



30 April 2019

Lake Resources N.L.

ASX:LKE

Shares on Issue:

388,326,083

Options Unlisted:

52,045,081 (4c, 15 Jun'19)

5,052,083 (5c, Oct'19)

5,555,000 (8c, Feb'22)

9,500,000 (28c, Dec'20)

Unsecured Notes:

7,325,000 (25 Jun'20)

(Being retired by end Jun'19)

1,820,500 (expiry Aug'20)

Market Capitalisation:

\$21.3 million (@5.5c)

Share Price Range:

\$0.048 – 0.25 (12mth)

Contact:

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HIGHLIGHTS

- **Pre-Feasibility Study (PFS) commenced at the Kachi Lithium Brine Project on a Top 10 global lithium brine resource (4.4 million tonne lithium carbonate (LCE) JORC Resource with 1.0 million tonne Indicated and 3.4 million tonne Inferred resource categories)¹.**
- **Pilot plant being planned for the Kachi Project due to successful Phase 1 Engineering Study generating a brine concentrate of over 25,000 mg/L lithium which showed US\$2600/tonne LCE operating costs (+/-30%) with Lilac Solutions direct lithium extraction process ².**
- **Cauchari drilling program expanded with new larger drill rig capable of targeting 350-500 metres depth with Foraco, an international drill company.**
- **Cauchari drilling is targeting an extension of a lithium brine-bearing sand horizon in the adjoining large scale lithium brine resources of Ganfeng/Lithium Americas pre-production areas (NYSE:LAC), which recently doubled in size.**
- **New investor support secured with funding of \$1.65 million in February through convertible notes to mainly support the Kachi project. Further, \$1 million was raised in April in new equity to support the Cauchari drilling.**
- **Bonus options, issued at ratio of 1 for 7, to shareholders in late April at \$0.04/share with additional 1 for 1 option if converted prior to 15 June 2019.**

LAKE RESOURCES N.L.
QUARTERLY REPORT – ENDING 31 MARCH 2019

Lake Resources NL is an exploration and development company with one of the largest lithium lease holdings in Argentina of 200,000 hectares with four prime lithium projects: three brine projects and one hard rock project.

The Kachi Lithium Brine Project is poised for development with a PFS underway over a maiden resource of 4.4 million tonnes lithium carbonate (LCE). This is within a much larger exploration target in consolidated mining leases of 69,000 hectares over almost an entire salt lake. This places the resource amongst the Top 10 global lithium brine resources based on recent comparisons.

Lake is currently in discussions with a number of parties with respect to production development funding and partnership in its Kachi project that would assist with financing the feasibility study that is likely to follow on from the PFS. The Company has sufficient funds from the Amvest facility announced in February, for the PFS.

The Cauchari and Olaroz Projects in Jujuy province are adjacent to Orocobre and Ganfeng/Lithium Americas and are being drilled for the first time. The objective is to show extensions of lithium brine bearing aquifers into Lake's properties from adjoining major resources either in production or in pre-production.

The Catamarca Pegmatite Lithium Project, of 80,000 hectares, is at an early exploration stage and displays large pegmatite swarms over an area of past production within a 150km long belt.

OPERATIONS

Kachi Lithium Brine Project - Catamarca Province, Argentina

Summary

Lake Resources' 100%-owned Kachi Lithium Brine Project in Catamarca province, NW Argentina, covers 36 mining leases (69,000 hectares), centred around a previously undrilled salt lake within a large lithium brine-bearing basin. Kachi is one of the few salt lakes in Argentina with substantial identified lithium brines fully controlled by a single owner.

A Pre-Feasibility Study (PFS) has commenced over the Kachi Project. An international engineering firm with overview of the PFS will be announced shortly. The Kachi Project has a maiden JORC Mineral Resource estimate of 4.4 million tonnes of contained Lithium Carbonate Equivalent (LCE) in Inferred and Indicated Categories extending to 400m below ground level in porous permeable sediments 1. This contains 1 Mt LCE as Indicated resources, and 3.4 Mt of LCE as Inferred resources, with a resource depth of 400m for both areas at an average grade of 211 mg/L lithium and Mg/Li ratio of 4.7. This is within the Top 10 lithium brine projects globally and a similar size to major lithium brine producers in Argentina and Chile based on recent third party comparisons. Brine-bearing sediments remain open at depth and laterally, with the opportunity for resource expansion through additional deeper drilling and extending the exploration footprint.

A pilot plant is being planned with technology partner Lilac Solutions for the Kachi Project due to the successful Phase 1 Engineering Study completed in December 2018., This showed potential for lithium production costs to be US\$2600/tonne (+/-30%), which is in the lowest quartile of the cash cost curve, using Lilac's direct extraction process on the Kachi brines. High lithium recoveries of 85-90% were confirmed from multiple brine samples, with lithium concentrations greater than 25,000 mg/L produced from ~300 mg/L lithium brine. An on-site pilot plant would be a precursor to full-scale commercial project offering rapid, low-cost production with low environmental impact.

In the coming weeks, Lake will report on the appointment of an international engineering company which will work with Lake to complete a PFS on the Kachi project. This study will examine the project's technical and

economic viability, including both conventional processing and direct extraction methods, project engineering design, product specifications, optimisation of recovery, and operating and capital costs. It is expected that there will be significant project cost reductions and better recoveries for direct extraction compared to evaporation ponds.

Lake is currently in discussions with a number of parties with respect to production development funding and a potential partnership at its Kachi project that would assist with financing the feasibility study that is likely to follow the PFS. The Company has sufficient funds from the Amvest facility announced in February for the PFS.

