



LAKE RESOURCES

LAKE RESOURCES N.L. (ASX:LKE)

27 October 2017

ASX Market Announcements
Exchange Centre
20 Bridge Street
Sydney NSW 2000
ASX: AGR

NOTICE OF ANNUAL GENERAL MEETING & PROXY FORM

Lake Resources NL advises that the following documents will be dispatched to Shareholders today, being Friday 27 October 2017:

- 2017 Notice of Annual General Meeting
- Proxy Form
- Annual Report (to those shareholders who have elected to receive it in hardcopy)

**The Notice of Annual General Meeting and a sample Proxy Form are attached on the following pages.*

For further information, please contact Andrew Bursill on +612 9299 9690.

Andrew Bursill
Company Secretary
Lake Resources NL



LAKE RESOURCES

LAKE RESOURCES N.L.

ACN 079 471 980

NOTICE OF ANNUAL GENERAL MEETING

TIME: 2.00pm (AEDT)

DATE: Thursday, 30 November 2017

PLACE: Level 8
Waterfront Place
1 Eagle Street
Brisbane QLD 4000

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary, using the contact details on page 31.

27 October 2017

Dear Shareholder

Annual General Meeting

On behalf of the Board, I am pleased to invite you to attend the Annual General Meeting of Lake Resources N.L. This will be held at 2.00pm (AEDT) on Thursday 30 November 2017 at:

Level 8
Waterfront Place
1 Eagle Street
Brisbane QLD 4000

Enclosed are the following documents:

- Notice of Meeting and Explanatory Statement;
- Proxy Form for the Annual General Meeting; and
- Annual Report for the year ended 30 June 2017, for those Shareholders who have requested a printed copy.

If you are unable to attend the Meeting, I encourage you to appoint a proxy, by following the instructions on page 3 of the Notice of Meeting. You may also provide questions or comments in advance of the Meeting, by contacting the Company Secretary, using the details set out on page 31 of the Notice.

Important Notice – 2017 Annual Report

Shareholders are reminded that the Annual Report is only mailed to those Shareholders who have elected to receive it in hard copy. The 2017 Annual Report can be viewed on the Company's website at <http://www.lakeresources.com.au/>

We look forward to seeing you at the Annual General Meeting.

Yours faithfully,



Stuart Crow
Non-Executive Chairman

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YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting on the date and at the place set out on page 5.

APPOINTING A PROXY

A Shareholder who is entitled to attend and vote at the Meeting may appoint a proxy to attend and vote at the Meeting on their behalf. A proxy does not need to be a Shareholder of Lake Resources.

If a Shareholder is entitled to cast two or more votes at the Meeting, the Shareholder may appoint two proxies and may specify the percentage or number of votes each proxy can exercise. If the proxy form does not specify the percentage or number of the Shareholder's votes that each proxy may exercise, each proxy may exercise half of the Shareholder's votes on a poll. Fractions will be disregarded.

To appoint a proxy online, go to www.linkmarketservices.com.au and click the 'Investor & Employee Login' button. You will need your HIN (holder identification number) or SRN (Shareholder Reference Number) to log in.

Alternatively, you can appoint a proxy by completing and signing the enclosed proxy form and sending the form to:

- (a) By Post: Lake Resources N.L., c/- Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235, Australia; or
- (b) By Fax: Link Market Services at (+61 2) 9287 0309.

All enquiries to: (+61) 1300 554 474

The deadline for receipt of proxy appointments is 2.00pm (AEDT) on 28 November 2017, being not later than 48 hours before the commencement of the Meeting.

Any Proxy appointments received later than this time will not be valid for the Meeting.

POWER OF ATTORNEY

If the proxy form is signed under a power of attorney on behalf of a Shareholder, then the attorney must make sure that either the original power of attorney or a certified copy is sent with the proxy form, unless the power of attorney has already been provided to the Share Registry.

CORPORATE REPRESENTATIVES

If a representative of a corporate Shareholder or a corporate proxy will be attending the Meeting, the representative should bring to the Meeting adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

An appointment of corporate representative form may be obtained from Link Market Services by calling: (+61) 1300 554 474 or online at:
<http://www.linkmarketservices.com.au/corporate/InvestorServices/Forms.html>

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting (**AGM**) of Shareholders of Lake Resources N.L. ("**Lake Resources**") will be held at Level 8, Waterfront Place, 1 Eagle Street, Brisbane, QLD 4000 at 2.00pm (AEDT) on Thursday, 30 November 2017. Registration will open at 1.30pm (AEDT).

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the AGM. Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

The Directors have determined under Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders of the Company at 7.00pm (AEDT) on 28 November 2017.

AGENDA

ADOPTION OF ANNUAL REPORT

To receive and consider the Annual Financial Report, the Directors' Report and the Auditor's Report for the year ended 30 June 2017.

Shareholders will be asked to consider, and if thought fit, to pass, with or without amendment, the Resolutions below, which will be proposed as Ordinary Resolutions:

1. RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

"To adopt the Lake Remuneration Report for the year ended 30 June 2017."

Voting Exclusion Statement

A vote must not be cast in any capacity by:

- A current or former member of the KMP whose remuneration details are included in the remuneration report for the year ended 30 June 2017, and
- Any Closely Related Parties of such member of the KMP.

In addition, no votes may be cast as a proxy by any other person who has become a member of the KMP by the time of the AGM, or their Closely Related Parties.

However, the Company need not disregard a vote cast as proxy for a person who is entitled to vote on Resolution 1 if:

- The vote is cast in accordance with the directions on the proxy form, specifying how the proxy is to vote on the Resolution; or
- The vote is cast by the Chairman of the Meeting and the proxy form authorises him to vote as he decides on the Resolution (even though it is connected with the remuneration of members of the KMP, including the Chairman).

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR STUART CROW

"That Mr Stuart Crow be re-elected as a Director of the Company."

3. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR NICHOLAS LINDSAY

"That Mr Nicholas Lindsay be re-elected as a Director of the Company."

4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SECURITIES UNDER ASX LISTING RULE 7.1

"That for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify and approve the issue of 1,539,250 unlisted options for the purposes and on the terms and conditions set out in the Explanatory Memorandum accompanying the Notice."

Voting Exclusion Statement

A vote must not be cast by:

- The persons listed in Section 1, Resolution 4, part (d) of the Explanatory Statement who participated in the issue; and
- Any associates of those persons.

However, the Company need not disregard a vote cast as proxy for a person who is entitled to vote on Resolution 4 if:

- The vote is cast in accordance with the directions on the proxy form, specifying how the proxy is to vote on the Resolution; or
- The vote is cast by the Chairman of the Meeting, in accordance with a direction on the proxy form, to vote as the proxy decides.

5. RESOLUTION 5(A) – RATIFICATION OF PRIOR ISSUE OF SECURITIES UNDER ASX LISTING RULE 7.1

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify and approve the issue of 5,100,697 ordinary shares for the purposes and on the terms and conditions set out in the Explanatory Memorandum accompanying the Notice.”

Voting Exclusion Statement

A vote must not be cast by:

- The persons listed in Section 1, Resolution 5(A), part (d) of the Explanatory Statement who participated in the issue; and
- Any associates of those persons.

However, the Company need not disregard a vote cast as proxy for a person who is entitled to vote on Resolution 5(A) if:

- The vote is cast in accordance with the directions on the proxy form, specifying how the proxy is to vote on the Resolution; or
- The vote is cast by the Chairman of the Meeting, in accordance with a direction on the proxy form, to vote as the proxy decides.

6. RESOLUTION 5(B) – RATIFICATION OF PRIOR ISSUE OF SECURITIES UNDER ASX LISTING RULE 7.1A

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify and approve the issue of 18,899,303 ordinary shares for the purposes and on the terms and conditions set out in the Explanatory Memorandum accompanying the Notice.”

Voting Exclusion Statement

A vote must not be cast by:

- The persons listed in Section 1, Resolution 5(B), part (d) of the Explanatory Statement who participated in the issue; and
- Any associates of those persons.

However, the Company need not disregard a vote cast as proxy for a person who is entitled to vote on Resolution 5(B) if:

- The vote is cast in accordance with the directions on the proxy form, specifying how the proxy is to vote on the Resolution; or
- The vote is cast by the Chairman of the Meeting, in accordance with a direction on the proxy form, to vote as the proxy decides.

7. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF SECURITIES UNDER ASX LISTING RULE 7.1

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify and approve the issue of 12,000,000 Listed Options for the purposes and on the terms and conditions set out in the Explanatory Memorandum accompanying the Notice.”

Voting Exclusion Statement

A vote must not be cast by:

- The persons listed in Section 1, Resolution 6, part (d) of the Explanatory Statement who participated in the issue; and
- Any associates of those persons.

However, the Company need not disregard a vote cast as proxy for a person who is entitled to vote on Resolution 6 if:

- The vote is cast in accordance with the directions on the proxy form, specifying how the proxy is to vote on the Resolution; or
- The vote is cast by the Chairman of the Meeting, in accordance with a direction on the proxy form, to vote as the proxy decides.

8. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF SECURITIES UNDER ASX LISTING RULE 7.1

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify and approve the issue of 4,850,000 Listed Options for the purposes and on the terms and conditions set out in the Explanatory Memorandum accompanying the Notice.”

Voting Exclusion Statement

A vote must not be cast by:

- The persons listed in Section 1, Resolution 7, part (d) of the Explanatory Statement who participated in the issue; and
- Any associates of those persons.

However, the Company need not disregard a vote cast as proxy for a person who is entitled to vote on Resolution 7 if:

- The vote is cast in accordance with the directions on the proxy form, specifying how the proxy is to vote on the Resolution; or
- The vote is cast by the Chairman of the Meeting, in accordance with a direction on the proxy form, to vote as the proxy decides.

9. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF SECURITIES UNDER ASX LISTING RULE 7.1

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify and approve the issue of 2,000,000 ordinary shares for the purposes and on the terms and conditions set out in the Explanatory Memorandum accompanying the Notice.”

