Spill Meeting within 90 days of the 2020 AGM. All of the Directors who were in office when the 2020 Directors' Report was approved, other than the Managing Director, will (if desired) need to stand for re-election at the Spill Meeting.

The Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to KMPs (including Directors) and sets out remuneration details, service agreements and the details of any share-based compensation.

Voting

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. In particular, the Directors and other Restricted Voters must not vote on this Resolution and must not cast a vote as proxy, unless the appointment gives a direction on how to vote, or the proxy is given to the Chair and you submit the Proxy Form, authorising the Chair to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP and that in doing so you will be taken to have directed the Chair to vote in accordance with the Chair's stated intention to vote in favour of Resolution 1.

Shareholders are urged to read carefully the Proxy Form and to provide a direction to the proxy on how to vote on this Resolution.

Re-election of Director

Resolution 2 – Re-election of Nicholas Lindsay as Director

Rule 75.1(a) of the Constitution requires that a Director must retire at the third annual general meeting following their appointment or last re-election by Shareholders.

Rule 75.1(b) provides that if the Company has three or more Directors, one third of the Directors (rounded down to the nearest whole number) must retire at each annual general meeting.

Directors who retire under Rules 75.1(a) and 75.1(b) are eligible for re-election.

ASX Listing Rule 14.5 also provides that an entity which has Directors must hold an election of Directors at each annual general meeting.

Nicholas Lindsay was last re-elected as a Director of the Company at the 2017 AGM.

Under this Resolution, Nicholas Lindsay has elected to retire by rotation, and being eligible, seeks re-election as a Director of the Company at this AGM.

Dr Lindsay is a mining executive with substantial experience in Argentina, Chile and Peru in technical and commercial roles in major and mid-tier companies, as well as start-ups. He has an BSc (Hons) degree in Geology, a PhD in Metallurgy as well as an MBA. A fluent Spanish speaker, he has successfully taken companies in South America from inception to listing, development and subsequent acquisition. Dr Lindsay is currently Technical Director of Valor Resources Ltd developing the Berenguela Copper-Silver project in Peru. He is a member of the AusIMM and the AIG.

Directors' recommendation

The Directors (excluding Mr Nicholas Lindsay) recommend that Shareholders vote for this Resolution.

Resolutions 3 – Ratification of prior issue of Ordinary Shares

The Company issued 45,319,508 fully paid ordinary shares pursuant to a placement to sophisticated and professional investors on 6 September 2019 at an issue price of \$0.045 per share for \$2,039,378 in new capital before costs.

Shareholder approval is being sought to ratify the prior issue and allotment of shares issued under ASX Listing Rule 7.1A.

ASX Listing Rule 7.1 restricts listed companies in relation to the number of equity securities that they can issue or agree to issue without shareholder approval. Generally, a listed company cannot, in any 12-month period, issue a number of equity securities which is more than 15% of their fully paid ordinary shares on issue without shareholder approval (15% limit), unless an exception applies. The Company has not exceeded this 15% limit.

ASX Listing Rule 7.1A provides that, in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1A (10% capacity). The Company is an eligible entity and sought and received shareholder approval for its 10% capacity at its Annual General Meeting held on 13 November 2018.

ASX Listing Rule 7.4 provides that where holders of ordinary securities approve a previous issue of securities made without approval under ASX Listing Rule 7.1, and provided that the previous issue of securities did not breach ASX Listing Rule 7.1, those securities shall be deemed to have been issued with Shareholder approval for the purpose of ASX Listing Rule 7.1. Shareholder approval is now sought for the issues of securities set out below, pursuant to ASX Listing Rule 7.4, to partially reinstate the Company's capacity to issue up to 15% of its ordinary issued capital under ASX Listing Rule 7.1 and an additional 10% of its ordinary issued capital under ASX Listing Rule 7.1A, if required, over a 12-month period without seeking further Shareholder approval.

ASX Listing Rule 7.5 requires the following information to be provided to shareholders in relation to the April Placement Shares:

- (a) 45,319,508 Shares were issued pursuant to ASX Listing Rule 7.1A
- (b) The shares were issued at an issue price of \$0.045 per share.
- (c) The shares rank equally in all respects with the Company's existing ordinary shares on issue.
- (d) The shares were issued to sophisticated and professional investors.
- (e) Funds raised from the Placement will be used to raise funds for exploration expenditure, including to assist current funding for the PFS and pilot plant at the Kachi Project, to initiate drilling at the Olaroz project and exploration at the Cauchari project, pay out the balance of outstanding Notes and general working capital purposes.
- (f) A voting exclusion statement applies to this item of business, as set out in the Notice.

Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolutions 3.

