

Lake Resources N.L.

ABN 49 079 471 980

ASX Market Announcements Office
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LAKE RESOURCES COMPLETES OVERSUBSCRIBED CAPITAL RAISE

- **Completion of A\$1,200,000 capital raising via private Placement heavily oversubscribed**
- **Offer increased due to substantial demand from sophisticated, professional and institutional investors**
- **LKE well-funded to unlock the substantial value from its lithium brines and pegmatite asset base in Argentina**

Lake Resources N.L. (ASX: LKE) (“Lake” or “the Company”) is pleased to announce that it has successfully completed a capital raising of A\$1,200,000 (before costs) via a private Placement (“Placement”) with professional, sophisticated and institutional investors. The Placement leaves the Company well funded to continue its aggressive exploration programme in Argentina over both lithium brine projects, and currently under option, lithium pegmatite project.

The placement was completed as follows:

1. 24,000,000 fully paid LKE ordinary shares at \$0.05 per share (“Shares”); and
2. 12,000,000 options exercisable at \$0.10 each and expiring 18 months after date of issue (“Options”).

The Placement was significantly oversubscribed and increased to accommodate substantial demand from a broad range of new investors. Lake is grateful for this support and welcomes new shareholders to the register. Proceeds from the Placement will be used to continue the Company’s aggressive exploration programme in Argentina to ensure value and optionality is maximised from its portfolio of lithium exploration assets.

Lake aims to initiate a drill program at the Kachi Project in Catamarca Province in the near term and continue advancing exploration activities across the rest of its portfolio.

The new Shares will rank equally with existing ordinary shares on issue and the Company will seek ASX listing of issued Options.

APP Securities Limited was appointed lead manager for the Placement issue. Fees will include the issue of 1,500,000 Options on the same terms as the Placement. Settlement of the Placement is expected to occur on Friday, 24 February 2017 with the Shares and Options to be allotted on Monday, 27 February 2017.

Steve Promnitz, Managing Director of Lake Resources, commented: “We are delighted with the outcome of the capital raising and are grateful for the level of support from new investors and some existing shareholders.

“Lake’s portfolio of prime lithium brine projects and pegmatite assets in Argentina are in outstanding locations and we look forward to maximising value from the portfolio. We are now well funded to complete an initial drill programme in Catamarca and accelerate its broader asset development programme.

“We look forward to reporting a steady stream of news on our exploration results and other initiatives as we progressively unlock the value of our large asset base in Argentina.”

