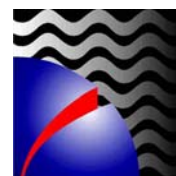


# LAKE RESOURCES NL

## QUARTERLY REPORT OCTOBER – DECEMBER 2015



### SUMMARY

As previously reported, Lake Resources entered into an Exclusivity Agreement and associated Shareholders Agreement and Share Subscription Agreement (CRME Joint Venture) with Colt Resources Middle East and Aamir Resources Consultants with respect to Lake's exploration tenements in Balochistan, Pakistan. Pursuant to these agreements, Lake Resources surrendered its three exploration licences, effective 6 May 2015, and new exploration licences were granted to the joint venture operating entity, Chagai Resources, for a period of 3 years, effective 12 June 2015. Lake Resources' interest in Chagai Resources is held through a wholly owned Pakistan-incorporated subsidiary, Lake Mining Pakistan (Pvt.) Limited. CRME can earn a majority interest in the project through exploration expenditure of US\$1.9 million within 3 years and a further US\$3.1 million within a further period of 3 years.

During the quarter ended 31 December, work by Chagai Resources continued on preparation for resumption of exploration of the licence areas in Balochistan.

In Australia, activities by Lake Resources focused on evaluation of new investment opportunities.

### Pakistan

Lake Resources (Lake) has been exploring for porphyry copper-gold and epithermal gold deposits in the Chagai District of Balochistan since 1998. Significant mineral deposits in the region include the Saindak porphyry copper-gold mine (initial mineral resource estimated at 440 million tonnes @ 0.41% Cu and 0.5 g/t Au) and the undeveloped Reko Diq copper-gold deposits. (mineral resource estimated by Tethyan Copper Company (TCC) (owned 50:50 by Antofagasta Plc and Barrick Gold Corporation) 5.9 billion tonnes @ 0.41% Cu and 0.22 g/t Au).

During the quarter ended 30 June 2015, pursuant to the terms of the CRME Joint Venture, Lake Resources conditionally surrendered its three exploration licences (ELs). These ELs were replaced by new ELs that were granted to the joint venture operating entity, Chagai Resources, for a period of 3 years, effective 12 June 2015. Details are set out in Table 1 and Figure 1 below.

Table 1: Chagai Resources Balochistan Tenements

Tenement	Amalaf	Dasht-i-Gauran	Koh-i-Sultan
EL Number	(143)/2801-02	(144)/2803-4	(145)/2805-6
Area (sq km)	46.7	29.1	85.1
Lake Interest	(see Exploration section)	(see Exploration section)	(see Exploration section)
Grant Date	12/06/2015	12/06/2015	12/06/2015
Expiry Date	11/06/2018	11/06/2018	11/06/2018

A condition of the new licences is that the Balochistan Government should have up to a 25% interest in the licences – the government previously advised that preparation of a draft agreement was under way.



Figure 1: Location and tenement map.

The **Amalaf** area adjoins the northern boundary of the Saindak copper-gold mine. The exploration target is large tonnage - low grade copper amenable to low-cost open-pit mining and trucking to the Saindak mine. In late 2005, one of two holes drilled by Lake Resources to test part of this target intersected significant low-grade copper-molybdenum over the length of the hole with minor gold (12 -120m, 108 m @ 0.17%Cu & 94 ppm Mo).

The **Dasht-i-Gauran** area is situated to the west of copper mineralisation reported by TCC from drilling at its Sor Baroot Prospect at the Reko Diq Project, and covers a number of possible alteration zones identified from interpretation of satellite images.

At **Koh-i-Sultan**, previous exploration by Lake Resources focused on an extensive system of intensely altered breccia and volcanics covering an area of more than five square kilometres on the margin of an extinct volcanic caldera (See Fig. 2).

In late 2005, significant gold mineralisation was intersected in one of 2 percussion holes (LRM-01) drilled on the western margin of the system in late 2005.

