

31 August 2021

Secondary Trading Notice

Clean lithium developer Lake Resources NL (ASX: LKE; OTC: LLKKF) provides notice to the ASX for the purposes of section 708A(5)(e) of the Corporations Act that it has issued 8,250,000 fully paid ordinary shares for a total consideration of \$2,475,000 between 24 August 2021 and 31 August 2021 following receipt of exercise notices for unlisted options. The issue was made without disclosure to investors under Part 6D.2 of the Corporations Act.

The Company also states that as at the date of this notice:

- it has complied with the relevant provisions of Chapter 2M of the Corporations Act as they apply to the Company and Section 674 of the Corporations Act; and
- except as set out below it is not aware of any excluded information within the meaning of Sections 708A(7) and 708A(8) of the Corporations Act.
 - a) As previously announced, the Company is in advanced negotiations with its technology partner to complete a definitive agreement regarding at its Kachi Project in Argentina. At the date of this notice those discussions are ongoing and incomplete.
 - b) The Company will be lodging a supplementary prospectus with ASIC to refresh the period for applying for quotation of the Additional Options. In accordance with the *ASIC Corporations (Minimum Subscription and Quotation Conditions) Instrument 2016/70*, the supplementary prospectus will include a statement that holders who exercise their Bonus Options and wish to withdraw their exercise notice and be repaid have 1 month from the date of the supplementary prospectus to do so.

Authorised for release by the Chairman.

For further information please contact:

Steve Promnitz, Managing Director
+61 2 9188 7864
steve@lakeresources.com.au

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For media queries, please contact:

Anthony Fensom, Republic PR, +61 (0) 407 112 623, anthony@republicpr.com.au
Henry Jordan, Six Degrees Investor Relations: +61 (0) 431 271 538

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

LAKE RESOURCES NL

Level 5, 126 Phillip Street
Sydney NSW 2000
+61 2 9188 7864

LAKERESOURCES.COM.AU
ASX:LKE FRA:LK1 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/>