

Prospectus

Lake Resources NL ACN 079 471 980 (**Company**)

A pro-rata non-renounceable offer to Eligible Shareholders of one Bonus Option (**Bonus Option**) for every ten Shares held on the Record Date to acquire one fully paid ordinary Share at an Exercise Price of \$0.35 on or before 15 October 2021 (**Bonus Option Offer**); and

An offer to Eligible Option holders of a further Option (**Additional Option**) for every Bonus Option exercised prior to the Bonus Option Expiry Date to acquire one fully paid ordinary Share at an Exercise Price of \$0.75 on or before 15 June 2022 (**Additional Option Offer**),

(together, **Offer**).

This document is important and it should be read in its entirety

If you are in any doubt as to the contents of this document, you should consult your stockbroker, solicitor, banker, financial advisor or accountant as soon as possible. The securities offered by this Prospectus are considered to be speculative.

This is a transaction-specific prospectus issued in accordance with section 713 of the *Corporations Act 2001* (Cth).

Important information

Offer Statistics

Issue Price of Bonus Options	Nil
Issue Price of Additional Options	Nil
Exercise Price of Bonus Options	\$0.35
Exercise Price of Additional Options	\$0.75
Maximum number of Bonus Options to be issued	109,234,545 *
Maximum number of Additional Options to be issued	109,234,545 **
Maximum number of Shares to be issued following exercise of Bonus Options and Additional Options	218,469,090 ***
Bonus Options Expiry Date	15 October 2021
Additional Options Expiry Date	15 June 2022

*Excludes any Shares which may be issued in the event that any Existing Options are exercised prior to the Record Date. Some allowance has been made for rounding, with fractional entitlements being rounded down.

** Assuming all Bonus Options are exercised

*** Assuming all Bonus Options and Additional Options are exercised

Indicative Timetable

Announcement of Offer and Notice to Option holders	28 July 2021
Lodgement of Prospectus with ASIC	17 August 2021
Lodgement of Prospectus and Appendix 3B with ASX	17 August 2021
Record Date for Bonus Option	24 August 2021
Issue of Bonus Options and despatch of new holding statements	30 August 2021
Bonus Option Offer Closing Date	30 August 2021
Additional Opens Offer Opening Date	30 August 2021
Bonus Options expire	15 October 2021
Additional Options Offer Closing Date	15 October 2021
Additional Options expire	15 June 2022

All dates may change without prior notice and accordingly are indicative only. The Company reserves the right to amend this indicative timetable subject to the Corporations Act and the ASX Listing Rules. Further details regarding the timetable for the Offer are set out in section 2.2.

The Company does not intend to apply for the Bonus Options offered under this Prospectus to be listed for quotation on the ASX. The Company intends to apply for the Additional Options to be listed for quotation on the ASX.

Important notice

This Prospectus is dated 17 August 2021 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on the same date. Neither ASIC nor the ASX nor their respective officers take any responsibility as to the contents of this Prospectus. No Options will be issued on the basis of this Prospectus any later than 13 months after the date of issue of this Prospectus.

This Prospectus is a transaction specific prospectus which relates to:

- (a) an issue of Bonus Options to acquire continuously quoted securities (as defined in the *Corporations Act*) to all Eligible Shareholders registered on the Record Date; and
- (b) an issue of Additional Options to acquire continuously quoted securities (as defined in the *Corporations Act*) to all Eligible Option holders.

This Prospectus has been prepared in accordance with section 713 of the *Corporations Act*. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all information that would be included in a prospectus for an Initial Public Offering. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the *Corporations Act* and certain matters may reasonably be expected to be known to investors and professional advisers, whom potential investors may consult.

No person is authorised to give any information or to make any representation in connection with the Offer described in this document which is not contained in this document. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer. Neither the Company nor any other person warrants the future performance of the Company or any return on any investment made under this Prospectus, except as required by law and then, only to the extent so required.

Before deciding to invest in the Company, potential investors should read the entire Prospectus. The information contained in individual sections is not intended to and does not provide a comprehensive review of the business and the financial affairs of the Company or the Options offered under this Prospectus. The Offer does not take into account the investment objectives, financial situation and particular needs of the investor. You should carefully consider the risks that impact on the Company in the context of your personal requirements (including your financial and taxation position) and seek professional guidance from your stockbroker, solicitor, accountant or other professional adviser prior to deciding whether to invest in the Company.

Some of the risks that you should consider are set out in section 4 of this Prospectus.

Foreign shareholders

This document does not constitute an offer of Options in any jurisdiction in which it would be unlawful. Options may not be offered or sold in any country outside Australia except to the extent permitted below.

The Company has decided that it is unreasonable to issue Options under the Offer to Shareholders with registered addresses outside of Australia, New Zealand, the United Kingdom, Jersey, the Netherlands, the Republic of Ireland, Argentina, Indonesia, Pakistan, Hong Kong and Singapore having regard to the number of Shareholders in those places, the number of Options they would be issued and the cost of complying with the legal and regulatory requirements in those places. Accordingly, the Offer is not being extended to, and does not qualify for distribution or sale by, and no Options will be issued to Shareholders having registered addresses outside of Australia, New Zealand, the United Kingdom, Jersey, the Netherlands, the Republic of Ireland Argentina, Indonesia, Pakistan, Hong Kong and Singapore.

The distribution of this Prospectus in jurisdictions outside of Australia, New Zealand, the United Kingdom, Jersey, the Netherlands, the Republic of Ireland Argentina, Indonesia, Pakistan, Hong Kong and Singapore may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe those restrictions. Any failure to comply with restrictions might constitute a violation of applicable securities laws.

See section 2.6 for further information on Offer restrictions with respect to shareholders who do not have registered addresses in Australia.

Shareholders resident in New Zealand

This Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This Offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this Offer. If you need to make a complaint about this Offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

Shareholders resident in the United Kingdom

The Options are not being offered or sold to the public within the United Kingdom other than to existing shareholders of the Company as at the Record Date (pursuant to Article 43(2) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended) with registered

addresses in the United Kingdom. Neither the information in this document nor any other document relating to the Options has been delivered for approval to the Financial Conduct Authority ("FCA") in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ('FSMA')) has been published or is intended to be published in respect of the securities. This document is issued on a confidential basis to fewer than 150 persons in the United Kingdom. Therefore, there is no requirement to publish a prospectus in accordance with the prospectus regulation rules of the FCA made under section 73A of FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom. Any invitation or inducement to engage in investment activity (within the meaning of section 21 FSMA) received in connection with the issue or sale of the securities has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) FSMA does not apply to the Company.

Shareholders resident in the Republic of Ireland, Netherlands or other EU Member States

This document has not been prepared in accordance with the Prospectus Regulation (Regulation (EU) 2017/1129) (as amended, the "Regulation") on prospectuses or any measures made under that Regulation or the laws of Ireland or of any EU Member State or EEA treaty adherent state. This document has not been reviewed, prior to its being issued, by any regulatory authority in Ireland or in any other EU Member State or EEA treaty adherent state and therefore may not contain all the information required where a document is prepared pursuant to that Regulation or those laws.

This document does not and shall not constitute an invitation to the public in the Republic of Ireland to purchase Options and the Issuer does not provide facilities for open participation by the public to purchase Options. The distribution of this document and the offer of Options are restricted to the person to whom it is addressed. No persons other than the person to whom this document is addressed may treat it as constituting an invitation to him/her/it to invest in the Options.

Shareholders resident in Argentina

WARNING: This document has not been, and will not be, registered as an offering under the Argentine Securities Markets Act No. 26,831 and the regulations issued by the Argentine Securities Commission ("CNV"), nor has it been authorised by the CNV. No action has been taken in Argentina to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. The Options have not been and will not be offered or sold in Argentina other than under private placement to shareholders.

No advertisement, invitation or document relating to the Options has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Argentina directed at, or the contents of which are likely to be accessed or read by, the public of Argentina.

The contents of this document have not been reviewed by the CNV. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice. This Offer is limited to shareholders and will only be distributed in Argentina under private placement rules. Neither this nor any other offering material related to the offering of the securities may be utilized in connection with any general offering to the public within Argentina. Any Argentine resident who acquires the Bonus Options will do so under his/her/its own responsibility under the terms of a private offering to him/her/it, from outside of Argentina.

Shareholders resident in Hong Kong

WARNING: The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Shareholders resident in Indonesia

This offering is not intended to constitute a public offering in Indonesia within the meaning of Law No. 8 of 1995 on Capital Market and its implementing regulations. This document may not be distributed in Indonesia or passed on within Indonesia or to persons who are citizens of Indonesia (wherever they are domiciled or located) or entities of or residents in Indonesia in a manner which constitutes a public offering under the laws of the Republic of Indonesia. The securities have not been registered with the Indonesian Financial Services Authority (Otoritas Jasa Keuangan) and therefore may not be offered or sold in Indonesia or to persons who are citizens of Indonesia (wherever they are domiciled or located) or entities of or residents in Indonesia in a manner which constitutes a public offering under the laws of the Republic of Indonesia.

Shareholders resident in Pakistan

No advertisement, invitation or document relating to the Bonus Options has been or will be issued in Pakistan or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Pakistan.

Pakistani investors who wish to subscribe to the offer for shares pursuant to the exercise of one or more Bonus Options, are recommended to refer to Chapter 20 of the Foreign Exchange Manual of the State Bank of Pakistan for compliance with the registration requirements imposed by the State Bank of Pakistan.

This document has not been, and will not be, registered as a prospectus in Pakistan under the applicable laws, nor does it require the approval of the Securities Exchange Commission of Pakistan. The contents of this document have not been reviewed by any regulatory authority in Pakistan. You are advised to exercise caution in relation to the Offer. If you are in doubt about the contents of this document, you should obtain independent professional advice.

Shareholders resident in Singapore

This document and any other materials relating to the Bonus Options have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Bonus Options, may not be issued, circulated or distributed, nor may the Bonus Options be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) of Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are an existing holder of the Company's shares. In the event that you are not such a shareholder, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Bonus Options being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Bonus Options. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Forward looking statements

Some of the information contained in this Prospectus constitutes forward-looking statements that are subject to various risks and uncertainties. Forward-looking statements include those containing such words as 'anticipate', 'estimate', 'should', 'will', 'expects', 'plans' or similar expressions. These statements discuss future objectives or expectations concerning results of operations or financial conditions or provide other forward-looking information. The Company's actual results, performance or achievements could be significantly different from the results or objectives expressed in, or implied by, those forward-looking statements. This Prospectus details some important factors that could

cause the Company's actual results to differ from the forward-looking statements made in this Prospectus.

Warning

No person named in this Prospectus, nor any other person, guarantees the performance of the Company, the repayment of capital or the payment of a return on the Options. The information in this Prospectus does not constitute a securities recommendation or financial product advice. In preparing this Prospectus, the Company has not taken into account the investment objectives, financial situation or particular needs of any particular person.