Voting Exclusion Statement

A vote must not be cast by:

- The persons listed in Section 1, Resolution 8, part (d) of the Explanatory Statement who participated in the issue; and
- Any associates of those persons.

However, the Company need not disregard a vote cast as proxy for a person who is entitled to vote on Resolution 8 if:

- The vote is cast in accordance with the directions on the proxy form, specifying how the proxy is to vote on the Resolution; or
- The vote is cast by the Chairman of the Meeting, in accordance with a direction on the proxy form, to vote as the proxy decides.

10. RESOLUTION 9 – RATIFICATION OF PRIOR ISSUE OF SECURITIES UNDER ASX LISTING RULE 7.1

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify and approve the issue of 2,500,000 Listed Options for the purposes and on the terms and conditions set out in the Explanatory Memorandum accompanying the Notice.”

Voting Exclusion Statement

A vote must not be cast by:

- The persons listed in Section 1, Resolution 9, part (d) of the Explanatory Statement who participated in the issue; and
- Any associates of those persons.

However, the Company need not disregard a vote cast as proxy for a person who is entitled to vote on Resolution 9 if:

- The vote is cast in accordance with the directions on the proxy form, specifying how the proxy is to vote on the Resolution; or
- The vote is cast by the Chairman of the Meeting, in accordance with a direction on the proxy form, to vote as the proxy decides.

11. RESOLUTION 10 – APPROVAL OF ISSUE OF SHARES TO PETRA ENERGY SA

“That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue and allot 19,000,000 ordinary shares to Petra Energy S.A. or its nominee, for the purposes and on the terms and conditions set out in the Explanatory Memorandum accompanying the Notice.”

Voting Exclusion Statement

A vote must not be cast by:

- Petra Energy S.A., who will be receiving the shares; and
- Any associates of Petra Energy S.A.

However, the Company need not disregard a vote cast as proxy for a person who is entitled to vote on Resolution 10 if:

- The vote is cast in accordance with the directions on the proxy form, specifying how the proxy is to vote on the Resolution; or
- The vote is cast by the Chairman of the Meeting, in accordance with a direction on the proxy form, to vote as the proxy decides.

12. RESOLUTION 11 – APPROVAL OF GRANT OF OPTIONS TO STUART CROW

“That for the purposes of Chapter 2E of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to grant 3,000,000 options to Mr Stuart Crow or his nominee, with the terms and conditions as set out in the Explanatory Memorandum accompanying the Notice.”

Voting Exclusion Statement

A vote must not be cast by:

- Stuart Crow, who participated in the issue; and

- Any associates of Stuart Crow.

However, the Company need not disregard a vote cast as proxy for a person who is entitled to vote on Resolution 11 if:

- The vote is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- It is not cast on behalf of Stuart Crow, being a related party, or any associate of Stuart Crow

Any undirected proxies giving their vote to the Chairman to vote as he decides shall be excluded in accordance with s224 of the Corporations Act 2001.

13. RESOLUTION 12 – APPROVAL OF GRANT OF OPTIONS TO STEPHEN PROMNITZ

“That for the purposes of Chapter 2E of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to grant 5,000,000 options to Mr Stephen Promnitz or his nominee, with the terms and conditions as set out in the Explanatory Memorandum accompanying the Notice.”

Voting Exclusion Statement

A vote must not be cast by:

- Stephen Promnitz, who participated in the issue; and
- Any associates of Stephen Promnitz.

However, the Company need not disregard a vote cast as proxy for a person who is entitled to vote on Resolution 12 if:

- The vote is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- It is not cast on behalf of Stephen Promnitz, being a related party, or any associate of Stephen Promnitz
- The vote is cast by the Chairman of the Meeting and the proxy form authorises him to vote as he decides on the Resolution (even though it is connected with the remuneration of members of the KMP, including the Chairman).

14. RESOLUTION 13 – APPROVAL OF ISSUE OF GRANT OF OPTIONS TO NICHOLAS LINDSAY

“That for the purposes of Chapter 2E of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to grant 1,500,000 options to Mr Nicholas Lindsay or his nominee, with the terms and conditions as set out in the Explanatory Memorandum accompanying the Notice.”

Voting Exclusion Statement

A vote must not be cast by:

- Nicholas Lindsay, who participated in the issue; and
- Any associates of Nicholas Lindsay.

However, the Company need not disregard a vote cast as proxy for a person who is entitled to vote on Resolution 13 if:

- The vote is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- It is not cast on behalf of Nicholas Lindsay, being a related party, or any associate of Nicholas Lindsay

The vote is cast by the Chairman of the Meeting and the proxy form authorises him to vote as he decides on the Resolution (even though it is connected with the remuneration of members of the KMP, including the Chairman).

15. RESOLUTION 14 – APPOINTMENT OF AUDITOR

“That, subject to the resignation of Nexia Brisbane Audit Pty Ltd as auditor of the Company, Stanley Williamson, being qualified to act as auditor of the Company and having consented to act as auditor of the Company, be appointed as the auditor of the Company effective from the later to occur of the resignation of Nexia Brisbane Audit Pty Ltd and the date of the Meeting.”

Shareholders will be asked to consider, and if thought fit, to pass the Resolution below, which will be proposed as a Special Resolution:

16. RESOLUTION 15 – APPROVAL OF 10% CAPACITY TO ISSUE EQUITY SECURITIES

“That for the purposes of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of equity securities up to 10% of the issued capital in the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement.”

Voting Exclusion Statement

A vote must not be cast by:

- Persons who may participate in the proposed issue of the securities, and any persons who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares, if the resolution is passed; and
- Any associates of those persons.

However, the company need not disregard a vote cast as proxy for a person who is entitled to vote on resolution 15 if:

- The vote is cast in accordance with the directions on the proxy form, specifying how the proxy is to vote on the resolution; or
- The vote is cast by the chairman of the meeting, in accordance with a direction on the proxy form, to vote as the proxy decides.

DATED: 27 October 2017

BY ORDER OF THE BOARD



Andrew Bursill
Company Secretary
LAKE RESOURCES N.L.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held on 30 November 2017 at 2.00pm (AEDT).

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. ANNUAL REPORT

The business of the Meeting will include receipt and consideration of the Company's Annual Financial Report, the Directors' Report and the Auditor's Report for the year ended 30 June 2017, which are included in Lake Resource's Annual Report.

In accordance with the Corporations Act 2001, Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the Annual Report, and on the management of Lake Resources.

The Company's auditor will be present at the Meeting. During the discussion of this item, the auditor will be available to answer questions on the:

- Conduct of the audit;
- Preparation and content of the auditor's report;
- Accounting policies adopted by the company in relation to the preparation of the financial statements; and
- Independence of the auditor in relation to the conduct of the audit.

Written questions for the Auditor

If you would like to submit a written question about the content of the Auditor's Report or the conduct of the audit of the Annual Financial Report to the Company's auditor, please send your question to the Company Secretary. A list of qualifying questions will be made available at the Meeting.

Please note that all written questions must be received at least five business days before the Meeting that is by Thursday 23 November 2017.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

The Remuneration Report is set out in the Annual Report. The Remuneration Report details the Company's remuneration arrangements for the Directors and senior management of the Company.

S250R(2) of the Corporations Act requires that a resolution to adopt the Remuneration Report be put to the vote of the Company. Shareholders should note that the vote on Resolution 1 is advisory only and not binding on the Company or its Directors.

However, under the Corporations Act, if at least 25% of the votes cast on Resolution 1 are against the adoption of the Remuneration Report then:

- If comments are made on the Remuneration Report at the Meeting, Lake Resources 2017 Remuneration Report will be required to include an explanation of the Board's proposed action response or, if no action is proposed, the Board's reasons for this; and
- If, at next year's AGM, at least 25% of the votes cast on the resolution for adoption of the 2018 Remuneration Report are against it, Lake Resources will be required

to put to Shareholders a resolution proposing that an Extraordinary General Meeting (**EGM**) be called to consider the election of Directors (**Spill Resolution**). If the Spill Resolution is passed (i.e. More than 50% of the votes cast are in favour of it), all of the Directors (other than the Managing Director) will cease to hold office at the subsequent EGM, unless re-elected at that Meeting.

Last year, a resolution was passed to adopt the 2016 Remuneration Report, with in excess of 75% of votes cast in favour of the resolution on a show of hands (noting that in excess of 75% of proxies lodged were also in favour of the resolution).

In accordance with the Corporations Act, Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the Remuneration Report.

Board Recommendation: *The Remuneration Report forms part of the Directors' Report, which was approved in accordance with a unanimous resolution of the Board. Each Non-Executive Director recommends that Shareholders vote in favour of adopting the Remuneration Report.*

3. RE-ELECTION OF DIRECTORS

Rule 75.1(a) of the Constitution requires that a Director must retire at the third annual general meeting following their appointment or last re-election by Shareholders.

Rule 75.1(b) provides that if the Company has three or more Directors, one third of the Directors (rounded down to the nearest whole number) must retire at each annual general meeting.

Directors who retire under Rules 75.1(a) and 75.1(b) are eligible for re-election.

Rule 74.2 of the Constitution requires that a Director who was appointed as a Director during the year by the other Directors must retire at the next annual general meeting of the Company and is eligible for re-election.

RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR STUART CROW

Mr Crow, having being appointed as a Director since the last annual general meeting of the Company, retires as a Director in accordance with Rule 74.2 of the Constitution and, being eligible, now seeks re-election as a Director.

Brief Curriculum Vitae of Mr Stuart Crow

Non-Executive Director and Chairman

Experience and expertise

Mr Crow joined the Board of Lake Resources on 14 November 2016. Mr Crow has more than 30 years' experience in all aspects of corporate finance, stockbroking and investor relations in Australia and international markets, and has owned and operated his own businesses in these areas for the last sixteen years. He brings extensive working knowledge of capital markets to the Board. Mr Crow has a passion for assisting companies to gain and maintain recognition in the market.

