

1 March 2022

## Lake Trading Resumes as Court Orders Granted

- **Trading of Lake Resources to resume on ASX.**
- **Federal Court grants orders to rectify administrative oversight relating to the lodgment of cleansing notices for share issues in September and October 2021 following the exercise of options issued as part of the Company's placement announced 25 January 2021.**

Clean lithium developer **Lake Resources NL** (ASX: LKE; OTC:LLKKF; Lake) advises that further to its announcements of 24 and 28 February 2022, Lake's application to the Federal Court (**Court**) to rectify an administrative oversight relating to the delayed lodgment of cleansing notices when issuing shares on 17 September, 14 October, 18 October and 21 October 2021 (**Issue Dates**) was heard yesterday and the Court has granted the relief sought.

On 22 February 2022, Lake announced that it had sought a trading halt pending further steps being taken regarding rectification of a technical compliance issue. As detailed in Lake's request for a trading halt on 22 February and announcement on 24 February 2022, this related to Lake's inadvertent failure to lodge cleansing notices under section 708A(5)(e) of the Corporations Act 2001 (Cth) (**Corporations Act**) within the prescribed 5 business day period after the issue of shares on the Issue Dates.

The trading halt was granted and on 24 February 2022, Lake requested a voluntary suspension of its securities pending an application to the Court regarding rectification of this technical compliance issue being heard and determined.

Lake filed its application for relief under section 1322(4)(a), (c) and (d) of the Corporations Act on Saturday, 26 February 2022 (**Application**).

The Application was heard yesterday, and the Court granted the relief sought. A copy of the orders that were granted accompany this announcement (**Orders**).

Lake has requested that the voluntary suspension of trading in the Company's securities be lifted by ASX immediately following the release of this announcement.

This announcement has been approved by Steve Promnitz, Managing Director, on behalf of the LKE Board.

### **Lake Investors please contact:**

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### **About Lake Resources NL (ASX:LKE OTC:LLKFF) –**

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

Lake Resources NL (ASX:LKE, OTC: LLKFF) is a clean lithium developer utilising direct extraction technology for production of sustainable, high purity lithium from its flagship Kachi Project in Catamarca Province within the Lithium Triangle in Argentina among three other projects covering 220,000 ha.

This direct extraction method delivers a solution for two rising demands – high purity battery materials to avoid performance issues, and more sustainable, responsibly sourced materials with low carbon footprint and significant ESG benefits.

1. **Climate-Tech:** Efficient, disruptive, clean, cost-competitive technology using well-known water treatment re-engineered for lithium (not mining). Technology partner, Lilac Solutions Inc, is supported by the Bill Gates led Breakthrough Energy fund, MIT's The Engine fund, Chris Sacca's Lowercarbon Capital, BMW, Sumitomo and SK Materials. Lilac will earn in to the Kachi Project, up to a 25% stake, based on certain milestones and then be expected to fund their c.US\$50 million pro-rata share (refer ASX announcement 22 September 2021)

2. **High Purity:** 99.97% purity lithium carbonate samples for a premium price. Demonstrated high quality in nickel rich 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 (74,000 ha) and expandable resource (4.4 Mt LCE) used for 25 years production at 50,000tpa (JORC Resource: Indicated 1.0Mt, inferred 3.4Mt, refer ASX announcement 27 November 2018). Pre-feasibility study at 25,500tpa 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 using past pricing of US\$15,500/tonne lithium carbonate (refer ASX announcement 17 March 2021; 28 April 2020). (No changes to the assumptions in the resource statement or the PFS have occurred since the announcement date.)

5. **Finance Indicatively Available:** Long duration, low-cost project debt finance for the Kachi Lithium Project is indicatively available from the United Kingdom's Export Credit Agency UKEF and Canada's EDC with Expressions of Interest to support approx. 70% of the total finance required for Kachi's development, subject to standard project finance terms (refer ASX announcements 11 August 2021; 28 September 2021).

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 with a significant ESG benefit.