No representations

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation in connection with the Offer not contained in this Prospectus may not be relied on as having been authorised by the Company or its officers. This Prospectus does not provide investment advice or advice on the taxation consequences of accepting the Offer. The Offer and the information in this Prospectus, do not take into account your investment objectives, financial situation and particular needs (including financial and tax issues) as an investor.

Acceptance of Offer

Bonus Options

Eligible Shareholders do not need to do anything to apply for or accept Bonus Options. Bonus Options will be issued to Eligible Shareholders on the Bonus Option Issue Date in accordance with the procedure set out in section 2..

The Company must receive your Bonus Option Exercise Notice by 5:00pm on the Bonus Option Expiry Date. Bonus Options which are the subject of an application for Additional Options in the form of a Bonus Option Exercise Notice received by the Company on or before the date on which the Company is satisfied that the quotation condition in s 723(3) of the Corporations Act has been or can be met in respect of the quotation of the Additional Options will be deemed to have been exercised on the day after the date of the Company being so satisfied.

Additional Options

Additional Options will be issued to Eligible Option holders after the Bonus Option Expiry Date. The Company will issue to Eligible Option holders one further Additional Option for every Bonus Option exercised prior to the Bonus Option Expiry Date.

The Company must receive your Additional Option Exercise Notice by 5:00pm on the Additional Option Expiry Date.

Enquiries

If you have questions in relation to the Shares upon which your Entitlement has been calculated please call the Share Registry on:

- Tel: 1300 288 664 ; or

- +61 2 9698 5414 or by email to the following address: hello@automic.com.au

Currency

Money as expressed in this Prospectus is in Australian dollars unless otherwise indicated.

Rounding

Any discrepancies between totals and sums and components in tables contained in this Prospectus are due to rounding.

Time

All references to time in this Prospectus are references to AEST, unless otherwise stated.

Definitions and Glossary

Defined terms and abbreviations used in this Prospectus are detailed in the Definitions and Glossary in Section 7.

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Chairman's letter

17 August 2021

Dear Shareholder

The Board recognises, and greatly appreciates, the importance of our loyal and supportive Shareholders, and wishes to reward them by providing a means to participate in the Company's potential future growth.

Accordingly, on behalf of the Board of Lake Resources NL (**Company**), I am pleased to provide to you this Prospectus for the pro-rata non-renounceable issue to Eligible Shareholders of one free Bonus Option for every ten Shares held on the Record Date (**Bonus Option Offer**), and for the issue to Eligible Option holders of a further free Option for every Bonus Option exercised prior to the Bonus Option Expiry Date (**Additional Option Offer**).

The Board recommends that you read this Prospectus in its entirety and consider the information it contains before making a decision to deal in Shares and/or the Bonus Options.

Under the Bonus Options Offer, the Bonus Options will be issued to Eligible Shareholders on the basis of one Bonus Option for every ten Shares held on the Record Date. Importantly, Eligible Shareholders do not need to take any action in order to receive their Bonus Options. Each Bonus Option gives Eligible Shareholders the opportunity, but not the obligation, to subscribe for an additional Share in the Company at the Exercise Price of \$0.35 per Bonus Option before 5:00pm on the Bonus Option Expiry Date. Bonus Options which are the subject of an application for Additional Options in the form of a Bonus Option Exercise Notice received by the Company on or before the date on which the Company is satisfied that the quotation condition in s 723(3) of the Corporations Act has been or can be met in respect of the quotation of the Additional Options will be deemed to have been exercised on the day after the date of the Company being so satisfied.

Under the Additional Options Offer, Additional Options will be issued to Eligible Option holders after the Bonus Option Expiry Date. The Company will issue to Eligible Option holders one further Additional Option for every Bonus Option exercised prior to the Bonus Option Expiry Date. Following the exercise of a Bonus Option, Eligible Option holders do not need to take any further action in order to receive their Additional Options. Each Additional Option gives Eligible Option holders the opportunity, but not the obligation, to subscribe for an additional Share in the Company at the Exercise Price of \$0.75 per Additional Option before 5:00pm on the Additional Option Expiry Date.

As the Bonus Options will be issued for nil consideration, no funds will initially be raised from the Offer. If the maximum number of Bonus Options are issued and then exercised, and if the maximum number of Additional Options are accordingly issued and then exercised, the Company will raise approximately \$120,158,000 which it intends to use for advancing its Kachi Lithium Brine Project towards production and exploration and on other Lithium projects in Argentina and for general working capital purposes.

The Bonus Option Offer is non-renounceable and therefore the Bonus Options will not be tradeable on the ASX or otherwise. The Company intends to make an application to the ASX for quotation of the Additional Options once it is able to, which will allow Eligible Option holders to potentially trade their Options ahead of their expiry.

The Board takes this opportunity to thank all Shareholders for their ongoing support of the Company.

Yours sincerely



Stuart Crow
Chairman
Lake Resources NL

1. Investment summary

The information set out in this section is not intended to be comprehensive and should be read in conjunction with the full text of this Prospectus.

1.1 The Offer

This Prospectus is for:

- (a) the pro-rata non-renounceable issue to Eligible Shareholders of one Bonus Option for every ten Shares held on the Record Date to acquire one fully paid ordinary Share at an Exercise Price of \$0.35 on or before 15 October 2021 for no consideration; and
- (b) the issue to Eligible Option holders of an Additional Option for every Bonus Option exercised prior to the Bonus Option Expiry Date to acquire one fully paid ordinary Share at an Exercise Price of \$0.75 on or before 15 June 2022 for no additional consideration.

The Offer is an offer to Eligible Shareholders and Eligible Option holders only. Eligible Shareholders who do not exercise their Bonus Options and thus dispose of their Bonus Options will not be Eligible Option holders and will not be entitled to Additional Options.

1.2 Purpose of the Offer

The Company is conducting this Offer with the objective of providing long-term supportive Shareholders a potential benefit of greater exposure to the potential future success of the Company. The purpose of the Offer is to reward Shareholders for continuing to support the Company and to provide the Company with a potential source of additional capital if the Bonus Options are exercised.

Each Eligible Shareholder has the potential to fully benefit from the Offer by receiving one Bonus Option for every ten Shares held as at the Record Date. They can then choose to exercise, at their discretion, the Bonus Option in order to qualify for the issue of an Additional Option.

Each Eligible Option holder likewise has the potential to benefit from the above Offer by choosing to exercise, at their discretion, the Additional Option for each Bonus Option they have exercised.

No funds will be raised from the issue of the Bonus Options pursuant to this Prospectus. However, if the maximum number of Bonus Options are issued and all such Bonus Options are exercised, the Company will raise approximately \$120,158,000.

The Additional Options are contingent on the exercise of the Bonus Options on a 1:1 basis. Accordingly, in order for the Additional Options to be fully issued, the Company would raise approximately \$38,232,091 being the full receipt of funds from the exercise of the Bonus Options (before costs and expenses).

If the Additional Options are in turn exercised in full, the Company will raise approximately \$81,925,909. Any funds raised upon the exercise of any of the Bonus Options will be used for advancing its Kachi Lithium Brine Project towards production and exploration and on other Lithium projects in Argentina and for general working capital purposes.

1.3 Risk factors

The business and activities of the Company are subject to normal business risks and uncertainties, and there may be many factors that could affect the future performance of the Company.

Some of these risks and uncertainties may be mitigated by the use of safeguards, appropriate systems and contingencies.

However, some of these inherent risks are outside the control of the Company and, subsequently, the Directors will be unable to mitigate those risks.

Details of the risks relevant to the Company are described in more detail in section 4 of this Prospectus.

1.4 Rights attaching to securities

On exercise of a Bonus Option you will be issued a Share in the Company and an Additional Option. On exercise of an Additional Option you will also be issued a Share in the Company.

Detailed provisions relating to the rights attaching to Shares are set out in the Company's Constitution and the Corporations Act. The Company's Constitution is taken to be included in this Prospectus by operation of section 712 of the Corporations Act. Any person may request a copy of the Company's Constitution (or part thereof), which will be provided free of charge.

See section 5.1 for the rights attaching to the Bonus Options, section 5.2 for the rights attaching to the Additional Options and section 5.3 for the rights attaching to the Shares.

1.5 Exercising your Options

(a) Bonus Options

Eligible Shareholders do not need to do anything to apply for or accept Bonus Options. Bonus Options will be issued to Eligible Shareholders on the Bonus Option Issue Date in accordance with the procedure set out in section 2 or such later date as determined by the Board and agreed with ASX.

You can exercise your Bonus Options by completing an application form being a Bonus Option Exercise Notice, paying \$0.35 per Bonus Option exercised and returning the Bonus Option Exercise Notice along with the appropriate amount of money to the Company at the Registered Office.

The Company must receive your Bonus Option Exercise Notice by 5:00pm on the Bonus Option Expiry Date. Bonus Options which are the subject of an application for Additional Options in the form of a Bonus Option Exercise Notice received by the Company on or before the date on which the Company is satisfied that the quotation condition in s 723(3) of the Corporations Act has been or can be met in respect of the quotation of the Additional Options will be deemed to have been exercised on the day after the date of the Company being so satisfied.

(b) Additional Options

Additional Options will be issued to Eligible Option holders after the Bonus Option Expiry Date. The Company will issue to Eligible Option holders one further Additional Option for every Bonus Option exercised prior to the Bonus Option Expiry Date.

You can exercise your Additional Options by completing an Additional Options Exercise Notice, paying \$0.75 per Additional Options exercised and returning the Additional Options Exercise Notice along with the appropriate amount of money to the Company at the Registered Office.

The Company must receive your Additional Option Exercise Notice by 5:00pm on the Additional Option Expiry Date.

(c) Other information

Subject to the Corporations Act, Listing Rules and any requirements of the ASX. Applications received after 5:00pm on the relevant Expiry Dates will be rejected.

The Company will enter details of the holdings of Options of each Eligible Option holder to whom Options are issued in a register of Options to be maintained by the Company in accordance with section 170 of the Corporations Act.

2. Details of the Offer

2.1 Offer to Eligible Shareholders

The Directors of Lake Resources have approved an offer for:

- (a) the pro-rata non-renounceable issue to Eligible Shareholders of one Bonus Option for every ten Shares held on the Record Date to acquire one fully paid ordinary Share at an Exercise Price of \$0.35 on or before 15 October 2021 for no consideration; and
- (b) the issue to Eligible Option holders of an Additional Option for every Bonus Option exercised prior to the Bonus Option Expiry Date to acquire one fully paid ordinary Share at an Exercise Price of \$0.75 on or before 15 June 2022 for no additional consideration.

No funds will be raised from the issue of the Bonus Options pursuant to this Prospectus. However, if the maximum number of Bonus Options are issued and all such Bonus Options are exercised, the Company will raise approximately \$38,232,091.

The Additional Options are contingent on the exercise of the Bonus Options on a 1:1 basis. Accordingly, in order for the Additional Options to be fully issued, the Company would raise approximately \$38,232,091, being the full receipt of funds from the exercise of the Bonus Options (before costs and expenses).