Current Directorships of other listed companies

Todd River Resources Limited (ASX: TRT)

TNG Limited (ASX: TNG)

Ironridge Resources Limited (AIM: IRR)

Former Directorships of other listed companies in the last three years

None

Additional corporate governance disclosures

Mr Crow is a shareholder of the Company but is not a substantial shareholder and therefore the Board considers Mr Crow to be independent.

Special responsibilities

None

Board Recommendation: *The Directors (with Mr Crow abstaining) unanimously recommend the re-election of Mr Crow.*

RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR NICHOLAS LINDSAY

Mr Lindsay, having being appointed as a Director since the last annual general meeting of the Company, retires as a Director in accordance with Rule 74.2 of the Constitution and, being eligible, now seeks re-election as a Director.

Brief Curriculum Vitae of Mr Nicholas Lindsay

Non-Executive Director

Experience and expertise

Mr Lindsay joined the Board of Lake on 18 July 2017. Mr Lindsay has over 25 years' experience in Argentina, Chile and Peru in technical and commercial roles in the resources sector with major and mid-tier companies, as well as start-ups. Mr Lindsay has an 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. Mr Lindsay is currently CEO of Manuka Resources Ltd, an unlisted company, having previously held the position of President – Chilean Operations for Kingsgate Consolidated Ltd and is a member of the AusIMM and the AIG.

Current Directorships of other listed companies

None

Former Directorships of other listed companies in the last three years

None

Additional corporate governance disclosures

The Board considers Mr Lindsay to be an Independent Director.

Special responsibilities

None

Board Recommendation: *The Directors (with Mr Lindsay abstaining) unanimously recommend the re-election of Mr Lindsay.*

4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SECURITIES UNDER ASX LISTING RULE 7.1

Background

As part of the December Placement the Company issued 1,539,250 unlisted options (**Unlisted Options**) to intermediaries and financial arrangers as part of their fees for services provided to the Company as part of the share placement.

Shareholder approval is being sought to ratify the issue of the 1,539,250 Unlisted Options that were issued on 21 December 2016, which were issued under ASX Listing Rule 7.1.

ASX Listing Rule 7.1

ASX Listing Rule 7.1 restricts listed companies in relation to the number of equity securities that they can issue or agree to issue without shareholder approval. Generally, a listed company cannot, in any 12-month period, issue a number of equity

securities which is more than 15% of their fully paid ordinary shares on issue without shareholder approval (**15% limit**), unless an exception applies. The Company has not exceeded this 15% limit.

ASX Listing Rule 7.4

ASX Listing Rule 7.4 provides that where holders of ordinary securities approve a previous issue of securities made without approval under ASX Listing Rule 7.1, and provided that the previous issue of securities did not breach ASX Listing Rule 7.1, those securities shall be deemed to have been issued with Shareholder approval for the purposes of ASX Listing Rule 7.1.

Shareholder approval is now sought for the issues of securities set out below, pursuant to ASX Listing Rule 7.4, to partially reinstate the Company's capacity to issue up to 15% of its ordinary issued capital under ASX Listing Rule 7.1 over a 12 month period without seeking further shareholder approval.

Resolution 4

ASX Listing Rule 7.5 requires the following information to be provided to shareholders in relation to the Unlisted Options:

- (a) the number of securities issued was 1,539,250 Unlisted Options;
- (b) the Unlisted Options were issued for nil consideration;
- (c) the Unlisted Options have an expiry date of 14 June 2018 and an exercise price of \$0.10 per option;
- (d) the Unlisted Options were issued to APP Securities, Morgans and Bell Potter; In their role as intermediaries and financial arrangers;
- (e) no funds were raised from the issue of the Unlisted Options. The Unlisted Options were issued as payment to intermediaries and financial arrangers for services rendered in facilitating the December Placement;
- (f) a voting exclusion applies to this item of business, as set out in the Notice; and
- (g) other material terms and conditions of the Unlisted Options are set out in Annexure 1.

Directors' Recommendation: *The Directors unanimously recommend that shareholders vote in favour of ratifying the above issue of equity securities. This will enable the Company to retain the flexibility to issue further equity securities representing up to 15% of the Company's share capital under ASX Listing Rule 7.1 during a 12-month period without seeking further shareholder approval.*

5. RESOLUTION 5(A) AND 5(B) – RATIFICATION OF PRIOR ISSUE OF SECURITIES UNDER ASX LISTING RULE 7.1

Background

On 23 February 2017, the Company announced it had completed a successful capital raising ("**February Placement**"), issuing 24,000,000 ordinary shares, raising \$1,200,000 before costs.

Shareholder approval is being sought to ratify the issue of the 5,100,697 ordinary shares, which were issued under ASX Listing Rule 7.1 (**Resolution 5(A) Shares**).

Shareholder approval is being sought to ratify the issue of the 18,899,303 ordinary shares, which were issued under ASX Listing Rule 7.1A (**Resolution 5(B) Shares**).

ASX Listing Rule 7.1

ASX Listing Rule 7.1 restricts listed companies in relation to the number of equity securities that they can issue or agree to issue without shareholder approval. Generally, a listed company cannot, in any 12-month period, issue a number of equity securities which is more than 15% of their fully paid ordinary shares on issue without shareholder approval (**15% limit**), unless an exception applies. The Company has not exceeded this 15% limit.

ASX Listing Rule 7.1A

ASX Listing Rule 7.1A enables eligible entities to issue equity securities up to 10% of their issued capital through placements over a 12-month period after the date of an annual general meeting of Shareholders at which the Shareholders approved by special resolution the issue of securities under ASX Listing Rule 7.1A. This 10% placement capacity is in addition to the Company's 15% limit under ASX Listing Rule 7.1.

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

ASX Listing Rule 7.4

ASX Listing Rule 7.4 provides that where holders of ordinary securities approve a previous issue of securities made without approval under ASX Listing Rule 7.1, and provided that the previous issue of securities did not breach ASX Listing Rule 7.1, those securities shall be deemed to have been issued with Shareholder approval for the purposes of ASX Listing Rule 7.1.

Shareholder approval is now sought for the issues of securities set out below, pursuant to ASX Listing Rule 7.4, to partially reinstate the Company's capacity to issue up to 15% of its ordinary issued capital under ASX Listing Rule 7.1 and an additional 10% of its ordinary issued capital under ASX Listing Rule 7.1A, if required, over a 12 month period without seeking further Shareholder approval.

Resolution 5(A) – Ratification of Prior Issue of Securities Issued in accordance with ASX Listing Rule 7.1

ASX Listing Rule 7.5 requires the following information to be provided to shareholders in relation to the Ordinary Shares:

- (a) the number of securities issued was 5,100,697 Ordinary Shares;
- (b) the 5,100,697 Ordinary Shares were issued at \$0.05 per share;
- (c) the Ordinary Shares were issued to clients of APP Securities, Morgans and Bell Potter;
- (d) the funds raised will be used for general working capital purposes; and
- (e) a voting exclusion applies to this item of business, as set out in the Notice

Directors' Recommendation: *The Directors unanimously recommend that shareholders vote in favour of ratifying the above issue of equity securities. This will enable the Company to retain the flexibility to issue further equity securities representing up to 15% of the Company's share capital under ASX Listing Rule 7.1 during a 12-month period without seeking further shareholder approval.*

Resolution 5(B) – Ratification of Prior Issue of Securities Issued in accordance with ASX Listing Rule 7.1A

ASX Listing Rule 7.5 requires the following information to be provided to shareholders in relation to the Ordinary Shares:

- (a) the number of securities issued was 18,899,303 Ordinary Shares;
- (b) the 18,899,303 Ordinary Shares were issued at \$0.05 per share;
- (c) the Ordinary Shares were issued to clients of APP Securities, Morgans and Bell Potter;
- (d) the funds raised will be used for general working capital purposes; and
- (e) a voting exclusion applies to this item of business, as set out in the Notice

Directors' Recommendation: *The Directors unanimously recommend that Shareholders vote in favour of ratifying the above issue of equity securities. This will enable the Company to retain the flexibility to issue further equity securities representing up to 10% of the Company's share capital under ASX Listing Rule 7.1A during a 12 month period without seeking further Shareholder approval.*

6. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF SECURITIES UNDER ASX LISTING RULE 7.1

Background

As part of the February Placement the Company issued 12,000,000 listed options (**Listed Options**) as follows to the same sophisticated and professional investors that participated in the capital raising, with one Listed Option issued for every two fully paid Ordinary Shares.

Shareholder approval is being sought to ratify the issue of the 12,000,000 Listed Options that were issued on 27 February 2017, which were issued under ASX Listing Rule 7.1

ASX Listing Rule 7.1

ASX Listing Rule 7.1 restricts listed companies in relation to the number of equity securities that they can issue or agree to issue without shareholder approval. Generally, a listed company cannot, in any 12-month period, issue a number of equity securities which is more than 15% of their fully paid ordinary shares on issue without shareholder approval (**15% limit**), unless an exception applies. The Company has not exceeded this 15% limit.

ASX Listing Rule 7.4

ASX Listing Rule 7.4 provides that where holders of ordinary securities approve a previous issue of securities made without approval under ASX Listing Rule 7.1, and provided that the previous issue of securities did not breach ASX Listing Rule 7.1, those securities shall be deemed to have been issued with Shareholder approval for the purposes of ASX Listing Rule 7.1.

Shareholder approval is now sought for the issues of securities set out below, pursuant to ASX Listing Rule 7.4, to partially reinstate the Company's capacity to issue up to 15% of its ordinary issued capital under ASX Listing Rule 7.1 over a 12-month period without seeking further shareholder approval.