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/>



Federal Court of Australia  
District Registry: Queensland  
Division: General

No: QUD54/2022

**LAKE RESOURCES N.L. ACN 079 471 980**  
Applicant

## **ORDER**

**JUDGE:** JUSTICE DERRINGTON

**DATE OF ORDER:** 28 February 2022

**WHERE MADE:** Brisbane

### **THE COURT ORDERS THAT:**

1. In respect of the 6,762,500 fully paid ordinary shares of the Applicant, which were issued on 17 September 2021, pursuant to an exercise of options:
  - (a) pursuant to section 1322(4)(d) of the Corporations Act 2001 (Cth) (**Corporations Act**), the five business days referred to in section 708A(6)(a) of the Corporations Act is extended to 24 February 2022;
  - (b) pursuant to section 1322(4)(a) of the Corporations Act, it is declared that a notice under section 708A(5)(e) of the Corporations Act given to the Australian Securities Exchange Limited (**ASX**) in respect of the shares referred to in Order 1, within the period provided for in subparagraph 1(a), is deemed to take effect as if it had been given to the ASX on the date of issue of those shares;
  - (c) pursuant to section 1322(4)(a) of the Corporations Act, it is declared that any offer for sale, or sale of, those shares referred to in Order 1 during the period after their issue to the date of the orders made in this proceeding is not invalid by any reason of:
    - (i) any failure of a notice under section 708A(5)(e) of the Corporations Act to exempt the sellers from the obligation of disclosure under the Corporations Act; and



- (ii) the sellers' consequent failure to comply with sections 707(3) or 727(1) of the Corporations Act; and
- (d) pursuant to section 1322(4)(c) of the Corporations Act, any persons to whom any of those shares referred to in Order 1 were issued, or have been sold, and who have in turn on-sold any of those shares, is relieved in whole from any civil liability in respect of:
  - (i) any failure of a notice under section 708A(5)(e) of the Corporations Act to exempt the sellers from the obligation of disclosure under the Corporations Act; and
  - (ii) the sellers' consequent failure to comply with sections 707(3) or 727(1) of the Corporations Act.
- 2. In respect of the 700,000 fully paid ordinary shares of the Applicant, which were issued on 14 October 2021, pursuant to an exercise of options:
  - (a) pursuant to section 1322(4)(d) of the Corporations Act, the five business days referred to in section 708A(6)(a) of the Corporations Act is extended to 24 February 2022;
  - (b) pursuant to section 1322(4)(a) of the Corporations Act, it is declared that a notice under section 708A(5)(e) of the Corporations Act given to the ASX in respect of the shares referred to in Order 2, within the period provided for in subparagraph 2(a), is deemed to take effect as if it had been given to the ASX on the date of issue of those shares;
  - (c) pursuant to section 1322(4)(a) of the Corporations Act, it is declared that any offer for sale, or sale of, those shares referred to in Order 2 during the period after their issue to the date of the orders made in this proceeding is not invalid by any reason of:
    - (i) any failure of a notice under section 708A(5)(e) of the Corporations Act to exempt the sellers from the obligation of disclosure under the Corporations Act; and
    - (ii) the sellers' consequent failure to comply with sections 707(3) or 727(1) of the Corporations Act; and