ASX Listing Rule 7.1A

Resolution 4 – ASX Listing Rule 7.1A Approval of Future Issue of Securities

ASX Listing Rule 7.1A enables eligible entities to seek Shareholder approval by Special Resolution passed at an annual general meeting to issue equity securities (which must be in the same class as an existing quoted class of equity securities of the Company) which do not exceed 10% of the existing ordinary share capital without further Shareholder approval. The ability of the Company to make an issue under Listing Rule 7.1A is in addition to its 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation less than the amount prescribed by ASX (currently \$300 million).

As of the date of this Notice of Meeting, the Company is an eligible entity. If at the time of the Meeting the Company is no longer an eligible entity this Resolution will be withdrawn.

Approval under this Resolution is sought for the Company to issue equity securities under Listing Rule 7.1A.

If this Resolution is approved the Company may make an issue of equity securities under Listing Rule 7.1A at any time (either on a single date or progressively) up until the earlier of:

- (a) the date which is 12 months after the date of the 2019 Annual General Meeting; or
- (b) the date on which Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

Accordingly, the approval given if this Resolution is passed will cease to be valid on the earlier of 26 November 2020 or the date on which holders of the Company's ordinary securities approve a transaction under Listing Rules 11.1.2 or 11.2.

The maximum number of equity securities which may be issued in the capital of the Company under the approval sought by this Resolution will be determined in accordance with the following formula prescribed in Listing Rule 7.1A.2:

$$(A \times D) - E$$

where:

A is the number of fully paid ordinary securities on issue 12 months before the date of issue or agreement to issue:

- (i) plus the number of fully paid ordinary securities issued in the 12 months under an exception in Listing Rule 7.2;
- (ii) plus the number of partly paid ordinary securities that became fully paid in the 12 months;
- (iii) plus the number of fully paid ordinary securities issued in the 12 months with approval of the holders of ordinary securities under Listing Rules 7.1 and 7.4 (this does not include an issue of fully paid ordinary securities under the entity's 15% placement capacity without Shareholder approval); and
- (iv) less the number of fully paid ordinary securities cancelled in the 12 months.

D is 10%.

E is the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of holders of ordinary securities under Listing Rules 7.1 or 7.4.

The ability of the Company to make an issue under Listing Rule 7.1A is in addition to its 15% placement capacity under Listing Rule 7.1. The effect of this Resolution will be to allow the Company to issue equity

securities under Listing Rule 7.1A without using the Company's 15% placement capacity under Listing Rule 7.1.

As at 17 October 2019, the Company has on issue 526,314,583 fully paid ordinary securities and therefore has capacity to issue:

- (a) 72,149,261 equity securities under Listing Rule 7.1; and
- (b) subject to Shareholder approval being sought under this Resolution and the approval of resolution 3, 48,099,507 equity securities under Listing Rule 7.1A.

The issue price of the equity securities issued under Listing Rule 7.1A will be determined at the time of issue. The minimum price at which the equity securities, the subject of this Resolution, will be issued is 75% of the volume weighted average market (closing) price (**VWAP**) of the Company's equity securities over the 15 days on which trades in that class were recorded immediately before either:

- (a) the date on which the price at which the equity securities are to be issued is agreed; or
- (b) if the equity securities are not issued within 5 ASX trading days of the date in paragraph (a) the date on which the securities are issued.

If this Resolution is approved, and the Company issues equity securities under Listing Rule 7.1A, the existing Shareholders' economic and voting power in the Company will be diluted. There is a risk that:

- (a) the market price for the Company's equity securities in that class may be significantly lower on the issue date than on the date of the approval of this Resolution; and
- (b) the equity securities issued under Listing Rule 7.1A may be issued at a price that is at a discount (as described above) to the market price for the Company's equity securities on the issue date;

which may have an effect on the amount of funds raised by the issue.

The table set out below shows the dilution of existing Shareholders on the basis of:

- The market price of the Company's ordinary shares and the number of ordinary shares as at 17 October 2019.
- Two examples where the number of ordinary shares on issue ("A") has increased, by 50% and 100%. The number of ordinary shares on issue may increase as a result of issues of ordinary shares that do not require Shareholder approval (for example, pro-rata entitlements issues) or as a result of future specific placements under Listing Rule 7.1 that are approved by Shareholders.
- Two examples of where the issue price of ordinary shares has decreased by 50% and increased by 100% as against the market price as at 17 October 2019.