If the Additional Options are in turn exercised in full, the Company will raise approximately \$81,925,909.

Only those Eligible Shareholders shown on the Share Register at 5.00pm (Sydney time) on the Record Date with a registered address in Australia will be entitled to participate in the Offer.

There are currently 92,981,875 Existing Options on issue in the Company. If any of the Existing Options are exercised prior to the Record Date, additional Bonus Options will be offered under this Prospectus. If all Existing Options on issue at the date of this Prospectus were exercised prior to the Record Date, the Company's issued shares would increase by 92,981,875 Shares, resulting in a further 9,298,187 Bonus Options being offered pursuant to this Prospectus.

All Options offered under this prospectus will be issued on the terms and conditions set out in section 5. All Shares issued on exercise of the Options will rank equally with the Shares on issue as at the date of this Prospectus.

2.2 Important dates

Announcement of Offer and Notice to Option holders	28 July 2021
Lodgement of Prospectus with ASIC	17 August 2021
Lodgement of Prospectus and Appendix 3B with ASX	17 August 2021
Record Date for Bonus Option	24 August 2021
Issue of Bonus Options and despatch of new holding statements	30 August 2021
Bonus Option Offer Closing Date	30 August 2021
Additional Opens Offer Opening Date	30 August 2021

Bonus Options expire	15 October 2021
Additional Options Offer Closing Date	15 October 2021
Additional Options expire	15 June 2022

The dates set out in this table are subject to change and are indicative only. The Company reserves the right to alter this timetable at any time.

The Directors, subject to the requirements of the Listing Rules and the *Corporations Act*, reserve the right to:

- (a) withdraw the Offer without prior notice; or
- (b) vary any of the important dates set out in this Offer, including extending the Offer.

2.3 ASX listing

- (a) Bonus Options

Bonus Options issued pursuant to the Offer are non-renounceable and accordingly will not be traded on the ASX.

- (b) Additional Options

Within seven days of the date of this Prospectus, an application will be made to the ASX for the Additional Options to be quoted on the ASX. The Additional Options will remain unquoted until such time as the Company satisfies the quotation requirements.

Whilst application for the Additional Options is made under this Prospectus, and the Additional Options are to be issued free of any consideration, irrespective of whether the ASX grants permission for the official quotation of the Additional Options within 3 months after the date of issue of this Prospectus, the Additional Options will be issued. In the event that the ASX does not so grant permission, the Additional Options will not be tradeable or saleable via the ASX.

Recipients of Additional Options are referred to section 5.2 dealing with the rights and liabilities attaching to Additional Options.

2.4 CHESS

The Company participates in the Clearing House Electronic Sub-register System, known as CHESS. ASX Settlement Pty Limited, a wholly owned subsidiary of ASX, operates CHESS in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, Eligible Shareholders will not receive a certificate but will receive a statement of their holding of Bonus Options.

If you are broker sponsored, ASX Settlement Pty Limited will send you a CHESS statement.

The CHESS statement will specify the number of Bonus Options issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Bonus Options.

If you are registered on the Issuer Sponsored sub-register, your statement will be despatched by Automic and will contain the number of Bonus Options issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to holders at the end of any calendar month during which the balance of their holding changes. Option holders may request a statement at any other time; however, a charge may be made for additional statements.

2.5 Existing Option Holders

Existing Option Holders will not be entitled to participate in the Offer unless they:

- (a) have become entitled to exercise their Existing Options under the terms of their issue and do so prior to the Record Date; and
- (b) participate in the Offer as a result of being an Eligible Shareholder at 5.00pm (Sydney time) on the Record Date.

If all holders of Existing Options elect to exercise their Options prior to the Record Date, and are eligible to participate in the Offer, a further 9,298,187 (approximately) Bonus Options may be issued under this Prospectus. Details of the Existing Options are set out in section 3.2(b).

2.6 International Offer Restrictions

The Company has not made detailed investigations as to the regulatory requirements that may prevail in each of the foreign jurisdictions outside of Australia, New Zealand, the United Kingdom, Jersey, the Netherlands, the Republic of Ireland, Argentina, Indonesia, Pakistan, Hong Kong and Singapore in which the Company's Shareholders reside.

This Prospectus and accompanying forms do not, and are not intended to, constitute an offer of Options in any place outside of Australia, New Zealand, the United Kingdom, Jersey, the Netherlands, the Republic of Ireland, Argentina, Indonesia, Pakistan, Hong Kong and Singapore in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Offer or that Form.

The distribution of this Prospectus in places outside of Australia, New Zealand, the United Kingdom, Jersey, the Netherlands, and the Republic of Ireland, Argentina, Indonesia, Pakistan, Hong Kong and Singapore may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe those restrictions. Any failure to comply with those restrictions may violate applicable securities laws.

The Company has decided that it is unreasonable to make offers under this Prospectus to Shareholders with registered addresses outside of Australia, Australia, New Zealand, the United Kingdom, Jersey, the Netherlands, the Republic of Ireland, Argentina, Indonesia, Pakistan, Hong Kong and Singapore (**Ineligible Shareholders**) having regard to the number of Shareholders in those places, the number and value of the Options they would be offered and the legal and regulatory requirements in those places and costs of complying with those requirements.

Accordingly, the Offer is not being extended to, and does not qualify for distribution or sale by Ineligible Shareholders and no Options will be issued to Ineligible Shareholders.

However, in accordance with section 615 of the Corporations Act, the Company may appoint an ASIC-approved nominee (the **Nominee**) to exercise the Ineligible Shareholders' Options to which they are entitled, and sell any resulting Shares and Additional Options. If appointed, the Nominee will have the absolute and sole discretion to determine the price at which any resulting Shares and Additional Options are sold and the manner in which they are sold.

Subject to the Company appointing a Nominee on terms acceptable to the Company, the Company will apply to ASIC for the approval of the Nominee for this purpose. The Nominee will be required to direct the proceeds of sale (in Australian dollars) to be distributed to the Ineligible Shareholders on the basis that the Options have been exercised and any resulting Shares and Additional Options have been sold in proportion to their shareholdings as at the Record Date (after deducting the costs of the sale and the distribution of the proceeds), save that if any such net proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company.

Neither the Company nor the Nominee will be liable for any failure to exercise the Bonus Options or to sell any resulting Shares and Additional Options if any of the Options have been exercised at any price. Ineligible Shareholders may nevertheless receive no proceeds if the costs of the sale are greater than the sale proceeds. In this regard, the Nominee will not be required to sell Ineligible Shareholders' any resulting Shares or Additional Options if any of the Bonus Options have been exercised, at a particular price.

In particular this Offer is not made in the United States or to persons (including nominees or custodians) acting for the account or benefit of a person in the United States, or to any person who is ineligible under applicable securities laws in any country to receive an offer under the Prospectus without any requirement for a prospectus to be lodged or registered.

Shareholders resident in New Zealand

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

Shareholders resident in the United Kingdom

The Options are not being offered or sold to the public within the United Kingdom other than to existing shareholders of the Company as at the Record Date (pursuant to Article 43(2) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended) with registered addresses in the United Kingdom. Neither the information in this document nor any other document relating to the Options has been delivered for approval to the Financial Conduct Authority ("FCA") in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ('FSMA')) has been published or is intended to be published in respect of the securities. This document is issued on a confidential basis to fewer than 150 persons in the United Kingdom. Therefore, there is no requirement to publish a prospectus in accordance with the prospectus regulation rules of the FCA made under section 73A of FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom. Any invitation or inducement to engage in investment activity (within the meaning of section 21 FSMA) received in connection with the issue or sale of the securities has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) FSMA does not apply to the Company.

Shareholders resident in the Republic of Ireland, Netherlands or other EU Member States

This document has not been prepared in accordance with the Prospectus Regulation (Regulation (EU) 2017/1129) (as amended, the "Regulation") on prospectuses or any measures made under that Regulation or the laws of Ireland or of any EU Member State or EEA treaty adherent state. This document has not been reviewed, prior to its being issued, by any regulatory authority in Ireland or in any other EU Member State or EEA treaty adherent state and therefore may not contain all the information required where a document is prepared pursuant to that Regulation or those laws.

This document does not and shall not constitute an invitation to the public in the Republic of Ireland to purchase Options and the Issuer does not provide facilities for open participation by the public to purchase Options. The distribution of this document and the offer of Options is restricted to Eligible Shareholders.

Shareholders resident in Argentina

WARNING: This document has not been, and will not be, registered as an offering under the Argentine Securities Markets Act No. 26,831 and the regulations issued by the Argentine Securities Commission ("CNV"), nor has it been authorised by the CNV. No action has been taken in Argentina to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. The Options have not been and will not be offered or sold in Argentina other than under private placement to shareholders.

No advertisement, invitation or document relating to the Options has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Argentina

directed at, or the contents of which are likely to be accessed or read by, the public of Argentina.

The contents of this document have not been reviewed by the CNV. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice. This offer is limited to shareholders and will only be distributed in Argentina under private placement rules. Neither this nor any other offering material related to the offering of the securities may be utilized in connection with any general offering to the public within Argentina. Any Argentine resident who acquires the Bonus Options will do so under his/her/its own responsibility under the terms of a private offering to him/her/it, from outside of Argentina.

Shareholders resident in Hong Kong

WARNING: The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Shareholders resident in Indonesia

This offering is not intended to constitute a public offering in Indonesia within the meaning of Law No. 8 of 1995 on Capital Market and its implementing regulations. This document may not be distributed in Indonesia or passed on within Indonesia or to persons who are citizens of Indonesia (wherever they are domiciled or located) or entities of or residents in Indonesia in a manner which constitutes a public offering under the laws of the Republic of Indonesia. The securities have not been registered with the Indonesian Financial Services Authority (Otoritas Jasa Keuangan) and therefore may not be offered or sold in Indonesia or to persons who are citizens of Indonesia (wherever they are domiciled or located) or entities of or residents in Indonesia in a manner which constitutes a public offering under the laws of the Republic of Indonesia.

Shareholders resident in Pakistan

No advertisement, invitation or document relating to the Bonus Options has been or will be issued in Pakistan or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Pakistan.

Pakistani investors who wish to subscribe to the offer for shares pursuant to the exercise of one or more Bonus Options, are recommended to refer to Chapter 20 of the Foreign Exchange Manual of the State Bank of Pakistan for compliance with the registration requirements imposed by the State Bank of Pakistan.

This document has not been, and will not be, registered as a prospectus in Pakistan under the applicable laws, nor does it require the approval of the Securities Exchange Commission of Pakistan. The contents of this document have not been reviewed by any regulatory authority in Pakistan. You are advised to exercise caution in relation to the offer. If you are in doubt about the contents of this document, you should obtain independent professional advice.