- (d) pursuant to section 1322(4)(c) of the Corporations Act, any persons to whom any of those shares referred to in Order 2 were issued, or have been sold, and who have in turn on-sold any of those shares, is relieved in whole from any civil liability in respect of:
- (i) any failure of a notice under section 708A(5)(e) of the Corporations Act to exempt the sellers from the obligation of disclosure under the Corporations Act; and
  - (ii) the sellers' consequent failure to comply with sections 707(3) or 727(1) of the Corporations Act.
3. In respect of the 3,580,000 fully paid ordinary shares of the Applicant, which were issued on 18 October 2021, pursuant to an exercise of options:
- (a) pursuant to section 1322(4)(d) of the Corporations Act, the five business days referred to in section 708A(6)(a) of the Corporations Act is extended to 24 February 2022;
  - (b) pursuant to section 1322(4)(a) of the Corporations Act, it is declared that a notice under section 708A(5)(e) of the Corporations Act given to the ASX in respect of the shares referred to in Order 3, within the period provided for in subparagraph 3(a), is deemed to take effect as if it had been given to the ASX on the date of issue of those shares;
  - (c) pursuant to section 1322(4)(a) of the Corporations Act, it is declared that any offer for sale, or sale of, those shares referred to in Order 3 during the period after their issue to the date of the orders made in this proceeding is not invalid by any reason of:
    - (i) any failure of a notice under section 708A(5)(e) of the Corporations Act to exempt the sellers from the obligation of disclosure under the Corporations Act; and
    - (ii) the sellers' consequent failure to comply with sections 707(3) or 727(1) of the Corporations Act; and



- (d) pursuant to section 1322(4)(c) of the Corporations Act, any persons to whom any of those shares referred to in Order 3 were issued, or have been sold, and who have in turn on-sold any of those shares, is relieved in whole from any civil liability in respect of:
  - (i) any failure of a notice under section 708A(5)(e) of the Corporations Act to exempt the sellers from the obligation of disclosure under the Corporations Act; and
  - (ii) the sellers' consequent failure to comply with sections 707(3) or 727(1) of the Corporations Act.
- 4. In respect of the 1,000,000 fully paid ordinary shares of the Applicant, which were issued on 21 October 2021, pursuant to an exercise of options:
  - (a) pursuant to section 1322(4)(d) of the Corporations Act 2001, the five business days referred to in section 708A(6)(a) of the Corporations Act is extended to 24 February 2022;
  - (b) pursuant to section 1322(4)(a) of the Corporations Act, it is declared that a notice under section 708A(5)(e) of the Corporations Act given to the ASX in respect of the shares referred to in Order 4, within the period provided for in subparagraph 4(a), is deemed to take effect as if it had been given to the ASX on the date of issue of those shares;
  - (c) pursuant to section 1322(4)(a) of the Corporations Act, it is declared that any offer for sale, or sale of, those shares referred to in Order 4 during the period after their issue to the date of the orders made in this proceeding is not invalid by any reason of:
    - (i) any failure of a notice under section 708A(5)(e) of the Corporations Act to exempt the sellers from the obligation of disclosure under the Corporations Act; and
    - (ii) the sellers' consequent failure to comply with sections 707(3) or 727(1) of the Corporations Act; and
  - (d) pursuant to section 1322(4)(c) of the Corporations Act, any persons to whom any of those shares referred to in Order 4 were issued, or have been sold, and



who have in turn on-sold any of those shares, is relieved in whole from any civil liability in respect of:

- (i) any failure of a notice under section 708A(5)(e) of the Corporations Act to exempt the sellers from the obligation of disclosure under the Corporations Act; and
- (ii) the sellers' consequent failure to comply with sections 707(3) or 727(1) of the Corporations Act.

5. As soon as reasonably practical after orders are made in these proceedings, the Applicant is to:

(a) serve a sealed copy of the orders:

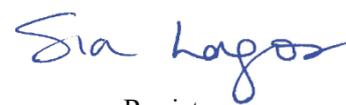
- (i) on the Australian Securities and Investments Commission;
- (ii) on the ASX; and
- (iii) by post on each person to whom the shares in Orders 1 to 4 were issued at the address given by each person for recording on the Applicant's register of members; and

(b) publish an announcement to the ASX including a sealed copy of the orders made in this proceeding.

6. For a period of 28 days from the date of publication of a copy of the orders made in these proceedings on the ASX website, any person who claims to have suffered substantial injustice or is likely to suffer substantial injustice by the making of any or all of these orders has liberty to apply to vary or to discharge them within that period.

7. There be no order as to costs.

Date that entry is stamped: 28 February 2022

  
Registrar