

5 May 2022

## Letter to LKEOC option holders

Lake Resources N.L. (ASX:LKE) (“Lake” or “the Company”) advises that the attached notice of expiry of LKEOC options letter has been sent to all holders of LKEOC listed options (Options) which are exercisable at \$0.75 each on or before 5:00 pm AEDT on Wednesday, 15 June 2022 (Expiry Date).

Official quotation of the Options will cease at close of trading on 9 June 2022, being four business days before the Expiry Date.

Holders of the Options can exercise all or part of their Options prior to the Expiry Date. Please find enclosed the sample “notice of exercise of options” for further instructions.

Authorised for release by Stuart Crow, Chairman.

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

**Steve Promnitz, Managing Director**

[steve@lakeresources.com.au](mailto:steve@lakeresources.com.au) +61 2 9188 7864

**Twitter:** [https://twitter.com/Lake\\_Resources](https://twitter.com/Lake_Resources)

**LinkedIn:** <https://www.linkedin.com/company/lake-resources/>

**Facebook:** <https://www.facebook.com/LakeResources>

**Website:** <http://www.lakeresources.com.au>

**Join Lake’s mailing list:** <http://eepurl.com/gwA3o9>

**IR:** Anthony Fensom, Republic PR, +61 (0) 407 112 623 , [anthony@republicpr.com.au](mailto:anthony@republicpr.com.au)

### **For media queries, please contact:**

Nigel Kassulke at Teneo

**M:** +61407904874

**E:** [Nigel.Kassulke@teneo.com](mailto:Nigel.Kassulke@teneo.com)

### **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:LK E, 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.

#### **LAKE RESOURCES NL**

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

**LAKERESOURCES.COM.AU**  
ASX:LKE FRA:LK1 OTC:LLKKF

**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/>

5 May 2022

Dear option holder,

**Notice of Expiry of LKEOC Options**

The Directors of Lake Resources NL thank you for your continued support.

The 15 June 2022 expiry date for LKEOC listed options is approaching and the Company would like to remind option holders that if the options are NOT exercised by 15 June 2022 they **will automatically lapse**.

Please find below information required to be provided to you in accordance with the ASX Listing Rules.

Number of shares to be issued on exercise of options	One fully paid ordinary share (ASX: LKE) per option that is exercised
Exercise price	\$0.75 per option
Due date for payment	15 June 2022
Consequence of non-payment	<b>Options will automatically lapse</b>
Date quotation of LKEOC on ASX will end	9 June 2022 (at end of trade)
Latest market price for LKE	\$1.745 (3 May 2022)
3 Month LKE low price	\$0.83 (15 February 2022)
3 Month LKE high price	\$2.65 (5 April 2022)
Underwriting	The LKEOC options are not underwritten.

If you wish to exercise your options, you may do so in whole or in part.

Your enclosed option exercise form includes both your personalised BPAY and Electronic Funds Transfer (EFT) payment details.

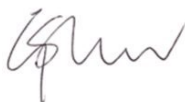
The total exercise price for the options which you chose to exercise (if any) can be paid by BPAY or EFT, and the completed option exercise form (where applicable if opting NOT to exercise in full) can be returned to our Share Registry by email to [corporate.actions@automicgroup.com.au](mailto:corporate.actions@automicgroup.com.au).

For further instructions please see enclosed option exercise form.

If the options exercise form (where applicable if opting NOT to exercise in full), together with cleared funds, is not received by our share registry on or before the expiry date (Wednesday, 15 June 2022), then your LKEOC options will expire with no value and no further entitlement will exist.

If you have any queries concerning this Notice or your option holding, please contact Automic on +61 (2) 9698 5414.

Yours Sincerely



Stuart Crow  
Chairman



# Rights and liabilities attaching to Listed Options

The Listed Options, issued pursuant to this Prospectus will have the following terms and conditions:

- (a) The Listed Options will be exercisable at \$0.75 each (**Exercise Price**).
- (b) Unless exercised earlier, the Listed Options will expire at 5:00pm AEST on 15 June 2022 (**Option Expiry Date**). Listed Options not exercised before the Option Expiry Date will expire.
- (c) The Listed Options will entitle the holder to subscribe for one fully paid ordinary Share in the Company.
- (d) The Listed Options are exercisable at any time prior to the Option Expiry Date.
- (e) The Listed Options may be exercised at any time wholly or in part by delivering a duly completed form of notice of exercise (Listed Option Exercise Notice) together with a cheque, BPAY® or electronic funds transfer for the full payment of the Exercise Price to the Registered Office of the Company at any time prior to the Listed Option Expiry Date.
- (f) Upon the valid exercise of the Listed Options and payment of the Exercise Price, the Company will issue fully paid ordinary shares ranking pari passu with the existing Shares of the Company.
- (g) The Company will apply to have the Listed Options admitted to the official list of the ASX and the Listed Options listed on ASX.
- (h) The Listed Options will be freely transferrable at any time before the Option Expiry Date and may be exercised by any other person (including, in the case of the Option holder's death, by his or her legal personal representative).
- (i) Listed Option holders do not have any right to participate in new issues of securities in the Company made to Shareholders generally. The Company will, where and only to the extent required pursuant to the Listing Rules, provide Listed Optionholders with notice prior to the books record date (to determine entitlements to any new issue of securities made to Shareholders generally) to exercise the Listed Options, in accordance with the requirements of the Listing Rules.
- (j) In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
  - (1) the number of Listed Options, the exercise price of the Listed Options, or both will be reconstructed (as appropriate) in a manner consistent with the ASX Listing Rules with the intention that such reconstruction will not result in any benefits being conferred on the holders of the Listed Options which are not conferred on Shareholders; and
  - (2) subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of Shareholders approving a reconstruction of capital, in all other respects the terms for the exercise of the Listed Options will remain unchanged.
- (k) If there is a pro rata issue (except a bonus issue), then:
  - (1) at the time of the pro rata issue (except a bonus issue), the exercise price of an Listed Option may be reduced according to the following formula:
$$O^n = \frac{O - E [P - (S + D)]}{N + 1}$$
Where:
    - $O^n$  = the new exercise price of the Listed Option;
    - $O$  = the old exercise price of the Listed Option;
    - $E$  = the number of underlying securities into which one Listed Option is exercisable;
    - $P$  = the average market price per security (weighted by reference to volume) of the underlying securities during the five trading days ending on the day before the ex right date or the ex entitlements date;
    - $S$  = the subscription price for a security under the pro rata issue;
    - $D$  = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue);
    - $N$  = the number of securities with rights or entitlements that must be held to receive a right to one new security.Otherwise the exercise price of the Listed Option shall remain unchanged.
- (l) If there is a bonus issue to the holders of Shares in the Company, the number of Shares over which the Listed Option is exercisable may be increased by the number of Shares which the Eligible Shareholder would have received if the Listed Option had been exercised before the record date for the bonus issue.
- (m) The terms of the Listed Options shall only be changed if holders (whose votes are not to be disregarded) of ordinary shares in the Company approve of such a change. However, the terms of the Listed Options shall not be changed to reduce the Exercise Price, increase the number of Listed Options or change any period for exercise of the Options.
- (n) The Listed Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian Securities laws.