Resolution 6

ASX Listing Rule 7.5 requires the following information to be provided to shareholders in relation to the Listed Options:

- (a) The number of securities issued was 12,000,000 Listed Options;
- (b) The Listed Options were issued for nil consideration;
- (c) The Listed Options have an expiry date of 31 December 2017 and an exercise price of \$0.05 per option;
- (d) The Listed Options were issued to clients of APP Securities, Morgans and Bell Potter who participated in the Share Placement;
- (e) No funds were raised from the issue of the Listed Options. 12,000,000 Listed Options were issued to those participants of the capital raising;
- (f) A voting exclusion applies to this item of business, as set out in the Notice; and
- (g) Other material terms and conditions of the Listed Options are set out in Annexure 1.

Directors' Recommendation: *The Directors unanimously recommend that shareholders vote in favour of ratifying the above issue of equity securities. This will enable the Company to retain the flexibility to issue further equity securities representing up to 15% of the Company's share capital under ASX Listing Rule 7.1 during a 12 month period without seeking further shareholder approval.*

7. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF SECURITIES UNDER ASX LISTING RULE 7.1

Background

As part of the February Placement the Company issued 4,850,000 listed options (**Listed Options**) as consideration as fees for securing investors as part of the February Placement paid to intermediaries and financial arrangers.

Shareholder approval is being sought to ratify the issue of the 4,850,000 Listed Options that were issued on 27 February 2017, which were issued under ASX Listing Rule 7.1.

ASX Listing Rule 7.1

ASX Listing Rule 7.1 restricts listed companies in relation to the number of equity securities that they can issue or agree to issue without shareholder approval. Generally, a listed company cannot, in any 12-month period, issue a number of equity securities which is more than 15% of their fully paid ordinary shares on issue without shareholder approval (**15% limit**), unless an exception applies. The Company has not exceeded this 15% limit.

ASX Listing Rule 7.4

ASX Listing Rule 7.4 provides that where holders of ordinary securities approve a previous issue of securities made without approval under ASX Listing Rule 7.1, and provided that the previous issue of securities did not breach ASX Listing Rule 7.1, those securities shall be deemed to have been issued with Shareholder approval for the purposes of ASX Listing Rule 7.1.

Shareholder approval is now sought for the issues of securities set out below, pursuant to ASX Listing Rule 7.4, to partially reinstate the Company's capacity to issue up to

15% of its ordinary issued capital under ASX Listing Rule 7.1 over a 12-month period without seeking further shareholder approval.

Resolution 7

ASX Listing Rule 7.5 requires the following information to be provided to shareholders in relation to the Listed Options:

- (a) the number of securities issued was 4,850,000 Listed Options;
- (b) the Listed Options were issued for nil consideration;
- (c) the Listed Options have an expiry date of 31 December 2017 and an exercise price of \$0.05 per option;
- (d) the Listed Options were issued to APP Securities, Morgans and Bell Potter intermediaries and financial arrangers of the February Placement;
- (e) No funds were raised from the issue of the Listed Options. 4,850,000 Listed Options were issued as payment to brokers for services rendered in facilitating the February Placement as part of the fees to intermediaries and financial arrangers;
- (f) A voting exclusion applies to this item of business, as set out in the Notice; and
- (g) Other material terms and conditions of the Listed Options are set out in Annexure 1.

Directors' Recommendation: *The Directors unanimously recommend that shareholders vote in favour of ratifying the above issue of equity securities. This will enable the Company to retain the flexibility to issue further equity securities representing up to 15% of the Company's share capital under ASX Listing Rule 7.1 during a 12 month period without seeking further shareholder approval.*

8. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF SECURITIES UNDER ASX LISTING RULE 7.1

Background

As part of the February Placement the Company issued 2,000,000 ordinary shares (**Shares**) were issued in lieu of cash fees to service providers.

Shareholder approval is being sought to ratify the issue of the 2,000,000 Shares to service providers that were issued on 27 February 2017, which were issued under ASX Listing Rule 7.1

ASX Listing Rule 7.1

ASX Listing Rule 7.1 restricts listed companies in relation to the number of equity securities that they can issue or agree to issue without shareholder approval. Generally, a listed company cannot, in any 12-month period, issue a number of equity securities which is more than 15% of their fully paid ordinary shares on issue without shareholder approval (**15% limit**), unless an exception applies. The Company has not exceeded this 15% limit.

ASX Listing Rule 7.4

ASX Listing Rule 7.4 provides that where holders of ordinary securities approve a previous issue of securities made without approval under ASX Listing Rule 7.1, and provided that the previous issue of securities did not breach ASX Listing Rule 7.1,

those securities shall be deemed to have been issued with Shareholder approval for the purposes of ASX Listing Rule 7.1.

Shareholder approval is now sought for the issues of securities set out below, pursuant to ASX Listing Rule 7.4, to partially reinstate the Company's capacity to issue up to 15% of its ordinary issued capital under ASX Listing Rule 7.1 over a 12-month period without seeking further shareholder approval.

Resolution 8

ASX Listing Rule 7.5 requires the following information to be provided to shareholders in relation to the Shares:

- (a) the number of securities issued was 2,000,000 Shares;
- (b) the Shares were issued for nil consideration;
- (c) the Shares were issued to service providers of the Company in lieu of cash fees;
- (d) no funds were raised from the issue of the Shares; and
- (e) a voting exclusion applies to this item of business, as set out in the Notice.

Directors' Recommendation: *The Directors unanimously recommend that shareholders vote in favour of ratifying the above issue of equity securities. This will enable the Company to retain the flexibility to issue further equity securities representing up to 15% of the Company's share capital under ASX Listing Rule 7.1 during a 12 month period without seeking further shareholder approval.*

9. RESOLUTION 9 – RATIFICATION OF PRIOR ISSUE OF SECURITIES UNDER ASX LISTING RULE 7.1

Background

As part of the February Placement the Company issued 2,500,000 listed options (**Listed Options**) were issued in lieu of cash fees to service providers.

Shareholder approval is being sought to ratify the issue of the 2,500,000 Listed Options that were issued on 27 February 2017, which were issued under ASX Listing Rule 7.1

ASX Listing Rule 7.1

ASX Listing Rule 7.1 restricts listed companies in relation to the number of equity securities that they can issue or agree to issue without shareholder approval. Generally, a listed company cannot, in any 12-month period, issue a number of equity securities which is more than 15% of their fully paid ordinary shares on issue without shareholder approval (**15% limit**), unless an exception applies. The Company has not exceeded this 15% limit.

ASX Listing Rule 7.4

ASX Listing Rule 7.4 provides that where holders of ordinary securities approve a previous issue of securities made without approval under ASX Listing Rule 7.1, and provided that the previous issue of securities did not breach ASX Listing Rule 7.1, those securities shall be deemed to have been issued with Shareholder approval for the purposes of ASX Listing Rule 7.1.

Shareholder approval is now sought for the issues of securities set out below, pursuant to ASX Listing Rule 7.4, to partially reinstate the Company's capacity to issue up to 15% of its ordinary issued capital under ASX Listing Rule 7.1 over a 12-month period without seeking further shareholder approval.

Resolution 9

ASX Listing Rule 7.5 requires the following information to be provided to shareholders in relation to the Listed Options:

- (f) the number of securities issued was 2,500,000 Listed Options;
- (g) the Listed Options were issued for nil consideration;
- (h) the Listed Options have an expiry date of 31 December 2017 and an exercise price of \$0.05 per option;
- (i) the Listed Options were issued to service providers of the Company in lieu of cash fees;
- (j) no funds were raised from the issue of the Listed Options;
- (k) a voting exclusion applies to this item of business, as set out in the Notice; and
- (l) other material terms and conditions of the Listed Options are set out in Annexure 2.

Directors' Recommendation: *The Directors unanimously recommend that shareholders vote in favour of ratifying the above issue of equity securities. This will enable the Company to retain the flexibility to issue further equity securities representing up to 15% of the Company's share capital under ASX Listing Rule 7.1 during a 12 month period without seeking further shareholder approval.*

10. RESOLUTION 10 – APPROVAL OF ISSUE OF SHARES TO PETRA ENERGY S.A.

On 1 March 2017 the Company announced to the ASX that it had issued the first tranche of 1,000 000 shares to Petra Energy S.A. as part of an option agreement, to be fully paid in Lake Resource's shares, over a large block of approximately 72,000 Ha of exploration and some mining leases and applications over potential lithium bearing pegmatites and pegmatite swarms.

Resolution 10 seeks the approval of Shareholders to issue and allot 19,000,000 ordinary shares to Petra Energy S.A. further to the terms of the option agreement, being a right of exploration and in order to maintain the right to purchase mining property.

For the purposes of Shareholder approval for the issue of ordinary shares to Petra Energy S.A. and the requirements of Listing Rule 7.3 the following information is provided to Shareholders;

- (a) the name of the allottee is Petra Energy S.A. or its nominee;
- (b) the maximum number of Ordinary Shares to be issued is 19,000,000;
- (c) the Company intends to issue the new Shares for nil consideration;
- (d) the Shares will be issued no later than three (3) months after the date of the Meeting and it is intended that allotment will occur on the same date;
- (e) the Shares will rank equally with, and on the same terms as, the Company's then issued Shares;
- (f) no funds will be raised from the issue of the Shares.

Directors' Recommendation: *The Board recommends Shareholders vote in favour of approving the issue of shares to Petra Energy S.A.*

11. RESOLUTION 11, 12 & 13 - GRANT OF OPTIONS TO DIRECTORS

It is proposed that a total grant of 9,500,000 options is made to Mr Stuart Crow, Mr Stephen Promnitz and Mr Nicholas Lindsay (**Directors**). The options will have an expiry date of 31 December 2020, with the exercise price to be at 150% of the five day VWAP ending on the ASX business day immediately before the date of the AGM (**Options**).

ASX Listing Rule 10.11 states that an entity must not issue or agree to issue equity securities to any of the following persons without first receiving Shareholder approval:

- (a) a related party; or
- (b) a person whose relationship with the entity or a related party is, in the ASX's opinion, such that approval should be obtained.

A 'related party' for the purposes of the Corporations Act includes:

- (a) a Director of a public company; and
- (b) an entity controlled by a Director of a public company.