The Kachi Project covers the lowest point (~3000 m altitude) of a large drainage area of over 6,800 square kilometres, sourcing lithium from acid volcanics of Cerro Galan, which is interpreted to also provide the lithium for the Salar de Hombre Muerto. This large drainage covers the areas immediately south of Livent's Hombre Muerto Lithium brine operation (NYSE:LTHM), which is Argentina's longest operating lithium brine project and Galaxy Resources (GXY.ASX) Limited's Sal de Vida lithium brine project. It is also close to Albemarle Corp's Antofalla lithium potash brine development project.

The Company has completed a total of 3150m of drilling to date in 15 rotary and diamond drill holes to depths up to 403m into the Kachi lithium brine-bearing sediments since November 2017. Results demonstrate thick permeable sand dominated sediments hosting the lithium brines that are expected to continue below current drilling depth limits and beyond the surface dimensions of the salt lake, and indicate the likely extension to the south potentially at similar grades and to greater depths. Consistent results have been delivered, with highest grades to date from the most recent drill-hole K08R14 averaging 326 mg/L lithium with low impurities and low average Mg/Li ratio of 3.7 (3.4 – 4.8). Brines typically with a high density (1.18 - 1.22 g/cm³) have been intersected throughout the thick sandy aquifers. Analytical results for lithium to date have been highest (more than 300mg/L lithium) in drill-holes K03R03 and K08R14. Brine samples in these holes display encouraging densities with a favourable Mg/Li ratio of 3.8 to 4.3 respectively, averaging 4.7 across the resource. There is a very high correlation of Lithium with Potassium.

The resource has been reported in accordance with the JORC Code (2012) and estimated by a Competent Person as defined by the JORC Code, in an ASX announcement on 27 November 2018 ¹.

The Company released an initial exploration target in November 2018, under the JORC code guidelines, suggesting the potential dimensions of the Kachi project are substantially larger than the resource statement area which is included within it.

Clarification Statement: An Exploration Target is not a Mineral Resource. The potential quantity and grade of an Exploration Target is conceptual in nature. A Mineral Resource has been identified in the centre of the Exploration Target, but there has been insufficient exploration to estimate any extension to the Mineral Resource and it is uncertain if further exploration will result in the estimation of an additional Mineral Resource. The Company had previously announced the Exploration Target for the Kachi Lithium Brine Project on 27 November 2018 which included the Competent Person statement.

The Phase 1 Engineering Study, announced 10 December 2018, completed with technology partner Lilac Solutions showed the potential for lithium production costs to be US\$2600/tonne (+/-30%), which is in the lowest quartile of the cash cost curve, using Lilac's direct extraction process on the Kachi brines ². Lilac's extraction technology also offers the potential for a reduced environmental impact due to the removal of evaporation ponds, helping preserve an aqueous resource in an arid environment.

High lithium recoveries of 85-90% were confirmed from multiple brine samples, with lithium concentrations greater than 25,000 mg/L produced from ~300 mg/L lithium brine. The planned approach is to produce a concentrate of purified lithium brine on site and then convert to lithium carbonate or lithium hydroxide at a location with more established infrastructure and workforce. Most reagents are easily sourced locally, except for proprietary materials.

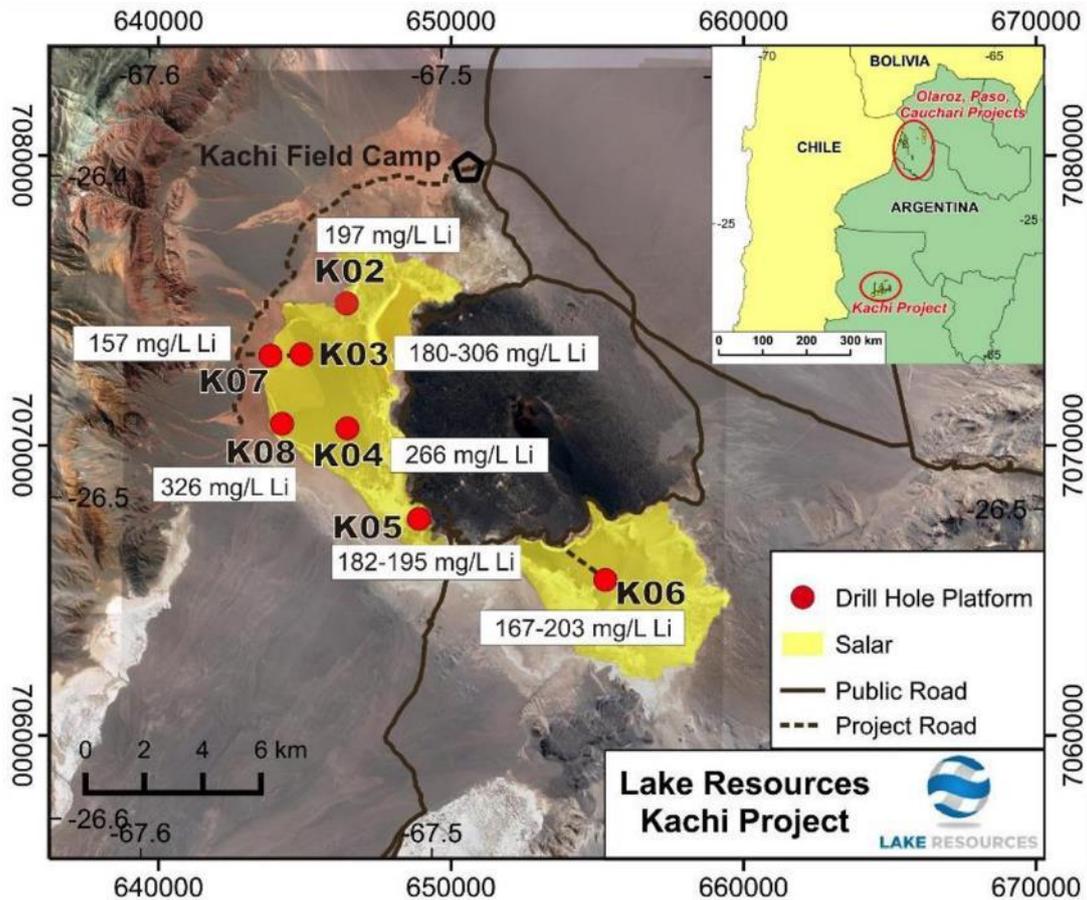


Figure 1. Kachi Lithium Project showing drilling locations and details of the drilling platforms with averaged lithium concentrations for each drill hole.

