

# Lake Resources, N.L.

## BILL GATES & CO BACK LAKE'S CLEAN TECH LITHIUM

Lake Resources (ASX:LKE; OTCQB:LLKKF) is focused on producing sustainable and high purity lithium, from its scalable 100% owned projects in the heart of the Lithium Triangle.

Bill Gates, Jack Ma and Jeff Bezos: three names that need no introduction to investors. So what is their connection to Lake Resources?

In February, the business giants were among investors in Breakthrough Energy Ventures that backed Lake's technology partner, California-based Lilac Solutions, in its US\$20 million funding round.

As Breakthrough's Carmichael Roberts commented: "Lilac Solutions' novel technology can change the supply and demand equation by helping lithium producers extract much larger quantities at a significantly lower cost, and from new sources. This is the type of industrial innovation required to support a transition to EVs [electric vehicles] at scale."



Steve Promnitz, CEO

## THE INVESTMENT OPPORTUNITY

Gates and his fellow high-powered investors did not become successful without taking advantage of opportunities. What are they seeing?

First, there is the demand for high-purity lithium for battery and cathode makers.

Battery-grade lithium remains in short supply, with only 50 to 60 percent of current lithium production being of battery quality. This is reflected in the significant pricing gap between high and low-grade lithium product.

Europe has recently invested even more than China in its EV industry, securing a record 60 billion euro (US\$67 billion) last year, largely thanks to Volkswagen (VW). Billions more euros are planned as the European Union charts a greener future.

EV sales rose 65 percent in 2018 to 5.1 million vehicles and could top 23 million by 2030, according to the International Energy Agency, helped by increased investment and subsidies not only in Europe, but also in China and North America.

Bloomberg New Energy Finance estimates an eight-fold rise in lithium production is needed by 2030, but with supply constraints due to COVID-19 and a lack of investment in new projects, automakers' EV plans face a road block.

Another issue is the growing environmental pressures on the lithium industry, with automakers such as Daimler, Tesla and VW seeking sustainable supply sources.

## 'INCREDIBLY UNDERVALUED'

Lake's solution: develop a sustainable pro-

cess based on Lilac's ion exchange technology that reinjects the salty water (brine) into the aquifer once the lithium has been removed. Traditional evaporation ponds or open-cut mines are not required.

Lilac has shown it can produce a high purity battery-grade product using its disruptive process. Now with a pilot plant commissioned, Lake plans to send samples to potential off-take partners to demonstrate it has the perfect product for their needs.

A recent report by analysts Orior Capital valued Lake at A\$0.29, describing Lake as "incredibly undervalued" compared to its peers.

Pointing to the "huge disconnect" between Lake's valuation and its prospects, Orior Capital's Simon Francis said: "Direct extraction is the future for lithium. It produces a better product, more quickly. Lake Resources offers one of the very few ways to gain exposure to the technology globally."

([https://lakeresources.com.au/wp-content/uploads/2020/05/lake\\_resources\\_2020\\_05\\_26\\_ori-or-capital\\_v1.pdf](https://lakeresources.com.au/wp-content/uploads/2020/05/lake_resources_2020_05_26_ori-or-capital_v1.pdf))

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