Accordingly the Directors are "related parties" to the Company.

Shareholder approval is sought for the grant of 9,500,000 Options to the Directors, or their nominees. These Options are proposed to be issued as additional compensation for assistance with the Company's recent success.

The Directors each have a material personal interest in the outcome of their relevant Resolution as it is proposed that Options be granted to them (or to their nominee).

For the purposes of ASX Listing Rule 10.13, the following information is provided to Shareholders:

- (a) the Options will be issued to the Directors, or their nominees;
- (b) the maximum number of Options that will be issued to each individual is detailed below:

Resolution	Name of Holder or Nominee	Number of Options
11	Stuart Crow	3,000,000
12	Stephen Promnitz	5,000,000
13	Nicholas Lindsay	1,500,000
	Total	9,500,000

- (c) the Company proposes to issue the Options immediately following the Meeting, but in any case no later than one month after the date of the Meeting;
- (d) the Options will be issued for no cash consideration. Any proceeds received from the exercise of the Options will be used to provide additional working capital to the Company and other operational expenses;
- (e) a voting exclusion statement is included in the notice of meeting; and
- (f) other material terms and conditions of the Options are set out at Annexure 3.

Chapter 2E of the Corporations Act Disclosures

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless the benefit falls within one of various exceptions to the general prohibition. Exceptions to this general prohibition include where the company first obtains the approval of its shareholder in general meeting, or the financial benefit being provided is on arm's length terms or better.

A “financial benefit” for the purposes of the Corporations Act includes issuing securities to a related party.

The proposed Resolutions 11, 12 and 13, if passed will confer financial benefits to the Directors. Therefore the Company seeks to obtain shareholder approval in accordance with the requirements of Chapter 2E of the Corporations Act, and for this reason, and for all other purposes, the following information is provided to Shareholders:

- (a) The related parties to whom Resolutions 11, 12 and 13 would permit the financial benefit to be given are the Directors of the Company;
- (b) The nature of the proposed financial benefit to be given is 9,500,000 Options with an expiry date of 31 December 2020, with the exercise price at 150% of the five day VWAP ending on the ASX business day immediately before the date of the AGM;
- (c) The Options, the subject of Resolutions 11, 12 and 13, will be issued for no cash consideration. Any proceeds received from the exercise of the Options will be used for working capital and other operational expenses;
- (d) As Resolutions 11, 12 and 13 relate to Directors’ remuneration, the Directors have refrained from making a recommendation in relation to these resolutions; and
- (e) Directors have the following interests and other remuneration:

Director (including associated entities)	2017 Financial Year Remuneration ***	Proposed 2018 Financial Year Remuneration ****
Stuart Crow*	\$69,000	\$151,310
Stephen Promnitz*	\$583,597	\$449,947
Nicholas Lindsay**	-	\$93,655
Total	\$652,597	\$1,162,412

* Appointed on 14 November 2016

** Appointed on 18 July 2017

*** Including the accrued value of the options proposed to be granted under Resolutions 11, 12 and 13.

**** Including the value of the options in excess of the amount accrued in the year ending 30 June 2017 proposed to be granted under Resolutions 11, 12 and 13.

If the Options, the subject of Resolutions 11, 12 and 13 are approved, the following will be the effect of their holdings in the Company:

Directors (including associated entities)	Current Share & Option Holding	Current % of Total Share & Option Capital	Share & Option Capital Upon Exercise*	% of Total Share & Option Capital Upon Exercise
Stuart Crow	2,534,600	0.89%	5,534,600	1.87%
Stephen Promnitz	10,008,126	3.50%	15,008,126	5.08%
Nicholas Lindsay	0	0.00%	1,500,000	0.51%
All Other Holders	273,339,550	95.61%	273,339,550	92.54%
Total	285,882,276	100.00%	295,382,276	100.00%

*This figure includes the Options proposed to be granted to the Directors under Resolutions 11, 12 and 13.

Assuming that none of the following current listed and unlisted options on issue are exercised per below:

- i. 19,350,000 listed options exercisable at \$0.10 each, expiring on 27 August 2018;
- ii. 25,000,000 Class A unlisted options exercisable at \$0.05 each, expiring on 4 April 2018;
- iii. 6,250,000 Class C unlisted options exercisable at \$0.05 and expiring 30 November 2018; and
- iv. 6,250,000 Class D unlisted options exercisable at \$0.05 and expiring 18 months after vesting condition is achieved in relation to approval for exploration of Jujuy Province (these options have not yet vested).

(f) Valuation

The Options that are the subject of Resolutions 11, 12 and 13 are not proposed to be quoted on the ASX and as such have no easily identifiable market value. Each Option grants the holder a right to subscribe for one Share upon exercise of each Option and payment of the exercise price described above. Accordingly, the Options may have a present value at the date of their grant.

The Options may acquire future value dependent upon the extent to which the market value of Shares exceeds the exercise price of the Options during the term of the Options.

As a general proposition, options to subscribe for ordinary fully paid shares in a company have value. Various factors impact upon the value of options including things such as:

The period outstanding before the expiry date of the options;

- the exercise price of the options relative to the underlying price or value of the securities into which they may be converted;
- the proportion of the issued capital as expanded consequent upon exercise represented by the shares issued upon exercise (i.e. Whether or not the shares that might be acquired upon exercise of the options represent a controlling or other significant interest);
- the value of the shares into which the options may be converted; and
- whether or not the options are listed (i.e. readily capable of being liquidated) and so on.

There are various formulae which can be applied to determining the theoretical value of options (including the formula known as the Black and Scholes option valuation methodology "Black-Scholes Model").

The Company has sought an independent valuation of the Options from Stantons International Securities (**SIS**). The method used to value the Options was the Black-Scholes Model, which is the most widely used and recognised model for pricing options. The value of an option calculated by the Black-Scholes Model is a function of the relationship between a number of variables, being the price of the underlying Share at the time of issue, the exercise price, the time to expiry, the risk-free interest rate, the volatility of the Company's underlying Share price and expected dividends.

The data relied upon in the valuation applying the Black-Scholes Model was:

- Exercise price of the Options, being 150% of the share price on the day that shareholder approval is received for the issue of the Options;
- Market price of Shares of 6.3 cents, being the last price of a listed Lake Resource's share, as at 11.30am on 29 September 2017 (last share price before valuation report) valuation as a proxy for the market price at the future date of issue, being the date of the General Meeting to approve the issue;

- options vesting on the date of issue, assumed to be 30 November 2017;
- expiry Date of 31 December 2020;
- volatility measure of 136%;
- risk-free interest rate of 3 year Australian Government bond of 2.148%; and
- dividend yield of 0.00%.

Based on the valuation, the Company has adopted an indicative value for the Options of 4.577 cents each, based on the assessed fair value of the Options as calculated in that report.

The total assessed valuation of the Options that are the subject of Resolutions 10, 11 and 12 is 4.577 cents per option of a total of \$434,815. It is noted that SIS has valued the Options to be in a range of values between 3.491 cents and 4.907 cents per Option, based on volatilities ranging from 100% to 150%.

- (g) Any other information that is reasonably required by Shareholders to make a decision and that is known to the Company or any of its Directors.

There is no other information known to the Company or any of the Directors save and except as follows:

(i) Opportunity Costs

The opportunity costs and benefits foregone by the Company issuing the Options to the Directors or their nominees, is the potential dilutionary impact on the issued Share capital of the Company (in the event that the Options are exercised). Until exercised, the issue of the Options will not impact upon the number of Shares on issue in the Company. To the extent that upon their exercise the dilutionary impact caused by the issue of the Shares will be detrimental to the Company, this is more than offset by the advantages accruing from the Company securing the services of experienced and skilled Directors on appropriate incentive terms. It is also considered that the potential increase of value in the Options is dependent upon a concomitant increase in the value of the Company generally.

(ii) Trading History of the Shares

As at 28 September 2017, the closing price of Shares on ASX was \$0.057 cents. Set out below is the trading history of the closing price of Shares over the past 6 months and 12 months period:

	Market Price 6 months prior to 28 September 2017 *	Market Prices 12 months prior to 28 September 2017 **
High	6.0 cents (high within the 6 months)	8.0 cents (high within the 12 months)
Low	3.2 cents (low within the 6 months)	3.2 cents (low within the 12 months)

*From 28 March 2017 – 28 September 2017

**From 28 September 2016 – 28 September 2017

(iii) Taxation Consequences

No stamp duty will be payable in respect of the grant of the Options. No GST will be payable by the Company in respect of the grant of the Options (or if it is then it will be recoverable as an input credit).

AASB 2 “Share Based Payments” requires that these payments shall be measured at the more readily determinable fair value of the equity instrument. Under the accounting standards this amount will be expensed in the statement of financial performance. Where the grant date and the vesting date are different the total expenditure calculated will be allocated between the two dates taking into account the terms and conditions attached to the instruments and the counterparties as well as management’s assumptions about probabilities of payments and compliance with and attainment of the set out terms and conditions.

(iv) Dilutionary Effect

The dilutionary effect on the Company and its shareholders is summarised in the table on page 21.

12. RESOLUTION 14 – APPOINTMENT OF AUDITOR

The Company’s current auditors are Nexia Brisbane Audit Pty Ltd. The Board of Directors have reviewed the current role of the auditor and decided to change the auditors to Stanley Williamson as the Company’s auditors based on their expertise and to reduce costs associated with the audit. The Board believes that the appointment of Stanley Williamson is in the best interests of the Company and its shareholders. The current auditor has applied to ASIC to resign as auditor.

The Directors propose that Stanley Williamson which are based in Sydney, be appointed as the Company’s auditor effective from the Meeting.

Mr Steve Promnitz, being a member of the Company, has nominated that Stanley Williamson be appointed as auditor. In accordance with section 328B(3) of the Corporations Act, a copy of the notice of nomination is included at the end of this Explanatory Statement.