Variable "A" ASX Listing Rule 7.1A.2		Dilution		
		\$0.0195 50% decrease in issue price	\$0.039 issue price **	\$0.078 100% increase in issue price
"A" is the number of shares on issue, being 480,995,075 shares ***	10% voting dilution	48,099,508	48,099,508	48,099,508
	Funds raised	\$937,940	\$1,875,881	\$3,751,762
"A" is a 50% increase in shares on issue, being 721,492,613 shares ***	10% voting dilution	72,149,261	72,149,261	72,149,261
	Funds raised	\$1,406,911	\$2,813,821	\$5,627,642
"A" is a 100% increase in shares on issue, being 961,990,150 shares ***	10% voting dilution	96,199,015	96,199,015	96,199,015
	Funds raised	\$1,875,881	\$3,751,762	\$7,503,523

Notes:

- (i) The table assumes that the Company issues the maximum number of equity securities available under Listing Rule 7.1A.

- (ii) The table assumes that no options are exercised in ordinary shares before the date of the issue of equity securities under Listing Rule 7.1A.
- (iii) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of issues of equity securities under Listing Rule 7.1A based on that Shareholder's holding at the date of this Explanatory Statement.
- (iv) The table shows the effect of an issue of equity securities under Listing Rule 7.1A, not under the Company's 15% placement capacity under Listing Rule 7.1.
- (v) The issue of equity securities under the Listing Rule 7.1A consists only of ordinary shares. If the issue of equity securities includes Options and/or Performance Rights, it is assumed that those Options and/or Performance Rights are exercised (or converted) into ordinary shares for the purposes of calculating the voting dilution effect on existing Shareholders.
- * Any issue of equity securities is required to be made in accordance with the Listing Rules. Any issue made other than under the Company's 15% capacity (Listing Rule 7.1) or the Company's additional 10% capacity (Listing Rule 7.1A) and not otherwise made under an exception in Listing Rule 7.2 (for example, a pro-rata rights issue) would require Shareholder approval.
- ** Based on the closing price of the Company's Shares on ASX on 17 October 2019.
- *** Based on the Company's Share structure as at 17 October 2019.

If this Resolution is approved the Company will have the ability to issue up to 10% of its issued capital without further Shareholder approval and therefore allow it to take advantage of opportunities to obtain further funds if required and available in the future.

As at the date of this Explanatory Statement, the Company has not formed an intention to offer any equity securities under Listing Rule 7.1A to any particular person or at any particular time. The total amount that may be raised by the issue of equity securities under Listing Rule 7.1A will depend on the issue price of the equity securities which will be determined at the time of issue. In some circumstances, the Company may issue equity securities under Listing Rule 7.1A for non-cash consideration (for example, in lieu of cash payments to consultants, suppliers or vendors). While the Company has not formed an intention to offer any equity securities under Listing Rule 7.1A, some of the purposes for which the Company may issue equity securities under Listing Rule 7.1A include (but are not limited to):

- (a) raising funds to further develop the Company's business;
- (b) raising funds to be applied to the Company's working capital requirements;
- (c) acquiring assets. In these circumstances, the issue of the ordinary shares may be made in substitution for the Company making a cash payment for the assets; and
- (d) paying service providers or consultants of the Company.

Details regarding the purposes for which any particular issue under Listing Rule 7.1A is made will be more fully detailed in an announcement to the ASX made pursuant to Listing Rule 7.1A.4 and Listing Rule 3.10.5A at the time the issue is made. The identity of the allottees of equity securities under Listing Rule 7.1A will be determined at the time the Company decides to make an issue having regard to a number of factors including:

- (a) the capital raising and acquisition opportunities available to the Company and any alternative methods for raising funds or acquiring assets that are available to the Company;
- (b) the potential effect on the control of the Company;
- (c) the Company's financial situation and the likely future capital requirements; and
- (d) advice from the Company's corporate or financial advisors.

Offers made under Listing Rule 7.1A may be made to parties (excluding any related parties) including professional and sophisticated investors, existing Shareholders of the Company, clients of Australian Financial Service Licence holders and/or their nominees, or any other person to whom the Company is able to make an offer of equity securities.

The allocation policy the Company may adopt for a particular issue of equity securities under Listing Rule 7.1A and the terms on which those equity securities may be offered will depend upon the circumstances existing at the time of the proposed capital raising under Listing Rule 7.1A. Subject to the

requirements of the Listing Rules and the Corporations Act, the Directors reserve the right to determine at the time of any issue of equity securities under Listing Rule 7.1A, the allocation policy that the Company will adopt for that issue.