Cauchari and Olaroz Lithium Brine Projects - Jujuy Province, Argentina

Lake holds mining leases over ~45,000 hectares in two areas in Jujuy Province in NW Argentina, both 100% owned by Lake. Drilling access to Lake's Cauchari Project was granted in late November 2018 to commence drilling.

Drilling is ongoing at Cauchari, which will be followed by Olaroz. Two rigs are now operational at Cauchari. A second, larger diamond drill rig operated by Foraco Argentina SA commenced drilling at Cauchari in April. Foraco's drilling program will occur concurrently with current rotary rig drilling operations. High fluid pressures downhole together with sandy horizons are encouraging geologically but have made drilling progress challenging and have prevented the sampling of representative brines.

The larger more capable diamond drill rig is targeting a sand horizon estimated between 350-450 metres deep and will drill to 500 metres. Foraco is the third largest global mineral driller, operates in 22 countries and has a global fleet of drilling rigs with a well-trained international workforce and a proven track record.

Both Lake's rigs are operating ~500m from where Ganfeng/Lithium Americas is about to drill three new holes including one production hole on their adjacent leases. Lake is targeting the same sand horizons. The aim is to produce one successful drill hole to demonstrate the extension of the adjoining resource into Lake's properties. The adjoining resource was recently doubled in size to become the largest in the world and is rapidly being developed into production next year.

Drilling is anticipated to show a likely extension to the high grade lithium brines of Ganfeng Lithium/Lithium Americas and Orocobre/Advantage Lithium in adjacent properties to Lake's tenements. Third party drill results

nearby include 600-705mg/L lithium with high flow rates close to the lease boundary. Based on recent seismic lines, Lake expects these high-grade lithium brines to extend into its leases and brine bearing sediments are estimated to extend to 300-400 metres deep.

Lake's leases at Cauchari extend 11 km north-south of the adjoining development project owned by Ganfeng Lithium /Lithium Americas and being in the same basin, show strong potential to display lithium in the same aquifers.

Ganfeng recently paid a further US\$160 million to increase their stake to 50% in the Cauchari project of Lithium Americas (NYSE.LAC), after paying US\$237 million last August to increase their position to 34%. Development has been accelerated and planned production increased from 25,000 tpa LCE to 40,000 tpa LCE scheduled for late next year.

At Olaroz, which is north of Cauchari, Lake's leases extend over 30 kilometres east and north of the adjoining Orocobre's Olaroz lithium production leases. Approvals for drilling are in the final phase of permitting.

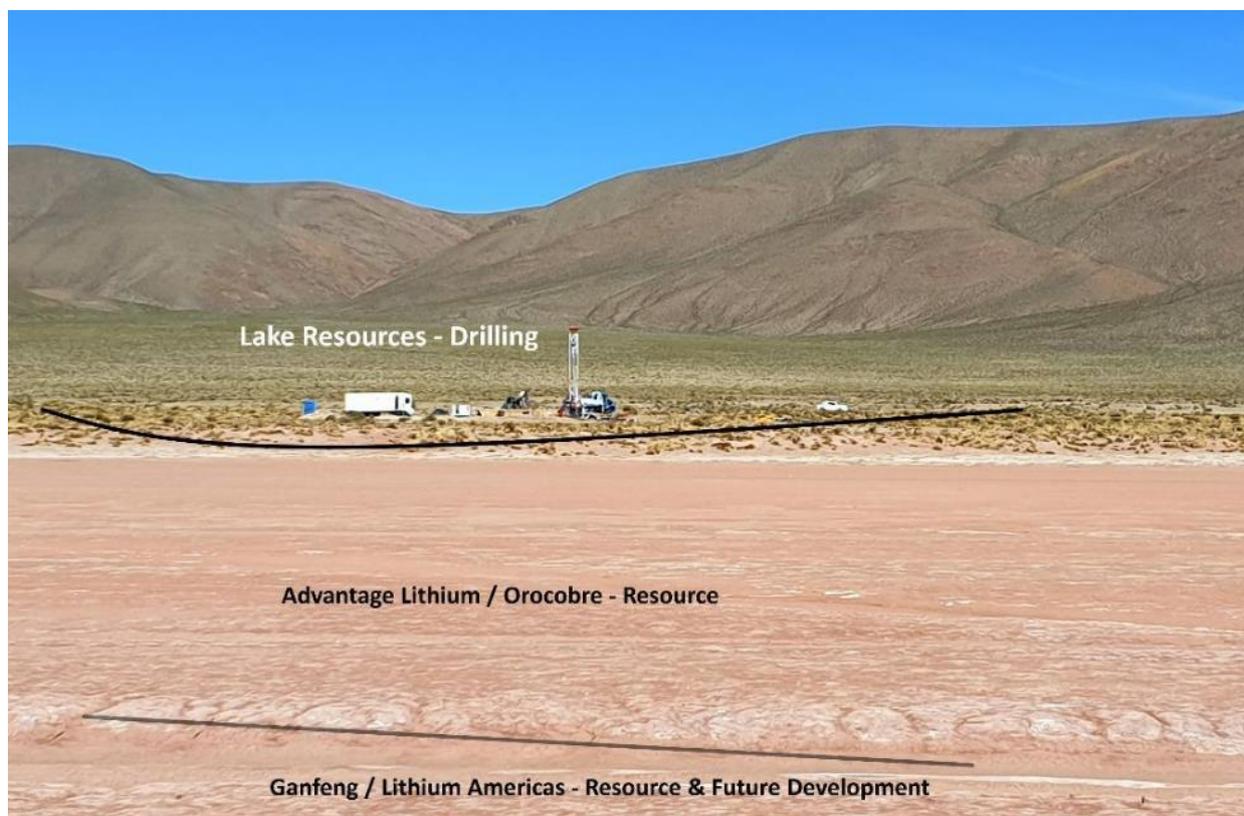


Figure 2: Location of LKE's drill operations at Cauchari in relation to Advantage Lithium/Orocobre & Gangfeng/Lithium Americas leases