In 2008, a five-hole diamond drilling program totaling 2284 m (see Figs. 2 & 3 for drillhole locations) resulted in two new discoveries:

- porphyry-type copper-gold mineralisation in drillhole LRMDDH-002 (392 – 520 m, 128 m @ 0.14%Cu and 0.19 ppm Au) and
- a very large, variably-altered and mineralised breccia complex, intersected in all five drillholes, over a width of more than 700 m and a north-south extent of more than 400 m. Geologically significant gold values were intersected in the breccia in four of the five drillholes. It is believed that the southern extension of this breccia also hosts the gold mineralisation intersected in drillhole LRM-001.

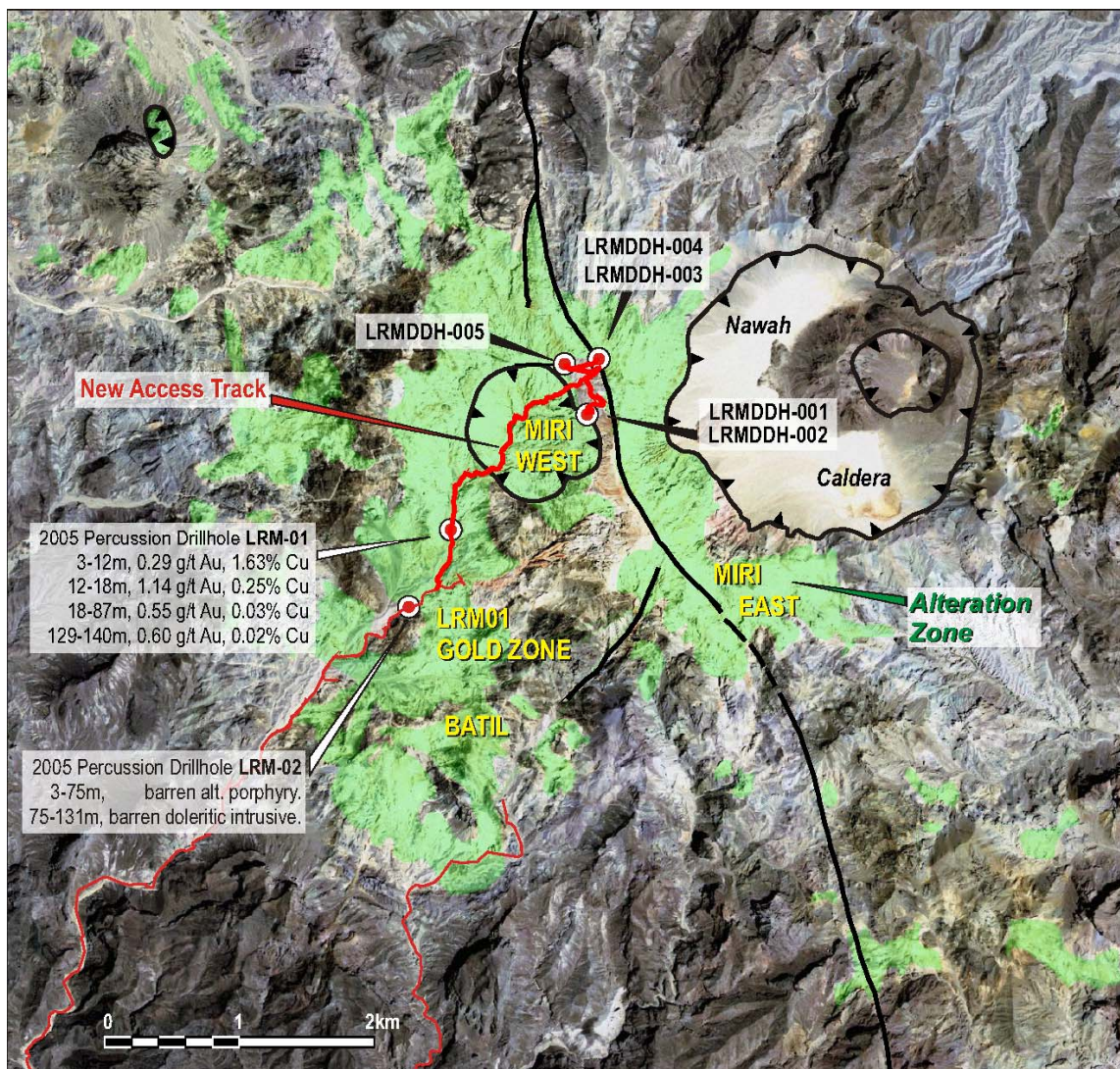


Figure 2: Plan showing Koh-i-Sultan alteration zones (green) and 2005 & 2008 drill sites.

In early 2012, a 17-hole reverse circulation (RC) percussion drilling program totaling 2,070 m was undertaken within an area approximately 1,000 m east-west by 1,500 m north-south, along Miri Nala, southwest of Nawah Caldera (Figure 2). Drillhole collar location and hole traces are shown in Figure 3 below.



Figure 3: Koh-i-Sultan drillhole collar locations and drill traces – 2005 (LRM-01 – 02), 2008 (LRMDDH-001 – 005) & 2012 (LRMRC-003 – 019).

As previously reported (see report for Q3/2012) the results of the 2012 RC percussion drilling indicate potential for:

- a significant gold target, with possible supergene copper in the LRM001 – LRMRC003/005/018/019 area. The copper-gold association in some of these holes could indicate potential for porphyry copper-gold mineralization beneath this area.
- a large porphyry copper-gold target associated with the porphyry copper-gold intersection in 2008 drillhole LRMDDH002, supported by the intersections of elevated levels of molybdenum, copper and patchy gold in RC percussion holes LRMRC010 – 017.

## Exploration

As previously reported, Lake Resources has entered into an Exclusivity Agreement and associated Shareholders Agreement and Share Subscription Agreement (CRME Joint Venture) with Colt Resources Middle East and Aamir Resources Consultants whereby CRME can earn a majority interest in the project through exploration expenditure of US\$1.9 million within 3 years and a further US\$3.1 million within a further period of 3 years.. Key provisions of these agreements have been reported in the report for the quarter ended 30 June 2015..