If Resolution 14 is passed, the appointment of Stanley Williamson as the Company’s auditor will take effect at the later to occur of the resignation of the current auditor and the close of this General Meeting.

Board Recommendation: *The Directors unanimously recommend that Shareholders vote in favour of Resolution 14. This will enable the audit of the Company to be conducted in a more efficient manner with an auditor that is physically located in the same city as the Company.*

13. RESOLUTION 15 - APPROVAL OF 10% CAPACITY TO ISSUE EQUITY SECURITIES

ASX Listing Rule 7.1

ASX Listing Rule 7.1 restricts listed companies in relation to the number of equity securities that they can issue or agree to issue without shareholder approval. Generally, a listed company cannot, in any 12 month period, issue a number of equity securities which is more than 15% of their fully paid ordinary shares on issue without shareholder approval (**15% limit**), unless an exception applies. The Company has not exceeded this 15% limit.

ASX Listing Rule 7.1A

ASX Listing Rule 7.1A enables eligible entities to issue equity securities up to 10% of their issued capital through placements over a 12 month period after an annual general

meeting. This 10% placement capacity (**10% limit**) is in addition to the Company's 15% limit under ASX Listing Rule 7.1.

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

Shareholder Approval

Shareholder approval is now sought in accordance with ASX Listing Rule 7.1A to give the Company the ability to issue equity securities under the 10% limit. Resolution 14 must be passed as a Special Resolution, meaning that at least 75 per cent of the votes cast at the AGM must be in favour of Resolution 15.

Current Securities on Issue

As at the date of this Notice, the Company has the following classes and numbers of equity securities on issue:

Security Class	Number on Issue
Ordinary Shares	227,493,026
Listed Options, exercise price \$0.10, expiry date 27 August 2018	19,350,000
Unlisted Class A Options, exercise price \$0.05, expiry date 04/04/2018	25,000,000
Unlisted Class C Options, exercise price \$0.05, expiry date 30/11/2018	6,250,000
Unlisted Class D Options, exercise price \$0.05, expiry date 18 months are vesting condition met	6,250,000
Unlisted Options, exercise price \$0.10, expiry date 14/06/2018	1,539,250
Performance Rights Tranche 3, expiry 04/10/2021	12,500,000
Performance Rights LTI, expiry 14/11/2021	8,500,000
Total	306,882,276

Duration of Approval of 10% Limit

Shareholder approval of the 10% limit under ASX Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) The date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) The date of the approval by shareholders of a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking),

(the **period of approval**).

Formula for Calculation of 10% Limit

The exact number of equity securities to be issued under the 10% limit will be determined in accordance with the following formula, which is prescribed in ASX Listing Rule 7.1A.2:

Eligible entities which have obtained shareholder approval at an Annual General Meeting may issue or agree to issue, during the period of approval, a number of equity securities calculated in accordance with the following formula:

(A x D) – E

A Is the number of shares on issue 12 months before the date of issue or agreement:

- Plus the number of fully paid ordinary shares issued in the 12 months under an exception in ASX Listing Rule 7.2;
- Plus the number of partly paid ordinary shares that became fully paid in the 12 months;
- Plus the number of fully paid ordinary shares issued in the 12 months with approval of holders of shares under ASX Listing Rule 7.1 or ASX Listing Rule 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% limit without shareholder approval;
- Less the number of fully paid ordinary shares cancelled in the 12 months.

Note that A has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% limit.

D Is 10%

E Is the number of equity securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under ASX Listing Rule 7.1 or ASX Listing Rule 7.4.

ASX Listing Rule 7.3A requires the following information to be provided to Shareholders:

(a) Minimum Price

The issue price of equity securities issued under ASX Listing Rule 7.1A must be not less than 75% of the VWAP of the Company's equity securities in the same class, calculated over the 15 Trading Days immediately before:

- (i) The date on which the price at which the equity securities are to be issued is agreed; or
- (ii) If the equity securities are not issued within five trading days of the date in paragraph (i) above, the date on which the equity securities are issued.

(b) Risk of Voting Dilution

If Resolution 15 is approved by Shareholders and the Company issues equity securities under the 10% limit, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:

- (i) The market price for the Company's equity securities may be significantly lower on the date of the issue of the equity securities than on the date of the Meeting; and
- (ii) The equity securities may be issued at a price that is at a discount to the market price for the Company's equity securities on the issue date or the equity securities are issued as part of the consideration for the acquisition of a new asset;

which may have an effect on the amount of funds raised by the issue of the equity securities.

The below table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of Shares for variable 'A', calculated in accordance with the formula in ASX Listing Rule 7.1A(2), as at the date of this Notice.

The table also shows:

- (i) Two examples where variable 'A' has increased, by 50% and 100%. Variable 'A' is based on the number of Shares the Company currently has on issue. The number of Shares on issue may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) Two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in ASX Listing Rule 7.1A.2		Dilution		
		\$0.027 50% decrease in Issue Price	\$0.054 Issue Price	\$0.108 100% increase in Issue Price
Current Variable 'A'	10% Voting Dilution	22,749,303 Shares	22,749,303 Shares	22,749,303 Shares
227,493,026	Funds Raised \$	\$614,231	\$1,228,462	\$2,456,925
50% increase in current variable 'A'	10% Voting Dilution	34,123,954 Shares	34,123,954 Shares	34,123,954 Shares
341,239,539	Funds Raised \$	\$921,347	\$1,842,694	\$3,685,387
100% increase in current variable 'A'	10% Voting Dilution	45,498,605 Shares	45,498,605 Shares	45,498,605 Shares
454,986,052	Funds Raised \$	\$1,228,462	\$2,456,925	\$4,913,849

The above table has been prepared on the following assumptions:

- (i) the Company issues the maximum number of equity securities available under the 10% limit.
- (ii) no Options are exercised into Shares before the date of the issue of equity securities.
- (iii) the 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) the table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% limit, based on that Shareholder's holding at the date of the Meeting;
- (v) the table shows only the effect of issue of equity securities under ASX Listing Rule 7.1A, not under the 15% limit under ASX Listing Rule 7.1;
- (vi) the issue of equity securities under the 10% limit consists only of Shares.
- (vii) the issue price is \$0.054 being the closing market price of the Shares on the ASX on 7 September 2017.

(c) Period of Approval

The Company will only issue and allot the equity securities during the period of approval. The approval under Resolution 14 for the issue of the equity securities will cease to be valid in the event that Shareholders approve a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking).

(d) Purpose of Issue under 10% Limit

The Company may seek to issue the equity securities for the following purposes:

- (i) non-cash consideration for the acquisition of assets such as mineral exploration tenements, or a business or company holding mineral exploration tenements. In such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3; or
- (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A(4) and 3.10.5A upon issue of any equity securities.

(e) Allocation Policy

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% limit. The identity of the allottees of equity securities will be determined on a case by case basis, having regard to the factors including but not limited to the following:

- (i) the purpose of the issue;
- (ii) the alternative methods for raising funds that are available to the company at the time, including but not limited to, rights issues or other issues in which existing security holders can participate;
- (iii) the effect of the issue of the equity securities on the control of the company;
- (iv) the circumstances of the company, including the financial position and solvency of the company; and
- (v) advice from corporate, financial and broking advisers (if available).

The allottees under the 10% limit have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

(f) Voting Exclusion Statement

A voting exclusion applies to this item of business, as set out in the Notice.

At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder to participate in the issue of the equity securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in this Notice.

(g) Previous Approval under ASX Listing Rule 7.1A

The Company previously obtained Shareholder approval under ASX Listing Rule 7.1A at the Company's Annual General Meeting on 4 October 2016.

During the 12 months since the last Annual General Meeting (**preceding 12 month period**):

- (i) The Company has issued in aggregate the following equity securities:
 - 131,616,992 Ordinary Shares
 - 19,350,000 Listed Options
 - 51,539,250 Unlisted Options
 - 58,500,00 Performance Rights
- (ii) Those equity securities issues during the preceding 12 month period represent, on a fully diluted basis, 320.08% of the total number of equity securities that were issued on the first day of the preceding 12 month period.

Further details of the equity issued during the preceding 12 month period are set out in Annexure 4.

Board Recommendation: *The Directors unanimously recommend that Shareholders vote in favour of approving the 10% limit. This will enable the Company to have the flexibility to issue further equity securities representing up to 15% of the Company's share capital under ASX Listing Rule 7.1 and an additional 10% of the Company's share capital under ASX Listing Rule 7.1A during a 12 month period without seeking further Shareholder approval.*

14. ENQUIRIES

Shareholders may contact the Company Secretary if they have any queries in respect of the matters set out in these documents.

Andrew Bursill
Company Secretary

Lake Resources N.L.
c/- Franks & Associates Pty Limited
GPO Box 4325
Sydney, NSW 2001

Tel: (+61 2) 9299 9690
Fax: (+61 2) 9299 9629
Email: abursill@fa.com.au

15. GLOSSARY

AEDT means Australian Eastern Daylight Time, Sydney, New South Wales.

Annual General Meeting, AGM or Meeting means the meeting convened by the Notice.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 079 471 980).

ASX Listing Rules means the Listing Rules of ASX.

Board means the Board of Directors of the Company as constituted from time to time.

Business Day has the meaning given to that term in ASX Listing Rule 19.12.

Closely Related Parties, in relation to a member of KMP, means the member's spouse, child or dependant (or a child or dependant of the member's spouse), anyone else in the member's family who may be expected to influence or be influenced by the member in the member's dealings with Lake (or the Lake Group), and any company the member controls.

Company or Lake Resources means Lake Resources N.L. (ABN 98 128 256 888).

Constitution means the Constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Directors mean the Directors of the Company.

Documents means each of the Notice, Explanatory Statement and the Proxy Form and all other documents that accompany each other when sent to each Shareholder.

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel or KMP means those persons having authority and responsibility for planning, directing and controlling the activities of Lake or the Lake Group, whether directly or indirectly. Members of the KMP include Directors and certain senior executives.