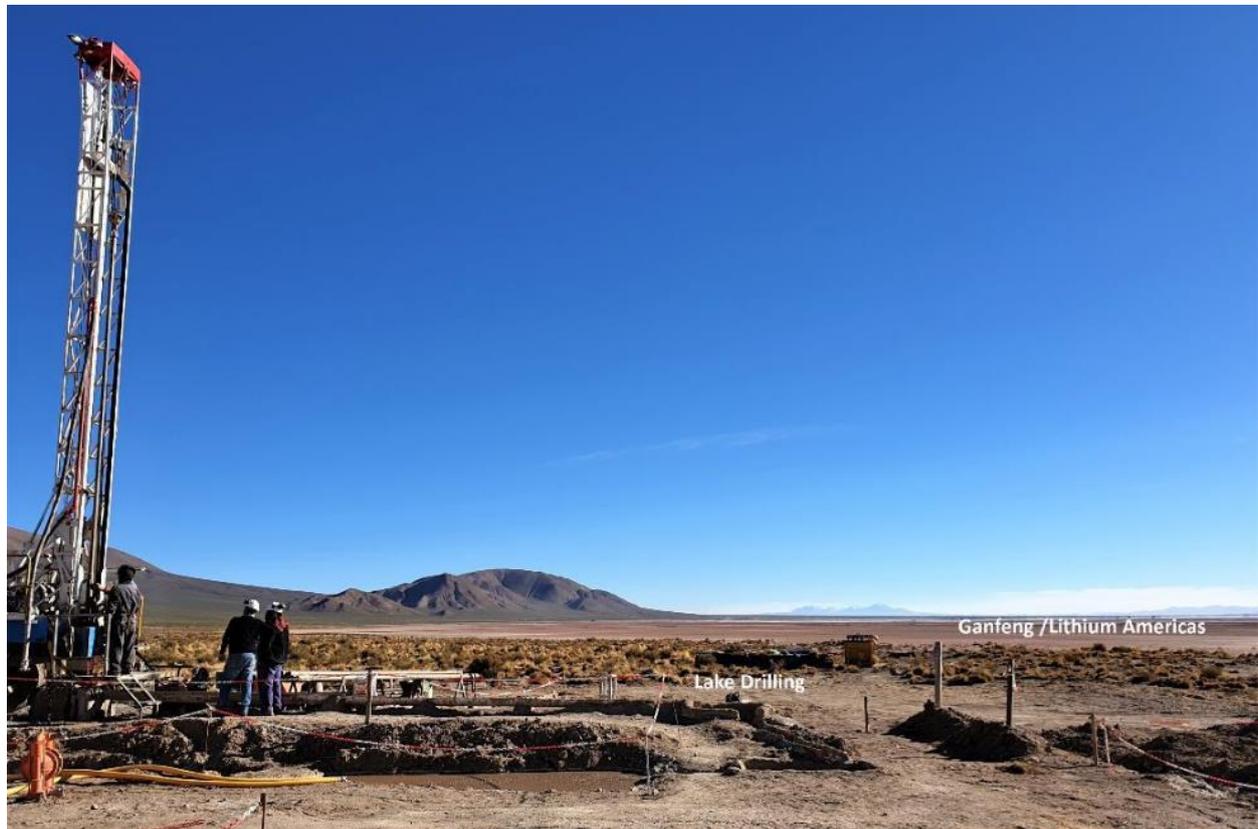


Figure 3: Rotary rig currently operating at site and at 234m deep



Figure 4: New diamond drill rig alongside the Rotary rig

Catamarca Lithium Pegmatite Project - Catamarca Province, Argentina

The Company has lease holdings and applications over 80,000 hectares of outcropping pegmatites with lithium potential within Catamarca Province in NW Argentina (Figure 14). Exploration is still at an early stage over a

150 kilometre-long belt which favourably hosts significant lithium mineralisation as spodumene in large pegmatite swarms, with prior small scale production.

CORPORATE

Cash Position

Lake held cash of \$0.2 million as at 31 March 2019, (in AUD, USD and Argentine Pesos). A further A\$1 million was raised in early April to supplement drilling activities at Cauchari.

A\$1.65 million was secured in late February via an unsecured convertible security (1,820,500 securities; expiry Aug 2020) with Amvest Capital, a US based investor, which has been a strong supporter of new energy projects and the resources sector. Significantly, Lake has the option to increase to size of the facility to \$5 million if required. The funding is primarily for advancing the pre-feasibility study (PFS) at the Kachi Lithium Brine Project while ramping up drilling activities at the Cauchari project.

A\$1 million, before costs, was raised in an private placement in early April to sophisticated and professional investors. The Company issued 20,000,000 new fully paid ordinary LKE shares at \$0.05 cents per share. Funds raised through the Placement will be used primarily for further drilling at Lake's Cauchari Lithium Brine Project.

Bonus Options (52,045,081) were issued in late April for nil consideration to Eligible Shareholders at a ratio of one (1) free Bonus Option for every seven (7) shares held at 5:00 pm (Sydney time) on the Record Date of 17 April 2019. Bonus Options have an exercise price of \$0.04 each, expiring on 15 June 2019 and, if exercised, will result in the issue of a second option (Additional Options) and each Additional Option will have an exercise price \$0.10 each, expiring on 15 June 2021 and Lake intends to seek approval to list and trade the Additional Options on the ASX.