As the Company has previously obtained Shareholder approval under Listing Rule 7.1A, it is required by Listing Rule 7.3A.6 to provide details of all issues of equity securities in the 12 months preceding the date of the Meeting. The details of all issues of equity securities by the Company during the 12 months preceding the date of the Meeting are detailed below:

Number/Class of equity securities issued	Terms of the securities issued	Price and discount to closing market price on the date of issue (if any)	Consideration details	Allottees of the Securities
Issued on 30 November 2018				
5,420,085 fully paid ordinary shares	Exercise of Class C and Class D options The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.	Issue price of 5 cents per share. Share price on date of issue was 11.5 cents, which represents a discount of 56.52%.	Cash consideration of \$271,004.25. All of the funds were used by the Company for working capital purposes.	Holders of Class C and Class D Options
Issued on 17 December 2018				
497,917 fully paid ordinary shares	Exercise of Class D options The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.	Issue price of 5 cents per share. Share price on date of issue was 8.9 cents, which represents a discount of 55.06%.	Cash consideration of \$24,895.85. All of the funds were used by the Company for working capital purposes.	Holders of Class D Options
Issued on 21 December 2018				
9,900,000 unsecured convertible notes	Issue of convertible notes to sophisticated and professional investors to raise \$0.99 million, as announced by the Company on 21 December 2018. The convertible notes will mature on the date that is 18 months from the date of issue. The convertible notes may be converted into fully paid ordinary shares within 5 business days of receipt of a conversion notice from the Holder or	Issue price of 10 cents per unsecured convertible note.	Cash consideration of \$990,000. All of the funds were used by the Company to accelerate the PFS at Kachi, further drilling at Cauchari/Olaroz, repaying the Company's outstanding short-term debt and for working capital purposes.	Sophisticated and professional investors

	<p>automatically on the Maturity Date.</p> <p>The convertible notes may be converted into one option for every two convertible notes, subject to the receipt of shareholder approval for the issue of options within the 10-day election period following such approval.</p> <p>The options, if issued will be exercisable at \$0.20 and expires on 25 June 2020.</p>			
Issued on 8 March 2019				
1,820,500 unsecured convertible notes	<p>Issue of convertible notes to SBI Investments (PR) LLC to secure a \$1.65 million financing package for the Company, as announced by the Company on 28 February 2019.</p> <p>The convertible notes will mature on the date that is 18 months from the date of issue.</p> <p>The convertible notes may be converted into fully paid ordinary shares within 5 business days of receipt of a conversion notice from the investor.</p>	Issue price of \$1 per unsecured convertible note.	<p>Cash consideration of \$1,820,500.</p> <p>All of the funds were used by the Company to accelerate the PFS at Kachi, further drilling at Cauchari/Olaroz, repaying the Company's outstanding short term debt and for general working capital.</p>	SBI Investments (PR) LLC
5,555,000 unlisted options	<p>Issue of options to SBI Investments (PR) LLC in connection with the financing package, as announced by the Company on 28 February 2019.</p> <p>The options are exercisable at \$0.08 and expires on 28 February 2022.</p>	N/A – issued for nil consideration	N/A – issued for nil consideration	SBI Investments (PR) LLC
Issued on 11 March 2019				
835,020 fully paid ordinary shares	Issue of shares pursuant to an agreement to repurchase the convertible notes issued by the	<p>Deemed issue price of 4.94 cents per share.</p> <p>Share price on date of issue was 6.3 cents,</p>	Share were issued for the purpose of repaying a portion of the Company's outstanding short-term debt, and therefore no cash was	Convertible note holder

	<p>Company on 21 December 2018.</p> <p>The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.</p>	<p>which represents a discount of 21.59%.</p>	<p>received by the Company.</p>	
Issued on 11 April 2019				
21,350,000 fully paid ordinary shares	<p>Issue of shares pursuant to a private placement to sophisticated and professional investors, announced by the Company on 9 April 2019.</p> <p>The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.</p>	<p>Issue price of 5 cents per share.</p> <p>Share price on date of issue was 6.1 cents, which represents a discount of 18.03%.</p>	<p>Cash consideration of \$1,067,500.</p> <p>All of the funds were used by the Company for further drilling at Cauchari and for working capital purposes.</p>	Sophisticated and professional investors
Issued on 24 April 2019				
52,045,072 unlisted options	<p>Issue of options to shareholders as reward for continuing to support the Company and to provide the Company with a potential source of additional capital if the bonus options are exercised.</p> <p>The options are exercisable at \$0.04 and expires on 15 June 2019.</p>	N/A – issued for nil consideration	N/A – issued for nil consideration	Eligible shareholders
Issued on 6 May 2019				
1,149,425 fully paid ordinary shares	<p>Issue of shares upon conversion of the convertible notes issued pursuant to the Securities Agreement with SBI Investments (PR) LLC as announced by the Company on 28 February 2019.</p> <p>The shares were fully paid on issue and rank equally in all aspects with all existing fully paid ordinary shares</p>	<p>Deemed issue price of 4.3 cents per share.</p> <p>Share price on date of issue was 5.1 cents, which represents a discount of 15.69%.</p>	<p>Share were issued upon conversion of convertible notes to repay a portion of the Company's outstanding short-term debt, and therefore no cash was received by the Company.</p>	SBI Investments (PR) LLC