Shareholders resident in Singapore

This document and any other materials relating to the Bonus Options have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Bonus Options, may not be issued, circulated or distributed, nor may the Bonus Options be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) of Division

1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are an existing holder of the Company's shares. In the event that you are not such a shareholder, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Bonus Options being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Bonus Options. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

2.7 Notice to Nominees and Custodians

Nominees and custodians should note that the Offer is available only to investors resident in Australia, New Zealand, the United Kingdom, Jersey, the Netherlands, the Republic of Ireland, Argentina, Indonesia, Pakistan, Hong Kong and Singapore. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of securities. If any nominee or custodian is acting on behalf of a foreign person, that holder in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws.

3. Effect of the Offer on the Company

The principal and immediate effect of the Offer, assuming all Bonus Options offered under the Prospectus are issued, will be to issue a maximum of 109,234,545 Bonus Options. Under the Additional Options Offer the Company will also be issuing Additional Options upon the exercise of any Bonus Options and intends to apply for quotation of the Additional Options.

3.1 Financial position

The Bonus Options to be issued pursuant to this Prospectus will be issued for nil consideration. Accordingly, there will be no immediate effect on the Company's balance sheet. However, capital will be raised if the Bonus Options are exercised. This will affect the Company's balance sheet.

If the maximum number of Bonus Options are issued and then exercised, and if the maximum number of Additional Options are accordingly issued and then exercised, the Company will receive approximately \$120,158,000 in current assets. However, the Company is not able to specify with any certainty the extent of any change to the balance sheet given the uncertainty around the number of Bonus Options and Additional Options to be ultimately issued and whether and when any of the Bonus Options or Additional Options will be exercised.

The Company's Annual Report for the financial year ended 30 June 2020 was released to ASX on 28 October 2020. The Annual Report can be viewed at <http://www.lakeresources.com.au/investors/?page=asx-announcements> and at www.asx.com.au (ASX:LKE).

The Company's Half Yearly Report and Accounts for the financial half year ended 31 December 2020 was released to ASX on 16 March 2021. These financial statements can be viewed <http://www.lakeresources.com.au/investors/?page=asx-announcements> and at www.asx.com.au (ASX:LKE).

Additional information, including copies of ASX releases and investor presentations, is also available on the Company's website: <http://www.lakeresources.com.au/>.

3.2 Capital structure

The effect of the Offer on the capital structure of the Company, assuming all Bonus Options offered under the Prospectus are issued, is set out below:

(a) Shares

As a direct result of the Offer, there will be no change to the number of Shares expected to be on issue as at the Record Date. If the maximum number of Bonus Options are issued and subsequently exercised, the number of Shares on issue will increase by approximately 109,234,545. If the maximum number of Additional Options are issued and subsequently exercised, the number of Shares on issue will increase by approximately 109,234,545.

If any of the Existing Options are exercised prior to the Record Date, additional Bonus Options will be issued under the Offer under this Prospectus. If all Existing Options on issue as at the date of this Prospectus were exercised prior to the Record Date, the Company's issued shares would increase by 92,981,875 Shares resulting in a further 9,298,187 Bonus Options being issued pursuant to this Prospectus.

(b) Options

As at the date of this Prospectus, the Company has the following Existing Options on issue:

No of options issued	Holder	Exercise price	Expiry date
53,481,875	Various placement participants and broker in 27 January 2021 placement	\$0.30	9 March 2023
1,000,000	Roth Capital - advisor	\$0.165	27 January 2023
1,500,000	Redcloud	\$0.30	24 May 2023
35,000,000	Canaccord – advisor*	\$0.55	31 December 2024
2,000,000	Employee	\$0.55	19 July 2023

* The options may only be exercised in tranches if hurdles based on the VWAP of the company's share price are met.

(c) Change in control

The Offer is a pro-rata offer so that if:

- (1) all Eligible Shareholders exercise their Bonus Options;
- (2) all Eligible Option holders exercise their Additional Options;
- (3) none of the Existing Option Holders exercise their Existing Options;

the voting power of all Eligible Shareholders will remain the same. In that event, there will be no actual or potential effect or consequences arising from the Offer on the control of the Company. If an Eligible Shareholder does not exercise their Bonus Options or Additional Options it may result in their percentage holding in the Company being diluted by the Offer. Additionally, the Offer is not being extended to Shareholders with registered addresses outside of Australia, New Zealand, the United Kingdom, Jersey, the Netherlands, the Republic of Ireland Argentina, Indonesia, Pakistan, Hong Kong and Singapore and the holdings of those Shareholders in the Company may be diluted.

While the final percentage interests held by Shareholders of the Company is entirely dependent on the extent to which they are Eligible Shareholders and to the extent to which the other Eligible Shareholders exercise their Options, the Company expects that the potential effect of the issue of Bonus Options and Additional Options under the Offer on the control of the Company will be minimal.

4. Risk factors

4.1 Introduction

This section identifies the risks that the Board considers are the major risks associated with an investment in the Company. The list of risks below is in no way exhaustive and there may be other risks (either general or specific) that have not been identified. Investors should consider whether the Options offered are a suitable investment having regard to their own personal investment objectives and financial circumstances, and the risk factors set out below.

The Company's business is subject to a high degree of risk due to a number of factors, both specific to its business activities, and risks of a general nature. Individually, or in combination, these might affect the future operating performance of the Company and the value of an investment in the Company. The Company has appropriate actions, systems and safeguards for known risks, however some are outside the Company's control.

The Bonus Options and Additional Options offered under this Prospectus (and any Shares issued upon exercise) should be considered highly speculative.

4.2 General Risks

A summary of the major general risks are described below:

(a) **Share Market Risk**

The market price of listed securities can be expected to rise and fall in accordance with general market conditions and factors specifically affecting the resources sector and exploration companies in particular. The Bonus Options and Additional Options (once exercised) carry no guarantee in respect of profitability, dividends, return on capital, or the price at which they may trade on the ASX.

There are a number of factors (both national and international) that may affect the share market price and neither the Company nor its Directors have control of those factors.

(b) **General Economic Conditions**

Changes in the general economic climate in which the Company operates may adversely affect the financial performance of the Company. Factors that may contribute to that economic climate include the general level of economic activity, interest rates, inflation, supply and demand, industrial disruption and other economic factors. The price of commodities will also be of particular relevance to the Company. These factors are beyond the control of the Company and the Company cannot, with any degree of certainty, predict how they will impact on the Company.

(c) **Share price fluctuations**

The market price of the Company's securities will be subject to varied and often unpredictable influences in the share market. Both domestic and world economic conditions may affect the performance of the Company. Factors such as the level of industrial production, inflation and interest rates impact all commodity prices.

(d) **Legislative change**

Changes in government regulations and policies may adversely affect the financial performance or the current and proposed operations generally of the Company.

(e) **Litigation risks**

Litigation risks to the Company include, but are not limited to, employee claims, contractual claims, environmental claims, occupational health and safety claims, regulatory disputes, legal actions from special interest groups, as well as third party damage or losses resulting from operations.

(f) Unforeseen expenses

While the Company is not aware of any expenses that may need to be incurred that have not been taken into account, if such expenses were subsequently incurred, the expenditure proposals of the Company may be adversely affected.

(g) COVID-19

The global economic outlook is highly uncertain due to the current COVID-19 pandemic. The COVID-19 pandemic had a significant impact on global capital markets, commodity prices and foreign exchange rates in 2020 and is likely to continue to have a significant impact

Supply chain disruptions resulting from the COVID-19 pandemic and measures implemented by governmental authorities around the world to limit the transmission of the virus (such as travel bans and quarantining) may, in addition to the general level of economic uncertainty caused by the COVID-19 pandemic impact the Company's operations or cashflow and may affect the supply of materials and limit the availability of appropriate workers required for the Company to progress the development of its projects.

In addition, should any Company personnel or contractors be infected by COVID-19, it could result in the Company's operations being suspended or otherwise disrupted for an unknown period of time, which may have an adverse impact on the Company's operations as well as an adverse impact on the financial condition of the Company.

4.3 Risks specific to the Bonus Options

Bonus Options entitle an Eligible Shareholder to subscribe for a Share at a price of \$0.35. As Shares are readily available on the market, a Bonus Option is only valuable if it allows its holder to acquire a Share for a price less than the holder can acquire the Share on-market. As at the last trading day before the date of this prospectus, the Company's Shares were trading at a price of approximately \$0.605. Eligible Shareholders should have regard to the fact that Bonus Options will only have value if and to the extent that at a particular time, the Bonus Option allows the holder to acquire a Share at less than the market price, or if, and to the extent at the time there is, a prospect that the Bonus Option will in the future, but prior to the Bonus Option Expiry Date, allow the holder to acquire a Share at less than the prevailing market price.

4.4 Risks specific to the Additional Options

Additional Options entitle an Eligible Option holder to subscribe for a Share at a price of \$0.75. Similar to Bonus Options, because Shares are readily available on the market, an Additional Option is only valuable if it allows its holder to acquire a Share for a price less than the holder can acquire the Share on-market.

Eligible Option holders should have regard to the fact that Additional Options will only have value if and to the extent that at a particular time, the Additional Option allows the holder to acquire a Share at less than the market price, or if, and to the extent at the time there is, a prospect that the Additional Option will in the future, but prior to the Additional Option Expiry Date, allow the holder to acquire a Share at less than the prevailing market price.

As the Company currently intends for the Additional Options to be quoted in the ASX, many of the risk factors applicable to Shares may also apply to Additional Options. However, whether the Additional Options can be quoted on the ASX depends on whether the securities satisfy the criteria described in Listing Rule 2.5, Condition 6. If Additional Options are quoted on the ASX, fluctuations in the market price of the Additional Options are a key risk for recipients of the Additional Options.

In the event that the ASX does not grant approval for official quotation of the Additional Options, the Additional Options would not be listed and therefore would not be able to be traded on the ASX. If that were to occur, this may impact on the ability of holders of Additional Options to sell them.

4.5 Risks specific to the Shares

The Bonus Options and Additional Options following issue may be exercised and entitle the holder to participate in an increase in the value of LKE.

LKE, being a company listed on ASX, is subject to the market forces that influence the broad share market trends and the price of securities of individual companies. Recent global political and economic events, including the continuing threat of terrorism and the global financial climate, may cause share price fluctuations in the Australian share market and globally. Fluctuations in the price of the Shares are therefore a key risk for recipients of the Bonus Options and Additional Options.

4.6 Risks specific to an investment in the Company

In addition to the general market and economic risks noted in section 4.2, Applicants should be aware of risks specific to an investment in the Company, which may include, but are not limited to those risks described below:

(a) Operational Risks

The operations of the Company may be disrupted by a variety of risks and hazards which are beyond the control of the Company, including geological conditions, environmental hazards, technical and equipment failures, flooding and extended interruptions due to inclement or hazardous weather or other physical conditions, unavailability of drilling equipment, unexpected shortages of consumables or parts and equipment, fire, explosions and other incidents beyond control of the Company.

(b) Political

The Company's operations could be affected by changes in the economic or other policies of the Government of Argentina or other political, regulatory or economic authorities of Argentina. Argentina is presently a relatively stable democracy but the Company cannot guarantee access, surety of title and tenure of its Argentinian based assets.