The 9,900,000 unsecured convertible notes issued in December 2018 for a value of \$990,000 with an expiry date of 25 June 2020 are gradually being retired with 7,325,000 notes outstanding and all are aimed to be retired by end June 2019.

An unused \$4.5 million line of credit is available with Acuity Capital, currently on hold and available at the Company's sole discretion for a 24 month period.

Capital Structure

Lake has 388,326,083 shares on issue as at 30 April 2019.

Unlisted options include 52,045,081 bonus options with an exercise price of \$0.04 (expiry 15 Jun 2019) which have the opportunity for an additional option if converted by 15 June 2019, plus 5,052,083 options with an exercise price of \$0.05 (expiry 21 October 2019), 5,555,000 options with an exercise price of \$0.08 (expiry Feb 2022) and 9,500,000 unlisted options with an exercise price of \$0.28 (expiry 31 December 2020).

Unsecured Notes include 7,325,000 notes (expiry 25 Jun'20) which are being retired by end Jun 2019 and 1,820,500 unsecured notes (expiry Aug 2020).

Outlook

The focus in the coming quarter will be:

Olaroz-Cauchari & Paso Lithium Brine Projects - Jujuy Province

- Results from initial drilling of the Cauchari area.
- The initiation of drilling at Olaroz.

Kachi Lithium Brine Project - Catamarca Province

- Pre-Feasibility Study progress and announcement of engineering firm
- An update on a potential pilot plant

For further information, please contact:**Steve Promnitz****Managing Director****+61 2 9188 7864 +61 2 9299 9690**steve@lakeresources.com.au<http://www.lakeresources.com.au>**Follow Lake Resources on Twitter:**https://twitter.com/Lake_Resources**Released through:** Henry Jordan, Six Degrees Investor Relations: +61 (0) 431 271 538

Footnotes:

(*1): Kachi Mineral Resource Statement in ASX market release titled "Large Maiden 4.4mt LCE Resource Estimate for Kachi Project" on 27 November 2018.

(*2): Phase 1 Engineering Study in ASX market release titled "Lilac Extraction Process Shows Potential For High Lithium Recoveries At Lowest Quartile Costs At Kachi" on 10 December 2018.

Lake Resources NL (ASX:LKE)

Lake Resources NL (ASX:LKE, Lake) is a lithium exploration and development company focused on developing its three lithium brine projects and hard rock project in Argentina, all owned 100%. The leases 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. Lake holds one of the largest lithium tenement packages in Argentina (~200,000Ha) secured in 2016 prior to a significant 'rush' by major companies. The large holdings provide the potential to provide consistent security of supply demanded by battery makers and electric vehicle manufacturers.

The Kachi project covers 69,000 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 large lithium brine bearing basin over 20km long, 15km wide and 400m to 800m deep. Drilling over Kachi (currently 16 drill holes, 3100m) has produced a maiden indicated and inferred resource of 4.4 Mt LCE (Indicated 1.0Mt and Inferred 3.4Mt) within a 8-17 Mt LCE exploration target grading in the range of 310 mg/L to 210 mg/L lithium ¹(refer ASX announcement 27 November 2018).

A direct extraction technique is being tested in partnership with Lilac Solutions, which has shown 80-90% recoveries and lithium brine concentrations in excess of 25000 mg/L lithium. Phase 1 Engineering Study results have shown operating costs forecast at US\$2600/t LCE in the lowest cost quartile ². This process is planned to be trialled on site in tandem with conventional methods as part of a PFS to follow the resource statement. Scope exists to unlock considerable value through partnerships and corporate deals in the near term.

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 Ganfeng Lithium/Lithium Americas Cauchari project, with high grade lithium (600 mg/L) with high flow rates drilled immediately across the lease boundary.

An additional new rig is being deployed to increase the depth capacity and speed of the drill rig currently at Cauchari. High fluid pressures, while encouraging, have meant that conditions are challenging. Results are expected to extend the proven resources in adjoining properties into LKE's area. This will be followed by drilling extensions to the Olaroz area in LKE's 100% owned Olaroz leases.

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. 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 2018. LSC Lithium is under offer for C\$111 million with a resource size half of Kachi. These transactions imply an acquisition cost of US\$55-110 million per 1 million tonnes of lithium carbonate equivalent (LCE) in resources.

The demand for lithium continues to be strong for lithium ion batteries in electric vehicles, according to recent data from the leading independent battery minerals consultant, Benchmark Mineral Intelligence. Supply continues to be constrained suggesting good opportunities for upstream lithium companies

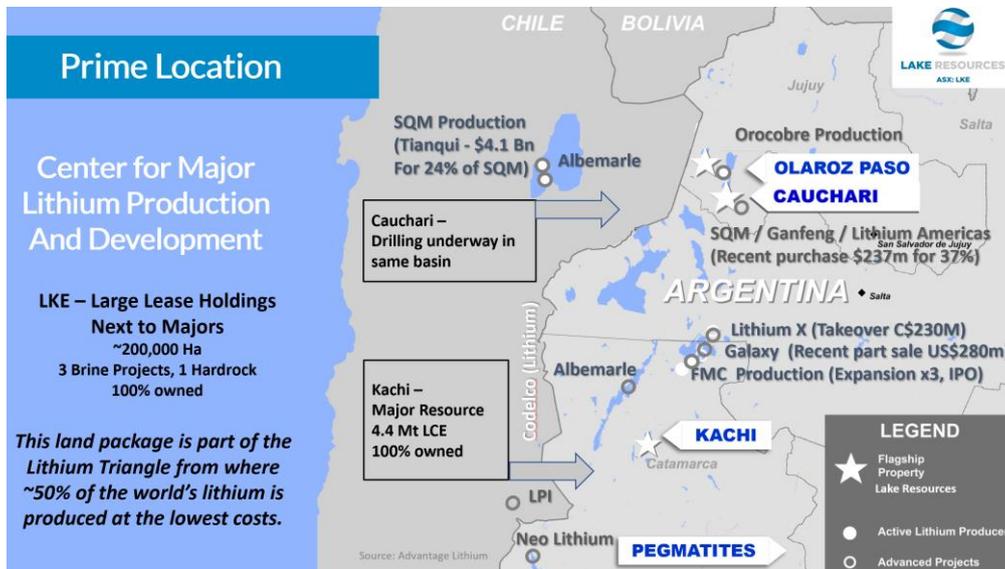


Figure 5: Location map of Lake Resources lithium brine and hard rock (pegmatite) projects in NW Argentina