	previously issued by the Company.			
Issued on 24 May 2019				
1,453,767 fully paid ordinary shares	<p>Exercise of Bonus options.</p> <p>The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.</p>	<p>Issue price of 4 cents per share.</p> <p>Share price on date of issue was 4.9 cents which represents a discount of 18.37%.</p>	<p>Cash consideration of \$58,150.68.</p> <p>All of the funds were used by the Company for working capital purposes.</p>	Bonus Option Holders
1,157,407 fully paid ordinary shares	<p>Issue of shares upon conversion of the convertible notes issued pursuant to the Securities Agreement with SBI Investments (PR) LLC as announced by the Company on 28 February 2019.</p> <p>The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.</p>	<p>Deemed issue price of 4.32 cents per share.</p> <p>Share price on date of issue was 4.9 cents, which represents a discount of 11.84%.</p>	<p>Share were issued upon conversion of convertible notes to repay a portion of the Company's outstanding short-term debt, and therefore no cash was received by the Company.</p>	SBI Investments (PR) LLC
Issued on 5 June 2019				
5,250,452 fully paid ordinary shares	<p>Exercise of Bonus options.</p> <p>The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.</p>	<p>Issue price of 4 cents per share.</p> <p>Share price on date of issue was 10.5 cents, which represents a discount of 61.9%.</p>	<p>Cash consideration of \$210,018.08.</p> <p>All of the funds were used by the Company for working capital purposes.</p>	Bonus Option Holders
5,948,132 fully paid ordinary shares	<p>Issue of shares upon conversion of the convertible notes issued pursuant to the Securities Agreement with SBI Investments (PR) LLC as announced by the Company on 28 February 2019.</p> <p>The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares</p>	<p>Deemed issue price of 4.203 cents per share.</p> <p>Share price on date of issue was 10.5 cents, which represents a discount of 59.98%.</p>	<p>Share were issued upon conversion of convertible notes to repay a portion of the Company's outstanding short-term debt, and therefore no cash was received by the Company.</p>	SBI Investments (PR) LLC

	previously issued by the Company.			
Issued on 12 June 2019				
29,776,445 fully paid ordinary shares	<p>Issue of shares pursuant to a private placement to sophisticated and professional investors, announced by the Company on 11 June 2019.</p> <p>The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.</p>	<p>Issue price of 9 cents per share.</p> <p>No discount.</p>	<p>Cash consideration of \$2,679,880.05.</p> <p>All of the funds were used by the Company to accelerate Cauchari drilling and for working capital purposes.</p>	Sophisticated and professional investors
8,469,169 fully paid ordinary shares	<p>Exercise of Bonus options.</p> <p>The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.</p>	<p>Issue price of 4 cents per share.</p> <p>Share price on date of issue was 7.8 cents, which represents a discount of 48.72%.</p>	<p>Cash consideration of \$338,766.76.</p> <p>All of the funds were used by the Company for working capital purposes.</p>	Bonus Option Holders
Issued on 17 June 2019				
15,918,532 fully paid ordinary shares	<p>Exercise of Bonus options.</p> <p>The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.</p>	<p>Issue price of 4 cents per share.</p> <p>Share price on date of issue was 6.9 cents, which represents a discount of 42.03%.</p>	<p>Cash consideration of \$636,741.28.</p> <p>All of the funds were used by the Company for working capital purposes.</p>	Bonus Option Holders
8,327,385 fully paid ordinary shares	<p>Issue of shares upon conversion of the convertible notes issued pursuant to the Securities Agreement with SBI Investments (PR) LLC as announced by the Company on 28 February 2019.</p> <p>The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.</p>	<p>Deemed issue price of 4.203 cents per share.</p> <p>Share price on date of issue was 6.9 cents, which represents a discount of 39.09%.</p>	<p>Share were issued upon conversion of convertible notes to repay a portion of the Company's outstanding short-term debt, and therefore no cash was received by the Company.</p>	SBI Investments (PR) LLC

