

28 July 2021

Issue of Bonus Options to Shareholders

- **Bonus Options will be issued for nil consideration to Eligible Shareholders at a ratio of one (1) free Bonus Option for every ten (10) shares held at 5:00 pm (Sydney time) on the Record Date (indicatively 10 August 2021).**
- **Bonus Options will have an exercise price \$0.35 each, expiring on 15 October 2021 and, if exercised, will result in the issue of a second option (Additional Options) and each Additional Option will have an exercise price \$0.75 each, expiring on 15 June 2022 and Lake intends to seek approval to list and trade the Additional Options on the ASX**

Clean lithium developer **Lake Resources NL (ASX:LKE; OTC:LLKKF)**, ACN 079 471 980, in recognition of the support received from its shareholders, wishes to advise that it intends to undertake a bonus issue of options (Bonus Options) to all shareholders with an address in Australia or New Zealand (Eligible Shareholders) at 5:00 pm (Sydney time) on the Record Date (set out in the indicative timetable set out below).

As the Bonus Options will be issued for nil consideration, Lake is raising no capital from their issue. For every ten (10) shares held at 5:00 pm (Sydney time) on the Record Date, Eligible Shareholders will be issued with one (1) free Bonus Option.

The Bonus Options will have an exercise price \$0.35 each, expiring on 15 October 2021 and, if exercised, each will result in the allotment and issue of one (1) fully paid ordinary share in Lake. Lake will not seek listing of the Bonus Options on ASX.

Each Bonus Option, when exercised, will result in the issue of a second option (Additional Options).

The Additional Options will have an exercise price \$0.75 each, expiring on 15 June 2022 and if exercised each will result in the allotment and issue of one (1) fully paid ordinary share in Lake. Lake intends to seek approval to list and trade the Additional Options on ASX.

The indicative timetable for the issue of Bonus Options and Additional Options is as follows:

| | |
|---|-----------------|
| Lodgement of Prospectus with ASIC | 5 August 2021 |
| Record Date for determining entitlements under the Bonus Options issue 5:00 pm (Sydney time) | 10 August 2021 |
| Issue of Bonus Options and despatch of new holding statements | 12 August 2021 |
| Bonus Options Expire | 15 October 2021 |
| Additional Options Expire | 15 June 2022 |

As the dates set out above are indicative only, the Company reserves the right to amend them subject to the requirements of the Corporations Act and the ASX Listing Rules. The Prospectus will be available for download from the Company's website www.lakeresources.com.au as from the date of lodgment of the Prospectus with ASIC. A paper copy may be obtained from that time free of charge, by contacting Garry Gill, the joint Company Secretary, or Peter Neilsen between 9am and 5.00pm Sydney time) Monday to Friday on +61 2 9188 7864.

Eligible Shareholders are not obliged to take any action in relation to the issue of the Bonus Options. Holders of Existing Options will not be entitled to participate in the Bonus Option issue in respect of the Existing Options that they hold, unless those Existing Options have been validly exercised (and resulting Shares are allotted and issued) before the Record Date.

LAKE RESOURCES NL

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 ASX:LKE FRA:LK1 OTC:LLKKF

Lake's Managing Director, Steve Promnitz commented: *"The intent of the offer is to thank supportive shareholders as Lake enters a major development phase through financing, construction and into production. Shareholders appreciated the benefits from a similar bonus option offer in 2019 and the company seeks to repeat that success."*

For further information please contact:

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Follow Lake on Twitter: https://twitter.com/Lake_Resources
Follow on LinkedIn: <https://www.linkedin.com/company/lake-resources/>
Website: <http://www.lakeresources.com.au>

Join Lake's mailing list for the latest announcements and news: <http://eepurl.com/gwA3o9>

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About Lake Resources NL (ASX:LKE OTC:LLKKF) –

Clean high purity lithium using efficient disruptive clean technology - in demand by EV makers and lithium ion batteries

Lake Resources NL (ASX:LKE, OTC: LLKKF) is a clean lithium developer utilising direct extraction technology for production of sustainable, high purity lithium from its flagship Kachi Project within the Lithium Triangle in Argentina among other projects covering 200,000 ha. This direct extraction method delivers a solution for two rising demands of electric vehicle batteries – high purity battery materials to avoid performance issues, and more sustainable, responsibly sourced materials.

- 1. Clean-Tech:** Efficient, disruptive, cost-competitive technology using well-known water treatment re-engineered for lithium (not mining). Technology partner, Lilac Solutions Inc, supported by Bill Gates led Breakthrough Energy fund and MIT's The Engine fund.
- 2. High Purity:** 99.97% purity lithium carbonate samples for a premium price. Demonstrated high quality in NMC622 lithium ion batteries (refer ASX announcement 20 October 2020; 2 March 2021).
- 3. Sustainable /ESG:** Far smaller environmental footprint than conventional methods, that returns virtually all water (brine) to its source with a low CO2 footprint.
- 4. Prime Location, Large Projects:** Flagship Kachi project in prime location among low cost producers with a large lease holding (70,000 ha) and expandable resource (4.4 Mt LCE) of which only 20% is used for 25 years production at 25,500tpa (JORC Resource: Indicated 1.0Mt, Inferred 3.4Mt, refer ASX announcement 27 November 2018). Pre-feasibility study by tier 1 engineering firm shows large, long-life low-cost operation with US\$1.6 billion NPV pretax, and annual EBITDA of US\$260 million from 2024 (refer ASX announcement 17 March 2021; 28 April 2020,).

An innovative direct extraction technique, based on a well-used ion exchange water treatment method, has been tested for over 18 months in partnership with Lilac Solutions, with a pilot plant module in California operating on Kachi brines and has shown 80-90% recoveries. Battery quality lithium carbonate (99.97% purity) has been produced from Kachi brine samples with very low impurities (refer ASX announcement 20 October 2020). The first samples of high purity (99.97% purity) battery quality lithium carbonate were tested in a NMC622 battery by Novonix with excellent results (2 March 2021).

This method of producing high purity lithium can revolutionise and disrupt the battery materials supply industry as it's scalable, low cost, and delivers a consistent product quality.

Lake's other projects include the Olaroz and Cauchari brine projects, located adjacent to major world class brine projects in production or construction, including Orocobre's Olaroz lithium production and adjoins the impending production of Ganfeng Lithium/Lithium Americas' Cauchari project. Lake's Cauchari project has shown lithium brines over 506m interval with high grades averaging 493 mg/L lithium (117-460m) with up to 540 mg/L lithium. These results are similar to lithium brines in adjoining leases and infer an extension and continuity of these brines into Lake's leases (refer ASX announcements 12 June 2019, 23 March 2021).

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