Pursuant to these agreements, Lake Resources surrendered its three exploration licences in Balochistan, effective 6 May 2015, and new exploration licences were granted to the joint venture operating entity, Chagai Resources, for a period of 3 years, effective 12 June 2015. Lake Resources' interest in Chagai Resources is held through a wholly owned Pakistan-incorporated subsidiary, Lake Mining Pakistan (Pvt.) Limited.

During the quarter ended 31 December 2015, work by Chagai Resources continued on preparation for resumption of exploration of the licence areas, including preparation of programs and budgets, applications for security clearances for expatriate personnel, and planning for repairs and maintenance of base camp infrastructure at Nokkundi and access tracks for drilling.

In Australia, activities by Lake Resources focused on evaluation of new investment opportunities.

## Cash Position

Net cash on hand was A\$ 82,000 at the end of the December 2015 quarter.

29 January 2016



J.G. Clavarino (M AusIMM)  
Exploration Director

*The information in this report that relates to Exploration Results, is based on information compiled by Jim Clavarino who is a Member of The Australasian Institute of Mining and Metallurgy. Mr. Clavarino is Exploration Director of Lake Resources NL and is employed by Argent Resources Pty Ltd. Mr. Clavarino has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Clavarino consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

## CONTACT INFORMATION

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## Share Registry

Lake Resources' share registry is managed by **Link Market Services Limited** (formerly ASX Perpetual Registrars), Level 15, 324 Queen Street, Brisbane, Queensland, 4000

Shareholder matters including changes of address should be directed to:

- Link Market Services Limited, Locked Bag A14, Sydney South, NSW 1235
- General shareholder enquiries, Phone: 1300 554 474 or (02) 8280 7111
- Email: [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au)