Issued on 24 June 2019				
6,459,275 fully paid ordinary shares	Exercise of Bonus options. The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.	Issue price of 4 cents per share. Share price on date of issue was 7 cents, which represents a discount of 42.86%.	Cash consideration of \$258,371. All of the funds were used by the Company for working capital purposes.	Bonus Option Holders
59,400 fully paid ordinary shares	Issue of shares pursuant to a private placement to sophisticated and professional investors, announced by the Company on 11 June 2019. The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.	Issue price of 9 cents per share. No discount.	Cash consideration of \$5,346. All of the funds were used by the Company to accelerate Cauchari drilling and for working capital purposes.	Sophisticated and professional investors
Issued on 2 July 2019				
39,998 fully paid ordinary shares	Exercise of options. The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.	Issue price of 4 cents per share. Share price on date of issue was 8.2 cents which represents a discount of 51.22%.	Cash consideration of \$1,599.92. All of the funds were used by the Company for working capital purposes.	Bonus Option Holders
Issued on 3 July 2019				
3,571 fully paid ordinary shares	Exercise of Bonus options. The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.	Issue price of 4 cents per share. Share price on the date of issue was 7.9 cents, which represents a discount of 49.37%.	Cash consideration of \$142.84. All of the funds were used by the Company for working capital purposes.	Bonus Option Holders
Issued on 16 July 2019				
5,898,214 fully paid ordinary shares	Issue of shares upon conversion of the convertible notes issued pursuant to the Securities Agreement with SBI Investments (PR) LLC as	Deemed issue price of 5.93 cents per share. Share price on the date of issue was 6.3 cents, which	Share were issued upon conversion of convertible notes to repay a portion of the Company's outstanding short-term debt, and	SBI Investments (PR) LLC

	<p>announced by the Company on 28 February 2019.</p> <p>The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.</p>	represents a discount of 5.87%.	therefore no cash was received by the Company.	
Issued on 19 August 2019				
52,512,693 listed options (LKEOB)	<p>Issue of LKEOB options pursuant to a prospectus lodged by the Company with ASIC on 23 July 2019.</p> <p>The options are exercisable at \$0.10 per option and expire on 15 June 2021.</p>	N/A – issued for nil consideration	N/A – issued for nil consideration	Eligible optionholders and Placement shareholders
Issued on 6 September 2019				
45,319,508 fully paid ordinary shares	<p>Issue of shares pursuant to a placement to sophisticated and professional investors, raising approximately \$2 million for the Company, as announced by the Company on 4 September 2019.</p> <p>The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.</p>	<p>Issue price of 4.5 cents per share.</p> <p>No discount.</p>	<p>Cash consideration of \$2,039,377.</p> <p>All of the funds were used by the Company in assisting current funding for PFS and pilot plant at the Kachi project, pay out the balance of outstanding Notes and general working capital purposes</p>	Sophisticated and professional investors
Issued on 16 September 2019				
15,000,000 unlisted options	<p>Issue of options as reward and incentive to directors of the Company, as approved by shareholders at the Company's Extraordinary General Meeting held on 15 August 2019.</p> <p>The options are exercisable at \$0.09 per option and expires on 31 July 2021.</p>	N/A – issued for nil consideration	N/A – issued for nil consideration	Directors of the Company

Issued on 11 October 2019				
2,757,100 ordinary shares	<p>Issue of shares upon conversion of the convertible notes issued pursuant to the Securities Agreement with SBI Investments (PR) LLC as announced by the Company on 28 February 2019.</p> <p>The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.</p>	<p>Deemed issue price of 3.627 cents per share.</p> <p>Share price on date of issue was 6.94 cents, which represents a discount of 9.327%.</p>	Share were issued upon conversion of convertible notes to repay a portion of the Company's outstanding short-term debt, and therefore no cash was received by the Company.	SBI Investments (PR) LLC

This Resolution is a Special Resolution. For a Special Resolution to be passed, at least 75% of the votes validly cast on the resolution by Shareholders (by number of ordinary shares) must be in favour of this Resolution.

Directors' recommendation

The Board of Directors recommend that Shareholders vote for this Resolution.

Adoption of New Constitution

Resolution 5 – Adoption of New Constitution

A company may modify or repeal its constitution or a provision of its constitution by special resolution of shareholders.

Resolution 4 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new Constitution which is of the type required for a listed public company limited by shares and updated to ensure it reflects the current provisions of the Corporations Act and the Listing Rules.

This will incorporate amendments to the Corporations Act and the Listing Rules since the current Constitution was adopted in 2000. It will also incorporate amendments to the Listing Rules proposed by ASX to streamline the escrow regime in Chapter 9 and Appendix 9B of the Listing Rules.

Restricted securities are defined in Chapter 19 of the Listing Rules as securities issued in circumstances set out in Appendix 9B of the Listing Rules and securities that, in ASX's opinion, should be treated as restricted securities. The proposed changes to Chapter 9 of the Listing Rules, in particular new Listing Rule 9.1(a), require that an entity which issues restricted securities or has them on issue must include in its constitution the provisions set out in rule 15.12 (being the proposed new Listing Rule 15.12).