(c) Emerging Market

Argentina is considered to be an emerging market economy. Emerging markets are generally more vulnerable to market volatility as well as political and economic instability more so than developed markets. As such, investments in securities of issuers with all or substantially all of its interests in an emerging market are subject to certain risks which may affect economic and fiscal results. These risks include:

- (1) currency fluctuations and devaluations;
- (2) inflation;

- (3) exchange controls;
- (4) high interest rates;
- (5) wage and price controls;
- (6) economic and political instability;
- (7) the imposition of trade barriers
- (8) expropriation and political violence or disturbance; and
- (9) changes in economic, tax and other policies.

In addition, economic conditions in Argentina are, to some extent, influenced by economic and securities market conditions in other emerging market countries.

Although economic conditions are different in each country, investors' reaction to developments in one country can have effects on the securities of issuers in other countries, including Argentina. There can be no assurance that the economic conditions in Argentina will not continue to be affected negatively by events elsewhere, especially in emerging markets.

(d) Community issues

Parts of Argentina are sensitive to community issues and the authorities in some regions are politically not pro-investment but rather sympathisers of populist claims of organised groups and with anti-mining attacks. Risk factors to be considered include the nationwide protests and demonstrations over the past years.

(e) Environmental Regulation and Risks

The operations and proposed activities of the Company are subject to laws and regulations in Argentina concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. However, complying with environmental laws may be difficult, costly and result in delays to any project activities.

(f) Government Policy and Taxation

Changes in relevant taxation, interest rates, other legal, legislative and administrative regimes, and Government policies in Australia (at both Federal and State level), may have an adverse effect on the assets, operations and ultimately the financial performance of the Company. These factors may ultimately affect the financial performance of the Company and the market price of its securities.

In addition to the normal level of income tax imposed on all industries, the Company may be required to pay government royalties, indirect taxes, GST and other imposts which generally relate to revenue or cash flows. Industry profitability can be affected by changes in government taxation policies.

(g) Reliance on Key Personnel and Consultants

Whilst the Company has a small senior management and consultant technical team, its progress in pursuing its exploration and evaluation programmes within the time frames

and within the costs structure as currently envisaged could be dramatically influenced by the loss of key personnel or consultants. The resulting impact from such loss would be dependent upon the quality and timing of the replacement of such personnel or consultants.

Although the key personnel and consultants of the Company have a considerable amount of experience and have previously been successful in their pursuits of acquiring, exploring, evaluating and developing mineral prospects, there is no guarantee or assurance that they will be successful in their objectives pursuant to this Prospectus.

(h) Financing

In order to proceed with the development of any of its projects, and (unless the Company elects to reduce its tenement portfolio) in order to comply with the minimum expenditure requirements in respect of its tenements, the Company is likely to be required to raise additional equity or debt capital in the future. There is no assurance that it will be able to raise capital when it is required or that the terms associated with providing such capital will be satisfactory to the Company, which may prejudice the Company's ongoing ability to participate in these projects.

(i) Exploration and Production

Tenements in which the Company has an interest are at various stages of exploration and potential investors should understand that mineral exploration is a high risk undertaking. There can be no assurance that exploration of the project areas described in this Prospectus, or any other permits that the Company may acquire an interest in, will result in the discovery of an economic mineral reserve. Even if an apparently viable reserve is identified, there is no guarantee that it can be commercially exploited.

Even if the Company recovers potentially commercial minerals, there is no guarantee that the Company will be able to successfully transport the minerals to commercially viable markets or sell the minerals to customers to achieve a commercial return.

In addition, with respect to operations, the Company operates in some remote locations within Argentina and challenging geographical conditions. Therefore, some exploration and development costs may be higher in such jurisdictions due to a number of factors including limitations on the number of available suppliers of services required by the Company, climatic and geographical conditions. The Company has review processes for all exploration and drilling programs. The Company also has a transparent review and auditing process for all tenders received. However, no assurances can be given that the Company will be successful in mitigating all of these risks and there is a risk that exploration costs may escalate beyond budget anticipations.

(j) Tenement Applications

All tenement applications and mining leases ("minas") follow a series of steps to granting of exploration and the ongoing maintenance of the mining leases and continued access over the areas which may include, among others, formal notation in the cartographic section which may adjust boundaries and areas, applications and approvals of exploration related environmental impact statements, discussions with local communities and consideration by the legal section and administrative section of the mines departments. These steps would reasonably be expected to lead to approval for non-invasive exploration and approvals for drill testing and the ongoing maintenance of mining leases which requires ongoing approvals for drilling and development which may take months or years. However, approvals may not be

granted. Exploration on the Company's tenements may be unsuccessful, resulting in a reduction of the value of those tenements, diminution in the cash reserves of the Company and possible relinquishment of exploration tenements. Any of these issues may have a material adverse effect on the Tenements and their value.

(k) Resource Estimations

Resource estimates are inherently imprecise as they are expressions of judgement at a particular time based on available information, interpreted using experience and resource modelling techniques. The estimates, while made by qualified professionals, may change over time as other information becomes available which differs from information known or predicted by past drilling, sampling and geological interpretation. Estimates remain subject to change and no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(l) Technology Risk

The Company is utilising new technology to extract and develop the lithium brine resources. Testing to date has been encouraging to date but there is no guarantee or assurance that the technology will be successful in achieving the Company's objectives at a pilot plant scale or commercial scale, or if successful that it will be commercially viable or that the cost estimates and the underlying assumptions will be realised in practice, pursuant to this Prospectus.

(l) Speculative Nature of Investment

The above list of risk factors should not be taken as exhaustive of the risks faced by the Company or by investors in the Company. Shareholders should consider that the investment in the Company is speculative and should consult their professional advisors before deciding whether to apply for the new securities.

Whether or not future income will result from projects undergoing exploration, programmes are dependent on the successful results of that exploration and on the subsequent establishment of development and production operations or sale of the projects. Factors including costs, equipment availability, and mineral prices affect successful project development as does the design and construction of efficient exploration facilities, competent operation and management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced consultants. In particular, changes in global economic conditions (including changes in interest rates, inflation, foreign exchange rates and labour costs) as well as general trends in the Australian and overseas equity markets may affect the Company's operations and particularly the trading price of the Shares on the ASX.

Shareholders should consider that the investment in the Company is speculative and should consult their professional advisors. The Options to be allotted pursuant to this Prospectus should be regarded as speculative in nature and carry no guarantee with respect to the payment of dividends, return of capital or their market value.

5. Rights and liabilities attaching to securities

5.1 Rights and liabilities attaching to Bonus Options

A maximum of 109,234,545 Bonus Options are to be issued to Eligible Shareholders pursuant to this Prospectus, for nil consideration.

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

- (a) The Bonus Options will be exercisable at \$0.35 each (**Exercise Price**).
- (b) Unless exercised earlier, the Bonus Options will expire at 5:00pm AEST on 15 October 2021 (**Bonus Option Expiry Date**). Bonus Options not exercised before the Bonus Option Expiry Date will expire.
- (c) The Bonus Options will entitle the holder to subscribe for one fully paid ordinary Share in the Company.
- (d) The Bonus Options are exercisable at any time prior to the Bonus Option Expiry Date.
- (e) The Bonus Options may be exercised by delivering an application form being duly completed form of notice of exercise (**Bonus Option Exercise Notice and Application Form**) together with a cheque, BPAY® or electronic funds transfer for the full payment of the Exercise Price to the Registered Office of the Company on or prior to 5:00pm on the Bonus Option Expiry Date. Bonus Options which are the subject of an application for Additional Options in the form of a Bonus Option Exercise Notice received by the Company on or before the date on which the Company is satisfied that the quotation condition in s 723(3) of the Corporations Act has been or can be met in respect of the quotation of the Additional Options will be deemed to have been exercised on the day after the date of the Company being so satisfied.
- (f) Upon the valid exercise of the Bonus 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 Offer of Bonus Options is non-renounceable and accordingly the Bonus Options will not be transferrable and may not be exercised by any other person other than the Eligible Shareholder. The Bonus Options will not be traded on the ASX.
- (h) Bonus 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 Bonus Option holders with notice prior to the books record date (to determine entitlements to any new issue of securities made to Shareholders generally) to exercise the Bonus Options, in accordance with the requirements of the Listing Rules.
- (i) In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
 - (1) the number of Bonus Options, the exercise price of the Bonus 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 Bonus 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 Bonus Options will remain unchanged.

- (j) If there is a pro rata issue (except a bonus issue), then:
- (3) at the time of the pro rata issue (except a bonus issue), the exercise price of an Bonus Option may be reduced according to the following formula:

$$O^n = O - E [P - (S + D)]$$

$$N + 1$$

Where:

- O^n = the new exercise price of the Bonus Option;
- O = the old exercise price of the Bonus Option;
- E = the number of underlying securities into which one Bonus 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 Bonus Option shall remain unchanged.

- (k) If there is a bonus issue to the holders of Shares in the Company, the number of Shares over which the Bonus Option is exercisable may be increased by the number of Shares which the Eligible Shareholder would have received if the Bonus Option had been exercised before the record date for the bonus issue.
- (l) The terms of the Bonus 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 Bonus Options shall not be changed to reduce the Exercise Price, increase the number of Bonus Options or change any period for exercise of the Options.
- (m) The Bonus Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian Securities laws.

5.2 Rights and liabilities attaching to Additional Options

A maximum of 109,234,545 Additional Options may be issued to Eligible Shareholders pursuant to this Prospectus, for nil additional consideration.

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

- (a) The Additional Options will be exercisable at \$0.75 each (**Exercise Price**).
- (b) Unless exercised earlier, the Additional Options will expire at 5:00pm AEST on 15 June 2022 (**Additional Option Expiry Date**). Additional Options not exercised before the Additional Option Expiry Date will expire.
- (c) The Additional Options will entitle the holder to subscribe for one fully paid ordinary Share in the Company.
- (d) The Additional Options are exercisable at any time prior to the Additional Option Expiry Date.
- (e) The Additional Options may be exercised at any time wholly or in part by delivering a duly completed form of notice of exercise (**Additional 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 Additional Option Expiry Date.
- (f) Upon the valid exercise of the Additional 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 Additional Options admitted to the official list of the ASX and the Additional Options listed on ASX.
- (h) The Additional Options will be freely transferrable at any time before the Additional 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) Additional 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 Additional Option holders with notice prior to the books record date (to determine entitlements to any new issue of securities made to Shareholders generally) to exercise the Additional 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 Additional Options, the exercise price of the Additional 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 Additional 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 Additional 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 Additional Option may be reduced according to the following formula:

$$O^n = O - E [P - (S + D)]$$

$$N + 1$$

Where:

- O^n = the new exercise price of the Additional Option;
- O = the old exercise price of the Additional Option;
- E = the number of underlying securities into which one Additional 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 Additional 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 Additional Option is exercisable may be increased by the number of Shares which the Eligible Shareholder would have received if the Additional Option had been exercised before the record date for the bonus issue.
- (m) The terms of the Additional 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 Additional Options shall not be changed to reduce the Exercise Price, increase the number of Additional Options or change any period for exercise of the Options.
- (n) The Additional Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian Securities laws.

