

Lake Resources NL ACN 079 471 980 (Company)

Refresh Supplementary Prospectus

Refresh Supplementary Prospectus to a Prospectus dated 17 August 2021

Important Information

This refresh supplementary prospectus is dated 1 September 2021 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date (**Refresh Supplementary Prospectus**). This Refresh Supplementary Prospectus supplements the prospectus dated 17 August 2021 (**Prospectus**), which was issued by Lake Resources NL ACN 079 471 980 (**Company**).

This Refresh Supplementary Prospectus is a "refresh document" as defined in section 724(3H) of the *Corporations Act 2001* (Cth) (**Act**), as inserted by the ASIC Corporations (Minimum Subscription and Quotation Conditions) Instrument 2016/70 (**Instrument**) and has been lodged with the Australian Securities and Investments Commission (**ASIC**) in accordance with section 724(3G) of the Act as inserted by the Instrument.

ASIC, ASX Limited (**ASX**), and their officers take no responsibility as to the contents of this Refresh Supplementary Prospectus. This Refresh Supplementary Prospectus shall be read in its entirety together with the contents of the Prospectus. If you are in any doubt as to the contents of this document, you should consult your professional advisers without delay.

Other than as set out below, all details in relation to the Prospectus remain unchanged. Terms used in this Refresh Supplementary Prospectus shall have the same meaning ascribed to them in the Prospectus. To the extent of any inconsistency between this Refresh Supplementary Prospectus and the Prospectus, the provisions of this Refresh Supplementary Prospectus will prevail.

The Company has issued an electronic version of this Refresh Supplementary Prospectus and the Prospectus. Electronic versions of each may be accessed at www.lakeresources.com.au.

1. Purpose of this Refresh Supplementary Prospectus

This Refresh Supplementary Prospectus has been issued for the purposes of:

- (a) advising that at the date of this Refresh Supplementary Prospectus, the Company has not applied for quotation of the Additional Options;
- (b) advising that at the date of this Refresh Supplementary Prospectus, the Company has issued 110,416,119 Bonus Options pursuant to the Prospectus and has not issued any Additional Options pursuant to the Prospectus; and
- (c) refreshing the period for applying for quotation of the Additional Options from seven (7) days from the date of issue of the Prospectus to seven (7) days from the date of this Refresh Supplementary Prospectus in accordance with section 724(3G)(d) of the Act, as inserted by the Instrument.

Pursuant to section 723(3) of the Act, if a person offers securities under a disclosure document such as a prospectus and the disclosure document states or implies that the securities will be quoted on a financial market such as the ASX and:

- (a) an application for quotation is not made within seven (7) days of the date of the disclosure document; or
- (b) the securities are not admitted to quotation within 3 months after the date of the disclosure document,

then:

- (c) an issue or transfer of securities in response to an application made under the disclosure document is void; and
- (d) the person offering the securities must return the money received by the person from the applicants as soon as possible.

By the issue of the Instrument, ASIC has varied the Act to allow companies to refresh the timing of the quotation condition including the quotation application condition in s 723(3)(a) (see paragraph (a) above), to commence from the date of a refresh document (i.e. this Refresh Supplementary Prospectus), such that the seven day period to apply for quotation is taken to commence from the date that the refresh document is lodged with ASIC. The Instrument imposes a number of requirements as to the content of the refresh document and on the company issuing the refresh document. This Refresh Supplementary Prospectus addresses those requirements.

2. Specific disclosures required by the Instrument

2.1 Withdrawal rights

Any shareholder who, prior to the date of this Refresh Supplementary Prospectus, has lodged a Bonus Option Exercise Notice (**Applicant**) will receive a copy of this Refresh Supplementary Prospectus.

All Applicants who have previously submitted a Bonus Option Exercise Notice (**Application**) have one (1) month from the date of this Refresh Supplementary Prospectus to withdraw their Application and be repaid the exercise price for the exercise of the Bonus Options the subject of their Application (**Application Monies**).

Any repayment of Application Monies made by the Company pursuant to an Applicant exercising their right to withdraw their Application will be made in full without interest.

An Applicant who wishes to withdraw their Application and obtain a refund of Application Monies must submit a written request to the Company at the address set out below so that it is received within one (1) month of the date of this Refresh Supplementary Prospectus (i.e. by close of business on 1 October 2021) (**Withdrawal Period**):

Email to: cosec@lakeresources.com.au

Subject: Lake Resources Bonus Options Withdrawal Request

The bank account details for the payment of the refund must be included in the notice. The address to which notice of the refund should be sent as set out in the written request must correspond to the details contained in the Application Form lodged by that Applicant.

The Offer will remain open until at least 1 October 2021, being after the end of the Withdrawal Period.

2.2 Applications received

As at the date of this Refresh Supplementary Prospectus, the Company has received no Applications for the exercise of any Bonus Options (for the issue of an equal number of Shares and Additional Options).

No Applications have been processed and no Shares or Additional Options have been issued pursuant to the exercise of the Bonus Options.

2.3 Quotation condition

The Company did not apply to ASX within seven (7) days of the date of the Prospectus for ASX to grant official quotation of the Additional Options. As at the date of this Refresh Supplementary Prospectus, the Additional Options have not been admitted to quotation by ASX.