Notice means the notice of Meeting that accompanies and forms part of the Documents.

Option means an option, if exercised in accordance with its terms, to acquire one Share in the Company.

Ordinary Resolution means a resolution passed by more than 50 per cent of the votes at a general meeting of Shareholders.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Share Registry means Link Market Services

Special Resolution means a resolution passed by at least 75 per cent of the votes at a general meeting of Shareholders.

Trading Day has the meaning given to that term in ASX Listing Rule 19.12.

VWAP means the volume weighted average price of trading in Shares on the ASX market and the Chi-X market over a specified period, excluding block trades, large portfolio trades, permitted trades during the pre-trading hours period, permitted trades during the post-trading hours period, out of hours trades and exchange traded option exercises.

Interpretation

In these Documents, unless the context requires otherwise:

- (a) a reference to a word includes the singular and the plural of the word and vice versa;
- (b) a reference to a gender includes any gender;
- (c) if a word or phrase is defined, then other parts of speech and grammatical forms of that word or phrase have a corresponding meaning;
- (d) a term which refers to a natural person includes a company, a partnership, an association, a corporation, a body corporate, a joint venture or a governmental agency;
- (e) headings are included for convenience only and do not affect interpretation;
- (f) a reference to a document includes a reference to that document as amended, novated, supplemented, varied or replaced;
- (g) a reference to a thing includes a part of that thing and includes but is not limited to a right;
- (h) the terms “included”, “including” and similar expressions when introducing a list of items do not exclude a reference to other items of the same class or genus;
- (i) a reference to a statute or statutory provision includes but is not limited to:
 - (i) a statute or statutory provision which amends, extends, consolidates or replaces the statute or statutory provision;
 - (ii) a statute or statutory provision which has been amended, extended, consolidated or replaced by the statute or statutory provision; and
 - (iii) subordinate legislation made under the statute or statutory provision including but not limited to an order, regulation, or instrument;
- (j) reference to “\$”, “A\$”, “Australian Dollars” or “dollars” is a reference to the lawful tender for the time being and from time to time of the Commonwealth of Australia; and
- (k) a reference to an asset includes all property or title of any nature including but not limited to a business, a right, a revenue and a benefit, whether beneficial, legal or otherwise.

UNLISTED OPTIONS – TERMS AND CONDITIONS

1. Entitlement

Each Option (together **Options**) entitles the holder to subscribe for and be issued one fully paid ordinary share (**Share**) in the capital of Lake Resources N.L. (**Company**) upon exercise of each Option. The date of issue of that Option will hereafter be referred to as the **Issue Date**.

2. Exercise Price and Expiry Date

- (a) The Exercise Price of the Options is \$0.10
- (b) The Expiry Date of the Options is 14 June 2018.

3. Exercise Period and Vesting Date

- (a) Subject to the Change of Control provisions below, each Option is exercisable at any time after the latter of the date of grant of the Option and the vesting date (if applicable) and before the Expiry Date.
- (b) Notwithstanding that the Expiry Date has not occurred, each Option that has not already vested as outlined above will expire on that date which is the earlier of the date the Option holder ceases to be employed, engaged as a consultant or appointed as an executive Director of the Company because of:
 - (i) if the holder is an employee, the date the holder is dismissed from employment with the Company for gross misconduct;
 - (ii) if the holder is a consultant, the date the holder's appointment is terminated for gross misconduct;
 - (iii) if the holder is a Director, the date the holder is disqualified from holding the office of Director;
 - (iv) retirement;
 - (v) voluntary cessation; or
 - (vi) by mutual agreement (unless the Board resolves otherwise),
 and thereafter no party has any claim against any other party arising under or in respect of any Option.
- (c) If a Change in Control Event occurs in respect of the Company, all Options that have been issued but have not yet vested, will immediately thereupon vest.
- (d) A **Change in Control Event** means:
 - (i) the occurrence of:
 - (A) the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of 50.1% or more in number of the Shares; and
 - (B) that takeover bid has become unconditional (except any condition in relation to the cancellation or exercise of the Options); or
 - (ii) the announcement by the Company that:
 - (A) shareholders of the Company have at a Court convened meeting of shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Shares are to be either:
 - (1) cancelled; or
 - (2) transferred to a third party; and
 - (B) the Court, by order, approves the proposed scheme of arrangement.

4. **Notice of Exercise**

The Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt by the Company of that Notice of Exercise.

5. **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with all other issued Shares.

6. **Quotation of Shares on exercise**

Application will be made by the Company to ASX for official quotation of the Shares issued promptly after the exercise of the Options.

7. **Timing of issue of Shares**

Within fifteen Business Days after the later to occur of:

- (a) Receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised by the Company (each an Exercised Option) where the Company is not in possession of any excluded information (as defined in section 708A(7) of the Corporations Act) (Excluded Information); and
- (b) The date upon which the Company ceases to be in possession of Excluded Information in respect to the Company following the receipt of the Notice of Exercise and payment of the Exercise Price for each Exercised Option being exercised by the Company,
- (c) The Company will:
 - (i) Issue the Shares pursuant to the exercise of the Exercised Options;
 - (ii) Give ASX a notice that complies with section 708A(5)(e) of the Corporations Act or lodge a prospectus with ASIC that qualifies the Shares for resale under section 708A(11) of the Corporations Act; and
 - (iii) Apply for official quotation on ASX of Shares issued pursuant to the exercise of the Exercised Options.

8. **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders of Options will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.

However, the Company will ensure that for the purposes of determining entitlements to any such issue, the holders of the Options will be afforded the minimum period of notice prescribed under the Listing Rules prior to and inclusive of the books closing date (to determine entitlements to the issue) in order to give the holders of Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

9. **Pro-rata Issues**

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

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

$$N + 1$$

Where:

$$O^n = \text{the new exercise price of the Option;}$$

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

10. Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other Securities to existing shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):

- (a) The number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received as if the Option holder had exercised the Option before the record date for the bonus issue; and
- (b) No change will be made to the Exercise Price.

11. Adjustment organisation

If there is any reconstruction of the issued share capital of the Company, the rights of the Option holders will, be varied to the extent necessary to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

12. Quotation of Options

- (a) No application for official quotation of the Options will be made by the Company; and
- (b) The Company shall apply for the listing of the resultant shares of the Company issued upon exercise of any Option.

16. Options Transferable

The Options are transferable provided that the transfer of Options complies with section 707(3) of the Corporations Act.

17. Lodgment Instructions

Cheques payable in respect of the exercise of any right attaching to an Option shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of Options with the appropriate remittance should be lodged at the Company's registry.

LISTED OPTIONS – TERMS AND CONDITIONS

1. Entitlement

Each Option (together **Options**) entitles the holder to subscribe for and be issued one fully paid ordinary share (**Share**) in the capital of Lake Resources N.L. (**Company**) upon exercise of each Option. The date of issue of that Option will hereafter be referred to as the **Issue Date**.

2. Exercise Price and Expiry Date

- (a) The Exercise Price of the Options is as per the Option holding statement.
- (b) The Expiry Date of the Options is the earlier to occur of the Options expiry date as noted on the Option holding statement and 30 days after a Change in Control Event.

3. Exercise Period and Vesting Date

- (a) Subject to the Change of Control provisions below, each Option is exercisable at any time after the latter of the date of grant of the Option and the vesting date (if applicable) and before the Expiry Date.
- (b) Notwithstanding that the Expiry Date has not occurred, each Option that has not already vested as outlined above will expire on that date which is the earlier of the date the Option holder ceases to be employed, engaged as a consultant or appointed as an executive director of the Company because of:
 - (i) If the holder is an employee, the date the holder is dismissed from employment with the Company for gross misconduct;
 - (ii) If the holder is a consultant, the date the holder's appointment is terminated for gross misconduct;
 - (iii) If the holder is a director, the date the holder is disqualified from holding the office of director;
 - (iv) Retirement;
 - (v) Voluntary cessation; or
 - (vi) By mutual agreement (unless the Board resolves otherwise),
and thereafter no party has any claim against any other party arising under or in respect of any Option.
- (c) If a Change in Control Event occurs in respect of the Company, all Options that have been issued but have not yet vested, will immediately thereupon vest.
- (d) A **Change in Control Event** means:
 - (vii) the occurrence of:
 - (A) the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of 50.1% or more in number of the Shares; and
 - (B) that takeover bid has become unconditional (except any condition in relation to the cancellation or exercise of the Options); or
 - (viii) the announcement by the Company that:
 - (C) shareholders of the Company have at a Court convened meeting of shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Shares are to be either:
 - (1) Cancelled; or

- (2) Transferred to a third party; and
(D) the Court, by order, approves the proposed scheme of arrangement.

4. Notice of Exercise

The Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt by the Company of that Notice of Exercise.

5. Shares Issued on Exercise

Shares issued on exercise of the Options rank equally with all other issued Shares.

6. Quotation of Shares on Exercise

Application will be made by the Company to ASX for official quotation of the Shares issued promptly after the exercise of the Options.

7. Timing of Issue of Shares

Within fifteen Business Days after the later to occur of:

- (a) Receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised by the Company (each an **Exercised Option**) where the Company is not in possession of any excluded information (as defined in section 708A(7) of the Corporations Act) (**Excluded Information**); and
- (b) The date upon which the Company ceases to be in possession of Excluded Information in respect to the Company following the receipt of the Notice of Exercise and payment of the Exercise Price for each Exercised Option being exercised by the Company,

the Company will:

- (c) Issue the Shares pursuant to the exercise of the Exercised Options;
- (d) Give ASX a notice that complies with section 708A(5)(e) of the Corporations Act or lodge a prospectus with ASIC that qualifies the Shares for resale under section 708A(11) of the Corporations Act; and apply for official quotation on ASX of Shares issued pursuant to the exercise of the Exercised Options.

8. Participation in New Issues

There are no participation rights or entitlements inherent in the Options and holders of Options will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.