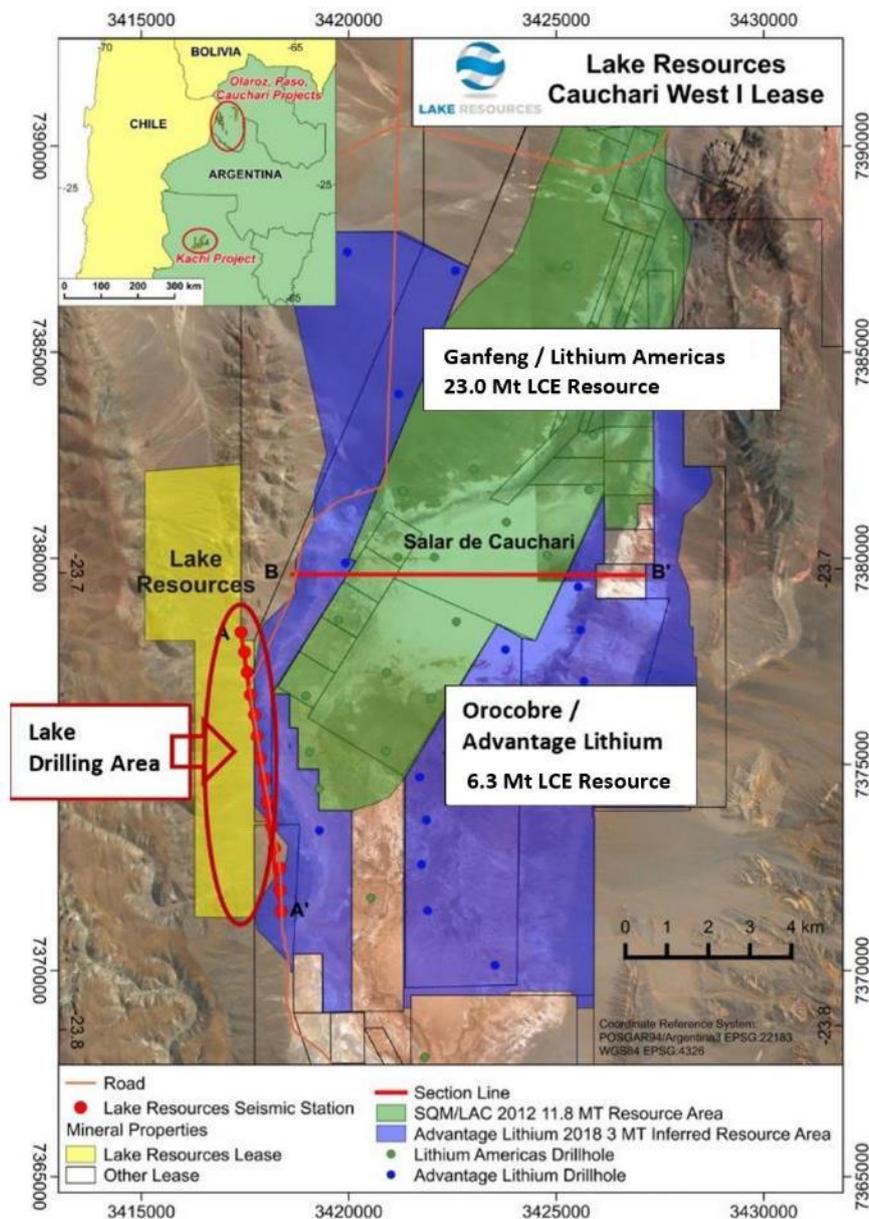


Figure 6. Cauchari Lithium Project, with adjoining Ganfeng / Lithium Americas resource and Orocobre / Advantage Lithium resource with (Orocobre announcements 7/11/2017, 4/12/2017, 18/01/2018, 15/03/19; Advantage Lithium announcement 5/3/2018, 10/01/2019, 1/04/19). (Third Party Resource details summarised in LKE's ASX announcement dated 6 Sept 2018)