5.3 Rights and liabilities attaching to Shares

The Company's constitution (the **Constitution**) is of the kind usually adopted by a public company. A summary of the rights attaching to Shares under the Constitution is set out below. The summary is qualified by the full terms of the Constitution (copies of the Constitution may be inspected at the registered office of the Company during normal business hours by appointment with the Company Secretary). This summary is not intended to be exhaustive.

A summary of the rights which relate to all Shares which may be issued pursuant to this Prospectus are set out below. This summary does not purport to be exhaustive or constitute a definitive statement of the rights and liabilities of the Company's Shareholders.

(a) Voting

At a general meeting of the Company on a show of hands, every member present in person, or by proxy, attorney or representative has one vote and upon a poll, every member present in person, or by proxy, attorney or representative has one vote for every fully paid-up Share held by them. In the case of a partly paid share, a fraction of a vote equivalent to the proportion which the amount paid up on that member's share bears to the total amounts paid and payable *excluding amounts credited) on that share.

(b) Dividends

Subject to law and any special rights and restrictions attached to any Shares:

- (1) the directors may declare and pay dividends as appear to them to be justified by the profits of the Company; and
- (2) all dividends shall be paid to Shareholders in proportion to the number of Shares held by them irrespective of the amount paid or credited as paid on the Shares on which the dividend is to be paid.

(c) Winding up

If the Company is wound up and after payment of all debts and satisfaction of liabilities a surplus remain, it may be distributed amongst Shareholders entitled to it in proportion to the number of Shares held by each of them regardless of the amounts paid up on the Shares.

(d) Further Increases in Capital

Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, ASX Settlement Operating Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors have the right to issue shares or grant options over unissued shares to any person and they may do so at such times as they think fit and on the conditions they think fit.

Such shares may have preferred, deferred or other special rights or special restrictions about dividends, voting, return of capital, participation in the property of the Company on a winding up or otherwise, as the directors think fit.

(e) Variation of Rights

The rights attached to any class of shares may, unless their terms of issue state otherwise, be varied:

- (1) with the written consent of the holders of 75% of the shares of the class; or
- (2) by a special resolution passed at a separate meeting of the holders of shares of the class.

(f) Transfer of securities

Generally, the shares and options in the Company will be freely transferable, subject to satisfying the usual requirements of security transfers on the ASX. The Directors may decline to register any transfer of shares but only where permitted to do so under its Constitution or the ASX Listing Rules.

(g) Sale of non-marketable holdings

The Company may take steps in respect of non-marketable holdings of shares in the Company to effect an orderly sale of those shares in the event that holders do not take steps to retain their holdings.

The Company may only take steps to eliminate non marketable holdings in accordance with the Constitution and the ASX Listing Rules.

(h) Alteration of Constitution

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

6. Additional information

6.1 Transaction specific prospectus

As Shares in the Company are quoted on the ASX, the Company is a “disclosing entity” for the purposes of the continuous disclosure regime under the Corporations Act. Amongst other consequences, this means that the Company is subject to regular reporting and disclosure obligations under the Corporations Act in addition to the ASX Listing Rules.

The Corporations Act requires the Company, as a disclosing entity, to comply with the reporting and disclosure obligations of the ASX Listing Rules and makes it an offence for the Company not to comply in certain circumstances. In addition, the Corporations Act requires the Company, as a disclosing entity, to comply with the accounting and financial reporting requirements of the Corporations Act for the half year and full-year accounting periods. These financial statements, together with a Directors' statement and report and an audit or review report must be lodged with ASIC.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the terms and conditions of the Offer, the effect of the Offer on the Company and the rights and liabilities attaching to the Options and the Shares to be issued on exercise of the Options.

It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to exercise their Options to acquire additional Shares in the Company.

6.2 Availability of information regarding the Company

Copies of the documents lodged by the Company with ASIC may be obtained from, or inspected at an office of ASIC.

Copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at an office of the ASIC.

In addition, the Company will make available, free of charge, to any Eligible Shareholder as at the Record Date who asks for it in the period prior to the Bonus Option Expiry Date, a copy of any of the following documents:

- (a) the Company's annual financial report for the year ending 30 June 2020 (being the last annual financial report to be lodged with ASIC before the issue of this Prospectus);
- (b) the financial statements of the Company for the half-year ended 31 December 2020 (being the last financial statements to be lodged with the ASIC before the issue of this Prospectus); and
- (c) any other financial statements or reports lodged in relation to the Company with ASIC, and any continuous disclosure notices given by the Company to ASX, in the period starting immediately after lodgement of the annual financial report for the Company for the year ending 30 June 2020, and ending on the date of lodgement of this Prospectus with ASIC.

6.3 ASX Information and Share information

The Company has made several ASX announcements after the date of lodgement of the half yearly accounts of the Company for the half year ending 31 December 2020 (on 16 March 2021), and before the lodgement of this Prospectus with ASIC. A Summary of these announcements made is as follows:

Date	Subject of ASX release
16/8/2021	Application for quotation of securities - LKE
16/8/2021	Bonus Issue Amended Timetable
13/8/2021	Secondary Trading Notice S708A
11/08/2021	Strong Expression of Interest to Fund 70% of Kachi Project
06/08/2021	Application for quotation of securities - LKE
06/08/2021	Bonus Options Amended Timetable
05/08/2021	Change of Director's Interest Notice
02/08/2021	Sect 708A Notice
02/08/2021	Notification regarding unquoted securities - LKE
02/08/2021	Notification of cessation of securities - LKE
02/08/2021	Application for quotation of securities - LKE
02/08/2021	Secondary Trading Notice
30/07/2021	Notification regarding unquoted securities - LKE
30/07/2021	Quarterly Activities/Appendix 5B Cash Flow Report
30/07/2021	Initial Director's Interest Notice
28 July 2021	LKE Bonus Issue to Shareholders
28 July 2021	Argentina based Director Strengthens LKE Board
27 July 2021	LKE Appoints new CFO
26 July 2021	Application for quotation of securities – LKE
26 July 2021	Change of Director's Interest Notice
23 July 2021	Application for quotation of securities - LKE
16 July 2021	LKE Presentation - Cleaner Lithium
13 July 2021	Lake Resources at Noosa Conference Friday 16 July
12 July 2021	Response to ASX Appendix 3Y Query
9 July 2021	Lake Resources at Green Energy Conference - Tuesday 13 July
7 July 2021	Kachi Drilling to Support Doubling Production
7 July 2021	Securities Trading Policy
5 July 2021	Application for quotation of securities - LKE
30 June 2021	Change of Director's Interest Notice x 2
30 June 2021	Application for quotation of securities - LKE
4 June 2021	Kachi Project Finance Advances
1 June 2021	LKE Presentation for Benchmark's EV Fest
27 May 2021	Lake presents at Benchmark EV Fest
26 May 2021	Appendix 2A Options Exercise

Date	Subject of ASX release
24 May 2021	Proposed issue of Securities - LKE
24 May 2021	S708A Notice
24 May 2021	Appendix 2A
19 May 2021	Kachi drilling to support production increase
18 May 2021	Appendix 2A Options Exercise
13 May 2021	Letter to Option holders Upcoming Expiry
4 May 2021	Appendix 2A Options Exercise
30 April 2021	Quarterly Activities and Cashflow Reports
19 April 2021	Appendix 2A Options Exercise
29 March 2021	Appendix 2A Options Exercise
23 March 2021	Lake Accelerates Exploration Across Project Portfolio
19 March 2021	Appendix 2A Options Exercise
17 March 2021	Kachi PFS refreshed with US\$1.6Bn value

6.4 Share and Option Information

The highest and lowest prices of shares in the Company on the ASX in the six month period before the date of this Prospectus and the respective dates of those sales are set out below.

	High (A\$)	Low (A\$)	Volume weighted average (A\$)
One month	0.675	0.365	0.54
Three months	0.675	0.225	0.44
Six months	0.675	0.205	0.38

The last market sale price of Shares as at the last practical date prior to lodgement was \$0.605.

6.5 Substantial Holders

As at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholders	No. of Shares held as at the date of the Prospectus	Relevant interest (%)	Option Entitlement under the Offer
Citicorp Nominees Pty Limited	89,402,283	8.18	8,940,228

6.6 Top 20 Shareholders

The top 20 Shareholders of the Company as at the last practical date prior to lodgement (being 16 August 2021) are as follows:

No	Name	Number of Ordinary Fully Paid Shares	% Held of Issued Ordinary Capital
1.	CITICORP NOMINEES PTY LIMITED	89,402,283	8.18%
2.	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	49,863,522	4.56%
3.	ACUITY CAPITAL INVESTMENT MANAGEMENT PTY LTD <ACUITY CAPITAL HOLDINGS A/C>	40,000,000	3.66%
4.	BNP PARIBAS NOMS PTY LTD <DRP>	26,331,908	2.41%
5.	US REGISTER CONTROL A/C	24,114,793	2.21%
6.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	23,430,362	2.15%
7.	MR SIMON JAMES KALINOWSKI <RKSK INVESTMENT A/C>	19,948,268	1.83%
8.	BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	12,907,282	1.18%
9.	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	11,365,407	1.04%
10.	PARADISE MARINE PTY LTD <JAMES SUPER FUND A/C>	11,210,064	1.03%
11.	202 LIMITED	10,959,546	1.00%
12.	SYDNEY BUSINESS ADVISERS PTY LTD <CF SUPER FUND NO2 A/C>	10,100,000	0.92%
13.	MR DANIEL RUBEN BONAFEDE	9,500,000	0.87%
14.	MR LUCAS JAMES CAVANAGH	9,445,933	0.86%
15.	NATIONAL NOMINEES LIMITED	8,670,229	0.79%
16.	MR ANDREW ROBERT POWELL <THE PAN FAMILY A/C>	6,674,000	0.61%
17.	MR NICK LINDSAY	6,500,000	0.60%
18.	OUTBACK FORMWORK PTY LTD <WILLATON SUPER FUND A/C>	6,317,364	0.58%
19.	MS AINSLEY RUTH WILLIAMS	6,137,945	0.56%
20.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	6,098,245	0.56%

6.7 The Directors

The Directors of Lake Resources bring to the Board relevant expertise and skills, including industry and business knowledge, financial management and corporate governance experience.

Each Director has confirmed with Lake Resources that he or she anticipates being available to perform his duties as a Non-Executive Director or Executive Director, as the case may be, of Lake Resources, without undue constraints from other commitments.

The following persons are directors of the Company as at the date of this Prospectus:

Stuart Crow – Chairman and Non-Executive Director

Mr Crow has global experience in financial services, corporate finance, investor relations, international markets, salary packaging and stock broking. Stuart is passionate about assisting

emerging listed companies to attract investors and capital and has owned and operated his own businesses.