The Company will apply for quotation of the Additional Options within seven (7) days of the date of this Prospectus.

For clarity the Company notes that the Bonus Options to be issued under the Bonus Option Offer were not to be quoted and the requirement to apply for quotation within seven days does not apply to the Bonus Options.

As at the date of this Refresh Supplementary Prospectus, the Additional Options have not been quoted and quotation remains subject to the Company satisfying the quotation requirements in Chapter 3 of the Listing Rules.

ASX has not indicated that the Additional Options will not be readmitted to quotation, nor has it indicated that the securities will be readmitted to quotation subject to certain conditions being satisfied.

Upon lodgement of this Refresh Supplementary Prospectus, and subject only to the lodgement of any future refresh document, the quotation condition in s 723(3) of the Corporations Act must be satisfied by 1 December 2021, being three (3) months after the date of this Refresh Supplementary Prospectus.

3. Changes to Offer Statistics, securities on issue and amount to be raised

3.1 Offer Statistics

- (a) As indicated in section 2.1 of the Prospectus, if any of the Existing Options were exercised prior to the Record Date, additional Bonus Options would be offered under the Prospectus. Between the date of the Prospectus and the Record Date, a number of Existing Options were exercised. Accordingly, the issued share capital of the Company and therefore the number of Bonus Options to be issued increased.
- (b) Having regard to the change to the issued share capital as at the Record Date and the fact the Bonus Options have now been issued, the Offer Statistics table on page 1 of the Prospectus is replaced as follows:

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
Number of Bonus Options issued	110,416,119

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 Additional Options to be issued	110,416,119 **
Maximum number of Shares to be issued following exercise of Bonus Options and Additional Options	220,832,238 ***
Bonus Options Expiry Date	15 October 2021
Additional Options Expiry Date	15 June 2022

** Assuming all Bonus Options are exercised

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

- (c) Any other references to the issued capital, impact of Existing Options being exercised and maximum number of Bonus Options and Additional Options to be issued as a result of the Bonus Option Offer and Additional Option Offer appearing throughout the Prospectus are updated to reflect the above.

3.2 Maximum amount to be raised

- (a) The Bonus Options have now been issued. Accordingly, the following sections of the Prospectus regarding the maximum amount that can be raised from the Offer are updated as follows.
- (b) In the Chairman's Letter on page 10 of the Prospectus, paragraph six is replaced with the following:

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 exercised and if the maximum number of Additional Options are accordingly issued and then exercised, the Company will raise approximately \$121,457,731 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.

- (c) In section 1.2, paragraphs three to five are replaced with the following:

No funds will be raised from the issue of the Bonus Options pursuant to this Prospectus. However, if all Bonus Options are exercised, the Company will raise approximately \$38,645,642.

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 \$38,645,642 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 \$82,812,089. 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.

- (d) In section 2.1, paragraphs two to four are replaced with the following:

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 exercised, the Company will raise approximately \$38,645,642.

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 \$38,645,642 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 \$82,812,089.

- (e) In section 3.1, paragraph two is replaced with the following:

If the maximum number of Bonus Options are exercised, and if the maximum number of Additional Options are accordingly issued and then exercised, the Company will receive approximately \$121,457,731 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.

- (f) Any other references to the amount to be raised from the exercise of the Bonus Options and the Additional Options appearing throughout the Prospectus are updated to reflect the above.

3.3 Non-materially adverse

The Directors do not consider the amendments set out in sections 3.1 to 3.2 above are materially adverse from an investor's point of view.

4. Appointment of Lodge Partners Pty Ltd

4.1 Background

- (a) As announced to the market on 31 August 2021, the Company has appointed Lodge Partners Pty Ltd (**Lodge**) for the holding and exercise of Bonus Options for Ineligible Shareholders who are not eligible to participate in the Offer as they have addresses outside of Eligible Jurisdictions. Further details of the appointment are contained in the Company's announcement of 31 August 2021.
- (b) The terms of the appointment are contained in a Nominee Appointment Deed.
- (c) Lodge will be entitled to deduct the following fees from any proceeds of sale:
- (1) an administration fee of \$80,000 plus GST; and
 - (2) a fee in relation to the sale of the Shares and Additional Options of 1% of the value of the trade plus GST, payable on the sale of any Shares and Additional Options issued to it upon the exercise of the Bonus Options.
- (d) The Company has also agreed to issue 4,000,000 options to Lodge at an exercise price of \$0.75 (being the exercise price of the Additional Options) as a performance fee for being appointed nominee under the Nominee Appointment Deed.

4.2 Non-Materially Adverse

The Directors do not consider the appointment of the Nominee is materially adverse from an investor's point of view.

5. Other Material Information

The Directors of the Company are not aware of any acts, matters or things (not already described in the Prospectus) which may be material to the making of an informed assessment of:

- a) the effect of the Offer on the Company; or
- b) the rights attaching to the Bonus Options or Additional Options or Shares to be issued on the exercise of the Bonus Options and Additional Options.

6. Director Consent

Directors' authorisation and consent

This Refresh Supplementary Prospectus has been signed by a Director of the Company with the authority of each of the Directors and is dated 1 September 2021. Each Director has consented to lodgement of this Refresh Supplementary Prospectus with ASIC.



Stuart Crow
Chairman
Lake Resources NL