Steve Promnitz, Lake Resources NL

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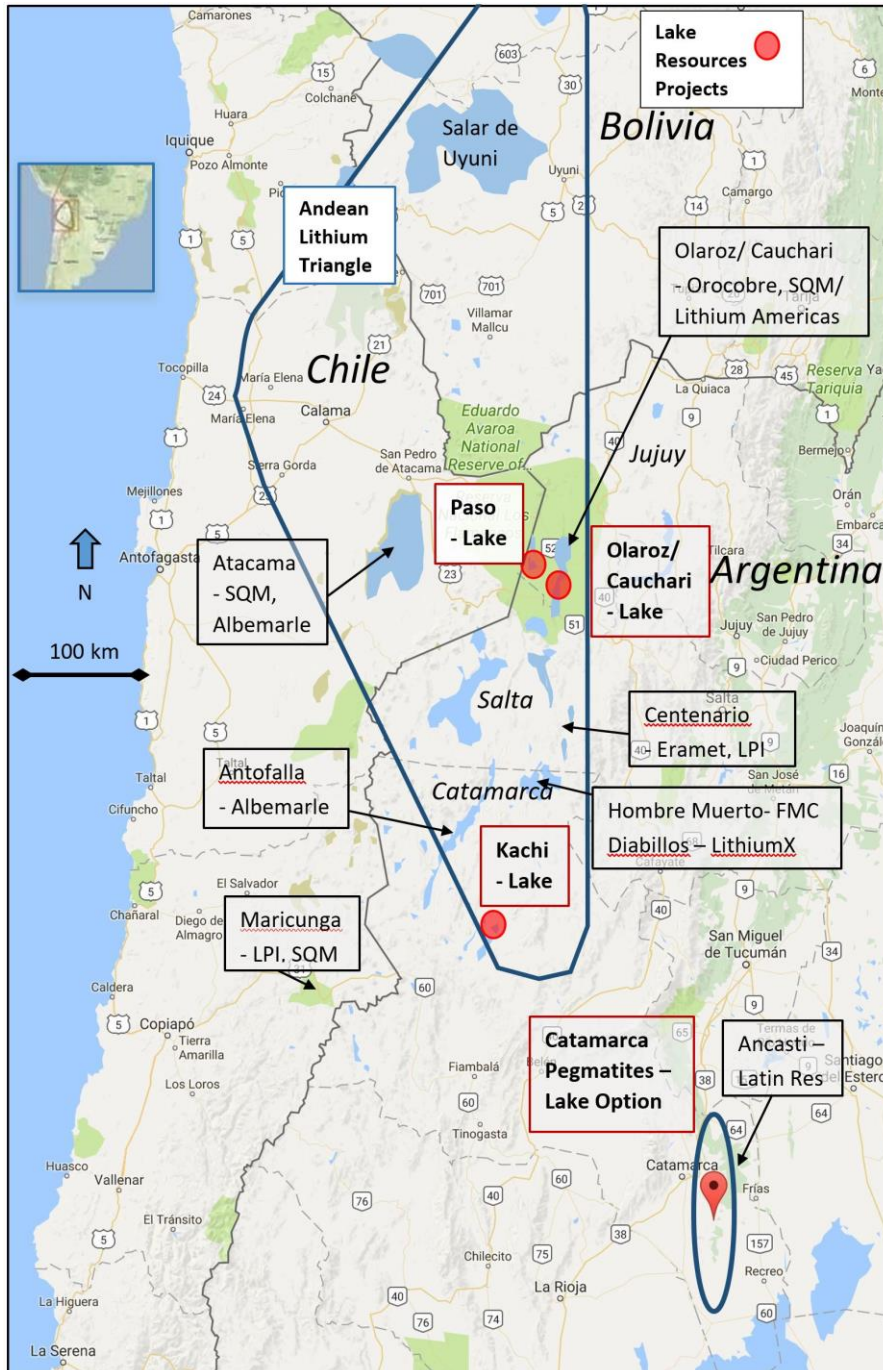


Figure 1: Location of Lake Projects in Argentina in relation to other lithium projects

Background on Lake Resources NL (ASX:LKE)

Lake Resources NL (ASX:LKE, Lake) is a lithium exploration company undertaking an aggressive programme to explore prime lithium basins in Argentina, among some of the largest players in the lithium sector. Mining leases and applications are located in the Lithium Triangle which accounts for 49% of current lithium production. Lake recently completed the acquisition of an early mover in Argentina, who had secured an extensive strategic package of ~90,000 Ha, prior to a significant 'rush' to secure projects by major companies in the sector. This is one of the largest lithium tenement packages in Argentina, controlled 100% by Lake. Recently an option agreement was entered into over lithium pegmatites covering a belt of 75,000 Ha in Catamarca, next to Latin Resources, which increased the lease holdings and applications to ~165,000 Ha if the option is exercised.

Lake has three key lithium brine projects and one lithium pegmatite project that have similar settings to major world class projects being developed – Olaroz/Cauchari, Paso and Kachi in the highly prospective Jujuy and Catamarca Provinces. The Kachi Lithium Brine Project is located in Catamarca province, approximately 100km south of FMC's Hombre Muerto Lithium brine production operation. The Kachi Project overlies an area of almost 50,000 Ha of leases and lease applications, centred around a salt lake within a large basin almost 100km long with initial results up to 322 mg/L Li at surface and more results expected, followed by geophysics and drilling. Upcoming exploration in lithium brine basins, one which is adjacent to some of the leading lithium producers/developers, including Orocobre and SQM, may provide several catalysts for growth as the areas are assessed for major discoveries.

Significant corporate transactions continue in adjacent leases with development of Lithium Americas Olaroz/Cauchari project with a 36% equity investment of US\$286 million, from Gangfeng, an important Chinese producer, and Bangchak Petroleum. Both Chinese investors will also provide US\$205 million debt facility with offtake commitments, sufficient to develop Lithium Americas share in the Stage 1 production from Olaroz/Cauchari. Advantage Lithium announced a transaction to earn 50-75% equity in Orocobre's Cauchari leases for approximately US\$37 million in shares, raising US\$20 million in the market.