Stephen Promnitz – Managing Director (CEO and Executive Director)

Mr Promnitz led Lake since 2016, bringing natural resources and energy experience with a focus on South America and South-East Asia, and delivered the lithium project portfolio. Previously he was CEO of small/mid-tier companies or senior manager with global resource companies (Rio Tinto, WMC) together with holding senior corporate finance roles with Westpac and Citigroup.

Nick Lindsay - Executive Technical Director

Dr Nicholas Lindsay has a BSc (Hons) degree in Geology, a PhD in Metallurgy and Materials Engineering as well as an MBA. A fluent Spanish speaker, he has successfully taken companies in South America, such as Laguna Resources which he led as Managing Director, from inception to listing, development and subsequent acquisition. Dr Lindsay has previously held the role of CEO of Manuka Resources Ltd, and the position of President – Chilean Operations for Kingsgate Consolidated Ltd.

Robert Trzebski - Non-Executive Director

Dr Trzebski was appointed a Non-Executive Director on 10 December 2019. An international mining executive, he has substantial operational, commercial and technical experience in global mining markets including Argentina. He is currently Chief Operating Officer of Austmine Ltd and a Non-Executive Director of ASX and TSX-V listed Austral Gold since 2007 for which he is Chairman of the Audit and Risk Committee. Dr Trzebski holds a degree in Geology, a PhD in Geophysics, a Masters in Project Management and has more than 30 years' professional experience in project management and mining services. Dr Trzebski is a fellow of the Australian Institute of Mining and Metallurgy and is fluent in Spanish, German and English.

Amalia Saenz - Non-Executive Director (joined Board 26 July 2021)

Ms. Amalia Sáenz is a partner at the legal firm, Zang, Bergel & Viñes, in Buenos Aires and leads the Energy and Natural Resources practice. It is the only legal firm recommended in the Argentine chapter of the Latin Lawyer 250 with a female managing partner. Sra. Sáenz joined the firm some years ago to meet increased demand from clients looking to invest in Argentina's natural resources space. Previously, Ms. Sáenz was with respected legal firm Brons & Salas, in Buenos Aires, and her practice covered the full scope of natural resources and energy and oil and gas, with specific focus on tenders, acquisitions, financing, joint venture and operation agreements in Argentina. She is a leading member of the Association of International Petroleum Negotiators. Also, in the past, Ms. Sáenz was the Legal Manager with Bidas Corporation living in Central Asia -as well in United Kingdom- experiencing working in an exploration and production operations in a context of a mixture of cultures

No Directors are nominees or representatives of a substantial shareholder.

The Board considers that Stuart Crow, Robert Trzebski and Amalia Saenz are free from any business or any other relationship that could materially interfere with, or reasonably be perceived to interfere with, the independent exercise of their judgment and are able to fulfil the role of an Independent Director for the purposes of the Corporate Governance Principles and Recommendations.

Stephen Promnitz and Nick Lindsay are not currently considered by the Board to fulfil the role of Independent Directors due to their executive positions with the Company.

Details of the current interests of the Directors in the Company and their intentions in respect of the Offer are set out in section 6.8.

6.8 Directors' interests

The nature and extent of the interest (if any) that any of the Directors of the Company holds, or held at any time during the last two years in:

- (a) the formation or promotion of the Company;
- (b) property acquired or to be acquired by the Company in connection with:
 - (A) its formation or promotion;
 - (B) the Offers; or
- (c) the Offers,

is set out below or elsewhere in this Prospectus.

Other than as set out below or elsewhere in this Prospectus, no one has paid or agreed to pay any amount and no benefit has been given or agreed to be given to give any benefit to any Director or proposed director:

- (a) to induce them to become, or to qualify as, a Director of the Company; or
- (b) for services provided by a Director in connection with:
 - (A) the formation or promotion of the Company; or
 - (B) the Offer.

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus is as follows:

Director (including associated entities)	Current Shares (Direct and Indirect)	Listed and Unlisted Options (Direct and Indirect)	Current Performance Rights (Direct and Indirect)	% of Current Total Share Capital (1,092,345,452) Shares on issue)
Steve Promnitz	11,278,319	-	2,500,000	1.03%
Geoffrey Stuart Crow	9,903,834	-	5,000,000	0.91%
Nicholas Lindsay	6,500,000	-	2,500,000	0.60%
Robert Trzebski	-	-	-	-
Amalia Saenz	-	-	-	-

The Directors will be entitled to participate in the Offer and receive Bonus Options to the extent of their shareholdings.

6.9 Directors' fees and remuneration

Set out below is the remuneration paid or accrued to the current Directors of the Company and their associated entities for the stated periods. The maximum total remuneration of the non-executive Directors has been set at \$350,000 per annum in aggregate (**Remuneration Cap**) and may only be increased with the approval of Investors.

The following table shows the total annual remuneration for the previous 2 financial years paid to those Directors who are currently Directors as at the date of this Prospectus.

Director	Financial Year ending 30 June 2021*	Financial Year ending 30 June 2020**
S Crow	228,933	369,925
N Lindsay	196,900	466,638
R Trzebski***	61,000	30,466
Amalia Saenz****	N/A	N/A
S Promnitz	295,192	582,881
Total	782,025	1,449,910

* The remuneration for the 2021 financial year ending 30 June 2021 includes consultancy fees paid to companies associated with Mr Stuart Crow for consultancy services in the amount of \$80,600 and to Lindsay Rueda Services Pty Ltd (a company associated with Dr Nicholas Lindsay) in the amount of \$76,900 for consulting services relating to the Kachi project prior to his appointment as technical director

** the remuneration for the 2020 financial year ending 30 June 2020 includes consultancy fees paid to companies associated with Mr Stuart Crow for consultancy services in the amount of \$71,500 and to Lindsay Rueda Services Pty Ltd (a company associated with Dr Nicholas Lindsay) in the amount of \$65,000 for consulting services relating to the pre-feasibility study. The remuneration for the 2020 financial year also includes share-based payments for options and performance rights for Mr Stuart Crow (\$176,325), Dr Nicholas Lindsay (\$341,638) and Steve Promnitz (\$312,888)

***Dr Robert Trzebski was appointed on 10 December 2019

**** Ms Amalia Saenz was appointed on 27 July 2021

The Board considers that these fees are reasonable remuneration pursuant to section 211 of the *Corporations Act* (other than fees paid to Stuart Crow for consultancy services relating to capital raising and to Nicholas Lindsay for consultancy services relating to the pre-feasibility and definitive feasibility studies which the Board considers were paid on arms' length terms pursuant to section 210 of the *Corporations Act*) and accordingly, member approval is not required.

6.10 Related party transactions

From time to time the Company may be party to transactions with related parties including:

- (c) employment and service arrangements; and
- (d) payment of Directors fees.

The Company believes that it has made appropriate disclosure of past related party transactions and has obtained Shareholder approval where required. Otherwise, the Company considers all related party transactions have either proceeded on an "arm's length" basis or constitute reasonable remuneration.

The Board considers that the remuneration and benefits constitute reasonable remuneration pursuant to section 211 of the *Corporations Act* and accordingly, member approval is not required.

In addition to the fees and benefits that the Directors are entitled to receive set out above, the Company has also entered into a Deed of Access and Indemnity with each Director and the Company Secretary.

The Deed sets out the basis for the Company to indemnify the Directors and the Company Secretary for personal liability and associated legal costs which result from their role as a Director or Company Secretary.

The Company, to the extent permitted by law, indemnifies the Directors and Company Secretary of the Company against a liability incurred by that person in their capacity as such

an officer of the Company and all reasonable legal costs incurred by the officer in defending an action for a liability incurred or allegedly incurred by the Director or Company Secretary as an officer of the Company. The indemnity applies to any liability or legal costs incurred, provided the Director or Company Secretary is not indemnified against that liability or legal costs by an insurance policy (other than the director and officer insurance maintained by the Company).

The Deed also deals with matters such as access to documents and insurance.

6.11 **Interests of experts and advisers**

Other than set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (1) its formation or promotion; or
 - (2) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (a) the formation or promotion of the Company; or
- (b) the Offer.

HopgoodGanim Lawyers are acting as solicitors to the Offer and have performed work in relation to the Prospectus. In doing so, HopgoodGanim Lawyers have placed reasonable reliance upon information provided to them by the Company. HopgoodGanim Lawyers does not make any statement in this Prospectus. In respect of this work, the Company estimates that it will pay approximately \$40,000 (excluding disbursements and GST) to HopgoodGanim Lawyers. HopgoodGanim Lawyers are the Company's Australian lawyers and are engaged from time to time by the Company on a variety of matters. Further amounts may be paid to HopgoodGanim Lawyers in accordance with its normal time based charges.

In addition, the Company has instructed HopgoodGanim Lawyers to obtain advice from other law firms on the ability of the Company to make the Offer to shareholders in various foreign jurisdictions. The Company estimates that it will pay approximately \$40,000 (excluding disbursements and GST) to those firms for the advices it received.

6.12 **Subsequent events**

Save for the information contained in the documents set out in sections 6.2 and 6.3 and otherwise as disclosed to ASX, there has not arisen in the interval between 31 December 2018

and the date of this Prospectus any item, transaction or event of a material or unusual nature not already disclosed in this Prospectus which is likely, in the opinion of the Directors of the Company to affect substantially:

- (a) the operations of the Company,
- (b) the results of those operations; or
- (c) the state of affairs of the Company.

6.13 **Determination by ASIC**

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing Options.

6.14 **Litigation**

As at the date of this Prospectus, save for the proceedings commenced by the Company in the New York Supreme Court against EAS advisory LLC (**EAS**) and Oedon Capital LLC (**Odeon**) for certain declaratory orders arising from a mandate entered into by the Company with EAS and Odeon in June 2020 (**US Court Proceedings**), the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

The Company has commenced proceedings in the New York Supreme Court for declaratory orders and other relief against EAS and Odeon. Lake had in June 2020 appointed EAS and Odeon as advisors under a mandate.

Lake is seeking orders as to what it considers to be the proper interpretation of the mandate and does not consider it has any further obligations and liability thereunder.

Lake will update the market in due course in respect of progress in the court proceedings.

6.15 **Electronic Prospectus**

This Prospectus is available in a paper version and in electronic form. The electronic version will be available on the Company's website, www.lakeresources.com.au, from the date of this Prospectus until the Additional Options Expiry Date or when all Additional Options have been exercised, whichever is the earlier to occur. The Offer constituted by this Prospectus in electronic form is made only to Eligible Shareholders receiving this Prospectus in electronic form in Australia. Persons who access the electronic form of this Prospectus must ensure that they download and read the entire Prospectus.

While the Company believes that it is extremely unlikely that during the period of the Offer the electronic version of the Prospectus will be tampered with or altered in any way, the Company cannot give any absolute assurance that this will not occur. Any Eligible Shareholder in doubt concerning the validity or integrity of an electronic copy of the Prospectus should immediately request a paper copy of the Prospectus directly from the Company.

6.16 **Privacy**

By submitting an Exercise Notice you are providing to the Company personal information about yourself. If you do not provide complete and accurate personal information, your application may not be able to be processed.