The new constitution will comply with the proposed changes to Listing Rule 15.12 which are due to be finalised and released in December 2019. Under these changes, ASX will require certain more significant holders of restricted securities and their controllers (such as related parties, promoters, substantial holders, service providers and their associates) to execute a formal escrow agreement in the form of Appendix 9A, as is currently the case. However, for less significant holdings (such as non-

related parties and non-promoters), ASX will instead permit the Company to issue restriction notices to holders of restricted securities in the form of a new Appendix 9C advising them of the restriction rather than requiring signed restriction agreements.

The Company currently has no restricted securities on issue and there are no plans to issue restricted securities.

The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the proposed constitution in its entirety rather than to amend a multitude of specific provisions in the existing Constitution.

It is not practicable to list all of the changes to the Constitution in this Explanatory Statement and Shareholders are invited to contact the Company if they have any queries or concerns. For this purpose, Shareholders wishing to obtain a copy of the proposed constitution should contact the Company.

Resolution 5 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

Directors' recommendation

The Board of Directors recommend that Shareholders vote for this Resolution.

Approval of Proportional Takeover Provisions in New Constitution

Resolution 6 – Approval of Proportional Takeover Provisions in New Constitution

The proposed new Constitution, the subject of Resolution 5, contains proportional takeover provisions which are set out in rule 7 of the proposed new Constitution.

Resolution 6 seeks Shareholder approval for the proportional takeover provisions to be included in the new constitution with effect from the close of the Meeting, and is a special resolution, requiring approval of 75% of the votes cast by Shareholders entitled to vote on the resolution in order to be passed. Resolution 5 is subject to Shareholders approving the adoption of the new constitution under Resolution 5.

If Resolution 6 is passed, then rule 7 of the proposed new Constitution will have effect as and from the close of the Meeting for a period of three years. After a period of three years, rule 7 would cease to apply unless renewed by a further special resolution of Shareholders.

Section 648G(5) of the Corporations Act requires certain information to be included in a notice of meeting where a company seeks the approval of its members to adopt proportional takeover provisions. This information is set out below.

Proportional takeover bid

A proportional takeover bid is a takeover offer sent to all shareholders of a company, offering to purchase only a specified proportion of each shareholder's shares. If a shareholder accepts, the shareholder disposes of that specified portion of shares and retains the balance.

Effects of the proposed proportional takeover provisions

The effects of the proposed proportional takeover provisions in the proposed new Constitution are that:

- (a) if a bidder makes a proportional takeover bid for any class of shares in the Company, the Directors must ensure that a general meeting of members of that class is convened where a

resolution to approve the bid is voted upon. The vote is decided on a simple majority. The bidder and its associates are excluded from voting on that approving resolution;

- (b) the resolution will be required to be passed in a general meeting before the time stated in section 648D of the Corporations Act, being the 14th day before the last day of the bid period (**approving resolution deadline**); and
- (c) if the approving resolution is:
 - (i) not voted on at the end of the day before the approving resolution deadline, the bid will be taken to have been approved;
 - (ii) put to members and rejected before the approving resolution deadline, the bid cannot proceed and the offer will be taken to have been withdrawn. Any transfers giving effect to takeover contracts for the bid will not be registered and all offers under the takeover bid are taken to be withdrawn and all takeover contracts must be rescinded; or
 - (iii) passed (or taken to have been approved), the transfers must be registered (subject to other provisions of the Corporations Act and the Constitution).

The proportional takeover provisions do not apply to full takeover bids.

Reasons for proportional takeover provisions

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all of their Shares. By making a proportional bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of not being able to exit their investment in the Company by selling their entire shareholding and consequently being left as a minority shareholder in the Company. The bidder may be able to acquire control of the Company without payment of an adequate control premium.

The proportional takeover provisions allow Shareholders to decide if a proportional takeover bid is acceptable in principle and may assist in ensuring that any proportional takeover bid is appropriately priced. To assess the merits of the proportional takeover provisions, Shareholders should make a judgement as to what events are likely to occur in relation to the Company during the three year life of the proposed provisions.

Advantages and disadvantages

The Corporations Act requires this Explanatory Statement to discuss the advantages and disadvantages for Directors and Shareholders of the proportional takeover provisions which are proposed to be inserted in the proposed new Constitution.