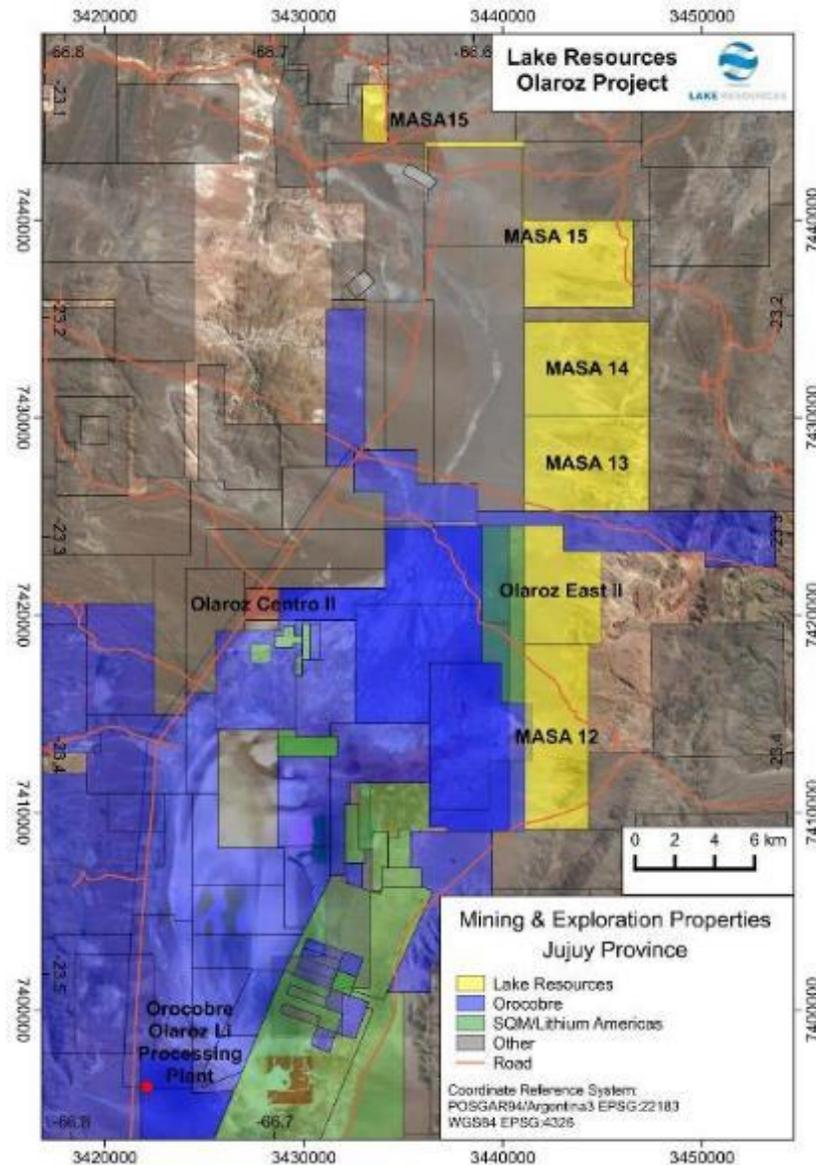


Figure 7: Lake's Olaroz Lithium Brine Project leases (yellow) in relation to Orocobre leases (blue). Lake leases stretch north-south for 30 kilometres

Competent Person's Statement – Kachi Lithium Brine Project

The information contained in this ASX release relating to Exploration Results has been compiled by Mr Andrew Fulton. Mr Fulton is a Hydrogeologist and a Member of the Australian Institute of Geoscientists and the Association of Hydrogeologists. Mr Fulton has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a competent person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Andrew Fulton is an employee of Groundwater Exploration Services Pty Ltd and an independent consultant to Lake Resources NL. Mr Fulton consents to the inclusion in this announcement of this information in the form and context in which it appears. The information in this announcement is an accurate representation of the available data from initial exploration at the Kachi project.

SCHEDULE OF TENEMENTS (Appendix 5B)						
TOTAL NUMBER TENEMENTS:		TOTAL AREA TENEMENTS:				
76		212,012 Ha				
REF	TENEMENT NAME	NUMBER	AREA H	INTEREST	PROVINCE	STATUS
OLAROSZ - CAUCHARI AREA						
	Cauchari Bajo I	2156-D-2016	354	100	Jujuy	Granted
	Cauchari Bajo II	2157-D-2016	354	100	Jujuy	Granted
	Cauchari Bajo III	2158-D-2016	122	100	Jujuy	Granted
	Cauchari Bajo V	2154-D-2016	946	100	Jujuy	Granted
	Cauchari West I	2160-D-2016	1936	100	Jujuy	Granted
	Olaroz Centro II	2164-D-2016	268	100	Jujuy	Application
	Olaroz East II	2168-D-2016	2072	100	Jujuy	Granted
	MASA 12	2234-M-2016	2901	100	Jujuy	Granted
	MASA 13	2235-M-2016	3000	100	Jujuy	Granted
	MASA 14	2236-M-2016	3000	100	Jujuy	Granted
	MASA 15	2237-M-2016	3000	100	Jujuy	Granted
PASO AREA						
	Paso III	2137-P-2016	2787	100	Jujuy	Granted
	Paso VI	2140-P-2016	2208	100	Jujuy	Granted
	Paso X	2144-P-2016	1833	100	Jujuy	Granted
	MASA 9	2231-M-2016	2978	100	Jujuy	Granted
	MASA 16	2238-M-2016	2114	100	Jujuy	Granted
	MASA 17	2239-M-2016	2891	100	Jujuy	Granted
	MASA 18	2240-M-2016	3000	100	Jujuy	Granted
	MASA 19	2241-M-2016	3000	100	Jujuy	Granted
	MASA 20	2242-M-2016	3000	100	Jujuy	Granted
	MASA 21	2243-M-2016	2815	100	Jujuy	Granted
	MASA 22	2244-M-2016	1460	100	Jujuy	Application
	MASA 23	2245-M-2016	1540	100	Jujuy	Application
	23 Mining leases		47579 Ha			
KACHI AREA						
	Kachi Inca	13-M-2016	858	100	Catamarca	Granted
	Kachi Inca I	16-M-2016	2881	100	Catamarca	Granted
	Kachi Inca II	17-M-2016	2823	100	Catamarca	Granted
	Kachi Inca III	47-M-2016	3354	100	Catamarca	Granted
	Kachi Inca 4	107-M-2017	2723	100	Catamarca	In Process
	Kachi Inca V	45-M-2016	305	100	Catamarca	Granted
	Kachi Inca VI	44-M-2016	110	100	Catamarca	Granted
	Dona Amparo I	22-M-2016	3000	100	Catamarca	Granted
	Dona Carmen	24-M-2016	874	100	Catamarca	Granted
	Debbie I	21-M-2016	1501	100	Catamarca	Granted
	Divina Victoria I	25-M-2016	1266	100	Catamarca	Granted
	Daniel Armando	23-M-2016	2116	100	Catamarca	Granted
	Daniel Armando II	97-M-2016	1388	100	Catamarca	Granted
	Escondidita	131-M-2018	373	100	Catamarca	In Process
	Irene	28-M-2018	2250	100	Catamarca	In Process
	Maria Luz	34-M-2017	2425	100	Catamarca	Granted
	Maria I	140-M-2018	889	100	Catamarca	In Process
	Maria II	14-M-2016	888	100	Catamarca	Granted
	Maria III	15-M-2016	1396	100	Catamarca	Granted
	Morena 1	72-M-2016	3025	100	Catamarca	Granted
	Morena 2	73-M-2016	2989	100	Catamarca	Granted
	Morena 3	74-M-2016	3007	100	Catamarca	Granted
	Morena 6	75-M-2016	1606	100	Catamarca	Granted
	Morena 7	76-M-2016	2805	100	Catamarca	Granted
	Morena 8	77-M-2016	2961	100	Catamarca	Granted
	Morena 12	78-M-2016	2704	100	Catamarca	Granted
	Morena 13	79-M-2016	3024	100	Catamarca	Granted
	Morena 15	162-M-2017	2559	100	Catamarca	Granted
	Pampa I	129-S-2013	2312	100	Catamarca	Granted
	Pampa II	128-M-2013	1119	100	Catamarca	Granted
	Pampa III	130-M-2013	477	100	Catamarca	Granted
	Pampa IV	78-M-2017	2569	100	Catamarca	In Process
	Morena 11	138-M-2018	815	100	Catamarca	In Process
	Parapeto 1	133-M-2018	2504	100	Catamarca	In Process
	Parapeto 2	134-M-2018	1259	100	Catamarca	In Process
	Parapeto 3	132-M-2018	1892	100	Catamarca	In Process
	36 Mining leases		69047Ha			
	59		116626			