The Company maintains the register of members of the Company through Automic Pty Limited (**Automic**), an external service provider. The Company requires Automic to comply with the National Privacy Principles with performing these services. The Company's register is

required under the *Corporations Act* to contain certain personal information about you such as your name and address and number of shares and options held. In addition, the Company collects personal information from members such as, but not limited to, contact details, bank accounts and membership details and tax file numbers.

This information is used to carry out registry functions such as payment of dividends, sending annual and half yearly reports, notices of meetings, newsletters and notifications to the Australian Taxation Office. In addition, contact information will be used from time to time to inform members of new initiatives concerning the Company.

The Company understands how important it is to keep your personal information private. The Company will only disclose personal information we have about you:

- (a) when you agree to the disclosure;
- (b) when used for the purposes for which it was collected;
- (c) when disclosure is required or authorised by law;
- (d) to other members in the LKE group of companies;
- (e) to your broker;
- (f) to external service suppliers who supply services in connection with the administration of the Company's register such as mailing houses and printers, Australia Post and financial institutions.

You have the right to access, update and correct your personal information held by the Company and Automic, except in limited circumstances. If you wish to access, update or correct your personal information held by Automic or by the Company please contact our respective offices.

If you have any questions concerning how the Company handles your personal information please contact the Company.

6.17 Expenses of the Offer

All expenses connected with the Offer are being borne by the Company. The approximate costs of the Offer payable by the Company (exclusive of GST) are listed below:

Expense	Cost (A\$)
ASIC and ASX lodgement fee	3,606
Registry, management of the issues printing and mailing	50,000
Legal expenses	70,000
TOTAL	123,606

6.18 Consents and disclaimers

Written consents to the issue of this Prospectus have been given and at the time of this Prospectus have not been withdrawn by the following parties:

HopgoodGanim Lawyers has given and has not withdrawn its consent to be named in this Prospectus as lawyers to the Offer in the form and context in which it is named. It takes no responsibility for any part of the Prospectus other than references to its name. They do not make any other statement in this Prospectus and did not authorise or cause the issue of this Prospectus. HopgoodGanim Lawyers will be paid for work performed in accordance with usual time based charge out rates and estimate that their fees at the date of this Prospectus are in the order of \$40,000 exclusive of GST.

Automatic Registry Services has given and, at the date of this Prospectus, has not withdrawn, its written consent to be named as Share Registrar in the form and context in which it is named. It has had no involvement in the preparation of any part of the Prospectus other than being named as Share Registrar to the Company and has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of the Prospectus.

Directors' statement

This Prospectus is issued by Lake Resources NL. Each of the Directors has consented to the lodgement of the Prospectus with ASIC.

Signed on the date of this Prospectus on behalf of Lake Resources NL by



.....
Stuart Crow
Non-Executive Chairman
Lake Resources NL

7. Definitions and glossary

Terms and abbreviations used in this Prospectus have the following meaning:

Additional Option	An Option granted upon exercise of a Bonus Option pursuant to this Prospectus to acquire one fully paid Share, exercisable no later than 5:00pm on the Additional Option Expiry Date
Additional Option Exercise Notice	The Exercise Form for the Additional Options accompanying this Prospectus
Additional Option Expiry Date	15 June 2022
Additional Option Issue Date	22 October 2021
Additional Option Offer Closing Date	15 October 2021
Additional Open Offer Opening Date	30 August 2021
Additional Option Offer	The offer to Eligible Option holders of an Additional Option for every Bonus Option exercised prior to the Bonus Option Expiry Date to acquire one fully paid ordinary Share at an Exercise Price of \$0.75 on or before the Additional Option Expiry Date
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited and the Australian Securities Exchange
ASX Listing Rules	The official listing rules of the ASX
ASX Settlement	ASX Settlement Pty Ltd
ASX Settlement Operating Rules	The operating rules of ASX Settlement
Bonus Option	An option granted for no consideration pursuant to this Prospectus to acquire one fully paid ordinary Share, exercisable no later than 5:00pm on the Bonus Option Expiry Date
Bonus Option Offer Closing Date	30 August 2021
Bonus Option Exercise Notice and Application Form	The Exercise Notice for the Bonus Options accompanying this Prospectus
Bonus Option Expiry Date	15 October 2021
Bonus Option Issue Date	30 August 2021
Bonus Option Offer	The pro-rata non-renounceable offer to Eligible Shareholders of one Bonus Option for every seven Shares held on the Record Date to acquire one fully paid ordinary Share at an Exercise Price of \$0.35, exercisable no later than 5:00pm on the Bonus Option Expiry Date
Business Day	A day, other than a Saturday, Sunday or public holiday, on which banks are open for general banking business in Sydney

Company or Lake Resources or LKE	Lake Resources NL ACN 079 471 980
Constitution	The Constitution of the Company
Corporate Governance Principles and Recommendation	Corporate Governance Principles and Recommendation 3 rd Edition initially released by the ASX Corporate Governance Council in March 2014
Corporations Act	<i>Corporations Act</i> 2001 (Cth)
Directors or Board	The Board of directors of Lake Resources from time to time
Eligible Optionholder	An Eligible Shareholder of the Company who exercises a Bonus Option prior to the Bonus Option Expiry Date.
Eligible Shareholder	A shareholder of the Company having a registered address in Australia, New Zealand, the United Kingdom, Jersey, the Netherlands, the Republic of Ireland, Argentina, Indonesia, Pakistan, Hong Kong and Singapore and who is registered as holders of Shares as at 5:00pm on the Record Date
Exercise Notice	A notice given to the Company by a Recipient requiring the Company to issue Shares on exercise of the Option
Exercise Price	In relation to the Bonus Options: \$0.35 In relation to the Additional Options: \$0.75
Existing Options	All existing options to subscribe for Shares currently on issue as at the date of this Prospectus
Group	The Company and each of its wholly owned subsidiaries
Ineligible Shareholders	Shareholders as at the Record Date who are not Eligible Shareholders
Issue Price of Bonus Options	Nil
Issue Price of Additional Options	Nil
Law	The <i>Corporations Act</i> or any relevant and applicable law in Australia
Offer or Issue	The Bonus Option Offer and the Additional Option Offer.
Official List	The official list of entities that ASX has admitted and not removed
Official Quotation	The official quotation of securities by the ASX in accordance with the ASX Listing Rules
Option Holders	The holders of the Existing Options
Options	Options on issue in the Company from time to time
Prospectus	This Prospectus dated 17 August 2021 as modified or varied by any supplementary prospectus made by the Company and lodged with the ASIC from time to time and any electronic copy of this prospectus and supplementary prospectus
Recipient	A person who holds Options issued pursuant to this Prospectus
Record Date	24 August 2021

Register	Company Register of Lake Resources
Securities	Has the same meaning as in section 92 of the <i>Corporations Act</i>
Share Registry or Automic	Automic Pty Limited
Shares	The ordinary shares on issue in Lake Resources from time to time
Shareholders	The holders of Shares from time to time

Corporate Directory

Directors	Administration and Registered Office
Geoffrey Stuart Crow (Non-Executive Chairman)	Level 5 126 Phillip Street Sydney NSW 2000 Tel: +61 2 9188 7864 www.lakeresources.com.au
Stephen Promnitz (Managing Director)	
Dr Nicholas Lindsay (Executive Technical Director)	cosec@lakeresources.com.au
Dr Robert Trzebski (Non-Executive Director)	
Amalia Saenz (Non-Executive Director)	
Share Registry	Solicitors to the Offer
Automic Registry Services Level 5, 126 Phillip Street Sydney NSW 2000 Tel: 1300 288 664; or +61 2 9698 5414 or by email at hello@automic.com.au www.investor.automic.com.au	HopgoodGanim Lawyers Level 8 Waterfront Place 1 Eagle Street Brisbane QLD 4000 Tel: + 61 7 3024 0000 www.hopgoodganim.com.au


[EntityRegistrationDetailsLine1Envelope]
[EntityRegistrationDetailsLine2Envelope]
[EntityRegistrationDetailsLine3Envelope]
[EntityRegistrationDetailsLine4Envelope]
[EntityRegistrationDetailsLine5Envelope]
[EntityRegistrationDetailsLine6Envelope]

Holder Number (SRN or HIN)	[HolderNumber]
Number of Options held	[LKEBOPTHolding]
Exercise Price	A\$0.35
Option Expiry Date	15 October 2021

NOTICE OF EXERCISE OF UNLISTED OPTIONS @ \$0.35 EXP 15 OCTOBER 2021

Should you wish to exercise your Lake Resources NL (the Company) Bonus Options to Ordinary Fully paid shares, you will have to complete Part A and Part B below and return to the share registry.

PART A – EXERCISE OF OPTIONS		
	Payment Amount A\$ (\$0.35 per Option)	Number of Bonus Options exercised
<input type="checkbox"/> Exercise ALL	[Payable]	[LKEBOPT]
<input type="checkbox"/> Exercise Partial	<div> <div></div> <div></div> <div></div> </div> , <div> <div></div> <div></div> <div></div> </div> , <div> <div></div> <div></div> <div></div> </div> , <div> <div></div> <div></div> </div>	<div> <div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div> </div>

PART B – METHOD OF PAYMENT					
You can pay for your exercise of options either by BPAY®, EFT or Cheque.					
<input type="checkbox"/>	Please enter cheque, bank draft or money order details	Drawer	Bank	Branch	Amount
					\$
OR					
<input type="checkbox"/>	 Biller Code: Ref No: [CRN] <small>© Registered to BPAY Pty Ltd ABN 69079137518</small>	<input type="checkbox"/>	EFT (Electronic Funds Transfer) to following bank account: Account name: Automic Pty Ltd Account BSB: Account number: Swift Code: WPACAU2S The unique payment reference number which has been assigned to your Application is: LKEOPT-[holderId] You must quote your unique reference number as your payment reference/ description when processing your EFT payment. Failure to do so may result in your funds not being allocated correctly and shares subsequently not issued.		

CONTACT DETAILS	
Telephone Number ()	Contact Name (PLEASE PRINT)
Email Address	
SUPPORT YOUR COMPANY: By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible).	

By returning the Options Exercise Form with payment to the Share Registry or making a payment by BPAY® or EFT:

- you represent and warrant that you have read and understood the terms and conditions relating to the Options,
- you provide authorisation to be registered as the holder of New Shares acquired by you and agree to be bound by the Constitution of the Company; and
- any unexercised options will lapse after the expiry date.

You do not need to return this form if you have made payment via BPAY® or EFT. Your BPAY® reference number or EFT unique payment reference number will process your payment to your options exercise electronically and you will be deemed to have exercised for such New Shares for which you have paid.

If you have any enquiries concerning the partly paid conversion procedure, please contact the Share Registry on telephone 1300 288 644 or +61 2 9698 5414.

If you have any enquiries concerning the partly paid conversion procedure, please contact the Share Registry on telephone 1300 288 644 or +61 2 9698 5414.