The potential advantages for Shareholders of the proportional takeover provisions include the following:

- (a) Shareholders have the right to decide, by majority vote, whether an offer under a proportional takeover bid should proceed. The proposal would enable Shareholders to act in a cohesive manner and thereby avoid the coercion of Shareholders that arises where they believe the offer to be inadequate, but nevertheless accept through fear that other Shareholders will accept;
- (b) the provisions may assist Shareholders and protect them from being locked in as a minority;
- (c) the existence of the approval machinery in the proposed new Constitution may make it more probable that any takeover bid will be a full bid for the whole shareholding of each Shareholder, so that Shareholders may have the opportunity of disposing of all their shares rather than of a proportion only;
- (d) the provisions may increase the bargaining power of Shareholders and may assist in ensuring that any proportional takeover bid is adequately priced; and

- (e) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders and assist in deciding whether to accept or reject an offer under a proportional takeover bid.

The potential disadvantages for Shareholders include the following:

- (a) proportional takeover bids for Shares in the Company may be discouraged;
- (b) Shareholders may lose an opportunity to sell some of their Shares at a premium;
- (c) it is possible that the existence of the provisions might have an adverse effect on the market value of the Shares by making a proportional takeover bid less likely and thereby reducing any takeover speculation element in the Share price;
- (d) individual Shareholders may consider that the proportional takeover provisions would restrict their ability to deal with their shares as they see fit; and
- (e) the likelihood of a proportional takeover bid succeeding may be reduced.

Knowledge of any acquisition proposal

At the date of this Notice of Meeting, no Director is aware of any proposal by any person to acquire, or to increase the extent of a substantial interest in the Company.

Right to set aside Resolution

If Resolution 6 is passed, then within 21 days after the meeting, the holders of at least 10% of the Company's shares have the right to apply to the court to have the resolution set aside. The court may set aside the Resolution if the court is satisfied in all the circumstances that it is appropriate to do so.

Directors' recommendation

The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the proportional takeover provisions in the new constitution are in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 6.

Enquiries

Shareholders are asked to contact the Company Secretary on (02) 8098 1163 if they have any queries in respect of the matters set out in these documents.

Glossary

AEDT means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

Annual Financial Report means the 2019 Annual Report to Shareholders for the period ended 30 June 2019 as lodged by the Company with ASX on 2 October 2019.

Annual General Meeting or **AGM** or **Meeting** means an Annual General Meeting of the Company and, unless otherwise indicated, means the meeting of the Company's members convened by this Notice of Meeting.

ASIC means Australian Securities and Investment Commission.

Associate has the meaning given to it by the ASX Listing Rules.

ASX means ASX Limited ACN 008 624 691 or the financial market operated by it, as the context requires, of 20 Bridge Street, Sydney, NSW 2000.

ASX Listing Rules or **Listing Rules** means the official ASX Listing Rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

Auditor's Report means the auditor's report of Lake Resources N.L. dated 2 October 2019 as included in the Annual Financial Report.

Board means the current board of Directors of the Company.

Business Day means a day on which trading takes place on the stock market of ASX.

Chair means the person chairing the Meeting.

Closely Related Party of a member of the KMP means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporation Regulations 2001* (Cth).

Company means Lake Resources N.L. ACN 079 471 980.

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth) as amended or replaced from time to time.

Director means a current director of the Company.

Directors' Report means the report of Directors as included in the Annual Financial Report.

Dollar or **"\$"** means Australian dollars.

Explanatory Statement means the explanatory statement accompanying this Notice of Meeting.

KMP means key management personnel (including the Directors) whose remuneration details are included in the Remuneration Report.

Notice of Meeting or **Notice of Annual General Meeting** means this notice of annual general meeting dated 25 October 2019 including the Explanatory Statement.

Option means an option which, subject to its terms, could be exercised into a Share.

Ordinary Resolution means a resolution that can only be passed if at least 50% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

Performance Right means a performance right which, subject to its terms, could convert to a Share.

Proxy Form means the proxy form attached to this Notice of Meeting.

Remuneration Report means the remuneration report as set out in the Annual Financial Report.

Resolutions means the resolutions set out in this Notice of Meeting, or any one of them, as the context requires.

Restricted Voter means a member of the Company's KMP and any Closely Related Parties of those members.

Securities mean Shares and/or Options (as the context requires).

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

Shareholder means a holder of a Share.

Share Registry means Automic Registry Services.

Special Resolution means a resolution that can only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

Spill Meeting means the meeting that will be convened within 90 days of the 2020 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and 2020 AGM.

Spill Resolution means the resolution required to be put to Shareholders at the 2020 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2020 AGM.

Trading Day has the meaning given to that term in ASX Listing Rule 19.12.

VWAP means the volume weighted average market (closing) price, with respects to the price of Shares.

If you are attending the meeting
in person, please bring this with you
for Securityholder registration.

Holder Number:

Vote by Proxy: LKE

Your proxy voting instruction must be received by **11.00am (AEDT) on Sunday, 24 November 2019**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

VOTING UNDER STEP 1 - APPOINTING A PROXY

If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

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 lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting 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.

POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.