CATAMARCA PEGMATITES						
Petra I	Cateo 52/16	9838	100	Catamarca	In Process	
Petra II	Cateo 51/16	9500	100	Catamarca	In Process	
Petra III	Cateo 49/16	9528	100	Catamarca	In Process	
Petra IV	Cateo 50/16	8939	100	Catamarca	In Process	
CAT 1 (Petra VIII)	Cateo 93/16	9502	100	Catamarca	In Process	
CAT 2 (Petra VII)	Cateo 94/16	7699	100	Catamarca	In Process	
CAT 3 (Petra VI)	Cateo 95/16	9074	100	Catamarca	In Process	
CAT 4 (Petra V)	Cateo 98/16	9850	100	Catamarca	In Process	
La Aguada 1	Mina 116/16	2499	100	Catamarca	Granted	
La Aguada 2	Mina 117/16	2950	100	Catamarca	Granted	
La Aguada 3	Mina 99/16	100	100	Catamarca	In Process	
La Aguada 4	Mina 173/16	2929	100	Catamarca	Granted	
La Aguada 5	Mina 172/16	2866	100	Catamarca	Granted	
La Aguada 6	Mina 174/16	2999	100	Catamarca	Granted	
La Aguada 7	Mina 137/16	2919	100	Catamarca	Granted	
La Aguada 8	Mina 139/16	1587	100	Catamarca	Granted	
La Aguada 9	Mina	2607	100	Catamarca	Granted	
9 Mining leases 8 exploration leases		95,386 Ha				
17						
76		212012				

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

LAKE RESOURCES N.L.

ABN

49 079 471 980

Quarter ended ("current quarter")

31 MARCH 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(990)	(3,930)
(b) development		
(c) production		
(d) staff costs	(115)	(387)
(e) administration and corporate costs	(583)	(1,336)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(1,688)	(5,653)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)		
2.6 Net cash from / (used in) investing activities		

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares		
3.2 Proceeds from issue of convertible notes	1,407	2,347
3.3 Proceeds from exercise of share options	64	1,620
3.4 Transaction costs related to issues of shares, convertible notes or options	(151)	(186)
3.5 Proceeds from borrowings		280
3.6 Repayment of borrowings		
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)		
3.10 Net cash from / (used in) financing activities	1,320	4,061

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	520	1,744
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,688)	(5,653)
4.3 Net cash from / (used in) investing activities (item 2.6 above)		
4.4 Net cash from / (used in) financing activities (item 3.10 above)	1,320	4,061
4.5 Effect of movement in exchange rates on cash held		
4.6 Cash and cash equivalents at end of period	152	152

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
5. Reconciliation of cash and cash equivalents	at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	152	520
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	152	520

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	99
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Remuneration and fees paid to Directors

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities		
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

During the period, the Company secured A\$1.65 million by way of issue unsecured convertible notes (Notes) to a North American investor. The Notes attract interest at 15% per annum, compounded monthly, payable quarterly in advance in cash. Refer to ASX announcement dated 28 February 2019 for further details.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	(796)
9.2 Development	
9.3 Production	
9.4 Staff costs	(169)
9.5 Administration and corporate costs	(161)
9.6 Other (provide details if material)	
9.7 Total estimated cash outflows	(1,126)

* depending on funds availability, the Company can control its spending on exploration and evaluation activities as these activities are non-contractual and discretionary in nature. In April, the Company also successfully raised \$1.06 million through issue of shares to supplement drilling activities at Cauchari. The Company also issued bonus options in late April which are anticipated to raise over \$2 million in June 2019.

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced		Refer to tenement schedule		
10.2 Interests in mining tenements and petroleum tenements acquired or increased		Refer to tenement schedule		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: 
(Company secretary)

Date: **30 APRIL 2019**

Print name: **ANDREW BURSILL**

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.