However, the Company will ensure that for the purposes of determining entitlements to any such issue, the holders of the Options will be afforded the minimum period of notice prescribed under the Listing Rules prior to and inclusive of the books closing date (to determine entitlements to the issue) in order to give the holders of Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

9. Pro-rata Issues

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

$$O^n = O - E \frac{[P - (S + D)]}{N + 1}$$

$$N + 1$$

Where:

O^n = the new exercise price of the Option;

O = the old exercise price of the Option;

E = the number of underlying securities into which one 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 Option shall remain unchanged.

10. Adjustment for Bonus Issues of Shares

If the Company makes a bonus issue of Shares or other Securities to existing shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):

(a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received as if the Option holder had exercised the Option before the record date for the bonus issue; and

(b) no change will be made to the Exercise Price.

11. Adjustment Re-organisation

If there is any reconstruction of the issued share capital of the Company, the rights of the Option holders will, be varied to the extent necessary to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

12. Quotation of Options

(a) No application for official quotation of the Options will be made by the Company.

(b) The Company shall apply for the listing of the resultant shares of the Company issued upon exercise of any Option.

13. Options Transferable

The Options are only transferable subject to the prior approval of the Board of Directors of the Company and only then provided that the transfer of Options complies with section 707(3) of the Corporations Act.

14. Lodgment Instructions

Cheques payable in respect of the exercise of any right attaching to an Option shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of Options with the appropriate remittance should be lodged at the Company's registry.

UNLISTED OPTIONS – TERMS AND CONDITIONS

12. Entitlement

Each Option (together **Options**) entitles the holder to subscribe for and be issued one fully paid ordinary share (**Share**) in the capital of Lake Resources N.L. (**Company**) upon exercise of each Option. The date of issue of that Option will hereafter be referred to as the **Issue Date**.

13. Exercise Price and Expiry Date

- (c) The Exercise Price of the Options is 150% VWAP on day before the issue of the Options
- (d) The Expiry Date of the Options is 31 December 2020.

14. Exercise Period and Vesting Date

- (a) Subject to the Change of Control provisions below, each Option is exercisable at any time after the latter of the date of grant of the Option and the vesting date (if applicable) and before the Expiry Date.
- (b) Notwithstanding that the Expiry Date has not occurred, each Option that has not already vested as outlined above will expire on that date which is the earlier of the date the Option holder ceases to be employed, engaged as a consultant or appointed as an executive Director of the Company because of:
 - (i) if the holder is an employee, the date the holder is dismissed from employment with the Company for gross misconduct;
 - (ii) if the holder is a consultant, the date the holder's appointment is terminated for gross misconduct;
 - (iii) if the holder is a Director, the date the holder is disqualified from holding the office of Director;
 - (iv) retirement;
 - (v) voluntary cessation; or
 - (vi) by mutual agreement (unless the Board resolves otherwise),
 and thereafter no party has any claim against any other party arising under or in respect of any Option.
- (c) If a Change in Control Event occurs in respect of the Company, all Options that have been issued but have not yet vested, will immediately thereupon vest.
- (d) A **Change in Control Event** means:
 - (i) the occurrence of:
 - (A) the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of 50.1% or more in number of the Shares; and
 - (B) that takeover bid has become unconditional (except any condition in relation to the cancellation or exercise of the Options); or
 - (ii) the announcement by the Company that:
 - (A) shareholders of the Company have at a Court convened meeting of shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Shares are to be either:
 - (1) cancelled; or
 - (2) transferred to a third party; and

- (B) the Court, by order, approves the proposed scheme of arrangement.

15. Notice of Exercise

The Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt by the Company of that Notice of Exercise.

16. Shares issued on exercise

Shares issued on exercise of the Options rank equally with all other issued Shares.

17. Quotation of Shares on exercise

Application will be made by the Company to ASX for official quotation of the Shares issued promptly after the exercise of the Options.

18. Timing of issue of Shares

Within fifteen Business Days after the later to occur of:

- (d) Receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised by the Company (each an Exercised Option) where the Company is not in possession of any excluded information (as defined in section 708A(7) of the Corporations Act) (Excluded Information); and
- (e) The date upon which the Company ceases to be in possession of Excluded Information in respect to the Company following the receipt of the Notice of Exercise and payment of the Exercise Price for each Exercised Option being exercised by the Company,
- (f) The Company will:
 - (i) Issue the Shares pursuant to the exercise of the Exercised Options;
 - (ii) Give ASX a notice that complies with section 708A(5)(e) of the Corporations Act or lodge a prospectus with ASIC that qualifies the Shares for resale under section 708A(11) of the Corporations Act; and
 - (iii) Apply for official quotation on ASX of Shares issued pursuant to the exercise of the Exercised Options.

19. Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders of Options will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.

However, the Company will ensure that for the purposes of determining entitlements to any such issue, the holders of the Options will be afforded the minimum period of notice prescribed under the Listing Rules prior to and inclusive of the books closing date (to determine entitlements to the issue) in order to give the holders of Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

20. Pro-rata Issues

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

$$O^n = O - E \frac{P - (S + D)}{N + 1}$$

$$N + 1$$

Where:

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

21. Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other Securities to existing shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):

- (c) The number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received as if the Option holder had exercised the Option before the record date for the bonus issue; and
- (d) No change will be made to the Exercise Price.

22. Adjustment organisation

If there is any reconstruction of the issued share capital of the Company, the rights of the Option holders will, be varied to the extent necessary to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

12. Quotation of Options

- (c) No application for official quotation of the Options will be made by the Company; and
- (d) The Company shall apply for the listing of the resultant shares of the Company issued upon exercise of any Option.

18. Options Transferable

The Options are transferable provided that the transfer of Options complies with section 707(3) of the Corporations Act.

19. Lodgment Instructions

Cheques payable in respect of the exercise of any right attaching to an Option shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of Options with the appropriate remittance should be lodged at the Company's registry.

ANNEXURE 4 - PARTICULARS OF ISSUES OF EQUITY SECURITIES IN PRECEDING 12 MONTH PERIOD

Date	Class of equity securities issued	Allottees of equity securities issued or basis of allotment	Issue Price per equity security	Discount to market price (if any)	Total cash consideration raised	Amount of cash consideration spent, what it was spent on and proposed application of balance of funds raised	Particulars of any non-cash consideration raised and its current value	No. of Ordinary Shares Issued	No. of Options Issued
14 November 2016	Ordinary Shares	Share Placement to Sophisticated & Professional Investors	\$0.02	\$0.03	\$500,000	Used for exploration and to supplement existing working capital	N/A	25,000,000	N/A
14 November 2016	Ordinary Shares	Issue of shares to shareholders of Lith NRG Pty Ltd as consideration for acquisition of that company	N/A	N/A	N/A	N/A	Vendor consideration for acquisition of Lith NRG	50,000,000	N/A
14 November 2016	Ordinary Shares	Issue to Loan Providers in lieu of interest payment	N/A	N/A	N/A	N/A	In lieu of interest payment to loan providers	2,000,000	N/A
14 November 2016	Unlisted Class A Options	Issue of options to shareholders of Lith NRG Pty Ltd as consideration for acquisition of that company	N/A	N/A	N/A	N/A	Vendor consideration for acquisition of Lith NRG	N/A	25,000,000

Date	Class of equity securities issued	Allottees of equity securities issued or basis of allotment	Issue Price per equity security	Discount to market price (if any)	Total cash consideration raised	Amount of cash consideration spent, what it was spent on and proposed application of balance of funds raised	Particulars of any non-cash consideration raised and its current value	No. of Ordinary Shares Issued	No. of Options Issued
14 November 2016	Unlisted Class B Options	Issue of options to shareholders of Lith NRG Pty Ltd as consideration for acquisition of that company	N/A	N/A	N/A	N/A	Vendor consideration for acquisition of Lith NRG	N/A	12,500,000
14 November 2016	Unlisted Class C Options	Issue of options to shareholders of Lith NRG Pty Ltd as consideration for acquisition of that company	N/A	N/A	N/A	N/A	Vendor consideration for acquisition of Lith NRG	N/A	6,250,000
14 November 2016	Unlisted Class D Options	Issue of options to shareholders of Lith NRG Pty Ltd as consideration for acquisition of that company	N/A	N/A	N/A	N/A	Vendor consideration for acquisition of Lith NRG	N/A	6,250,000
21 December 2016	Ordinary Shares	Share Placement to Sophisticated & Professional Investors	\$0.065	None	\$1,050,000	Used for exploration and to supplement existing working capital	N/A	16,116,992	N/A

Date	Class of equity securities issued	Allottees of equity securities issued or basis of allotment	Issue Price per equity security	Discount to market price (if any)	Total cash consideration raised	Amount of cash consideration spent, what it was spent on and proposed application of balance of funds raised	Particulars of any non-cash consideration raised and its current value	No. of Ordinary Shares Issued	No. of Options Issued
21 December 2016	Unlisted Options	Issue of options to intermediaries and financial managers as consideration as fees for securing investors for the share placement	N/A	N/A	N/A	N/A	N/A	N/A	1,539,250
27 February 2017	Ordinary Shares	Share Placement to Sophisticated & Professional Investors	\$0.05	N/A	\$1,200,000	Used for exploration and to supplement existing working capital	N/A	24,000,000	N/A
27 February 2017	Ordinary Shares	Issue of shares to intermediaries and financial managers as consideration as fees for securing investors for the share placement	\$0.00	\$0.05	N/A	N/A	N/A	2,000,000	N/A
27 February 2017	Listed Options	Issued to participants of share placement	N/A	N/A	N/A	N/A	N/A	N/A	12,000,000

Date	Class of equity securities issued	Allottees of equity securities issued or basis of allotment	Issue Price per equity security	Discount to market price (if any)	Total cash consideration raised	Amount of cash consideration spent, what it was spent on and proposed application of balance of funds raised	Particulars of any non-cash consideration raised and its current value	No. of Ordinary Shares Issued	No. of Options Issued
27 February 2017	Listed Options	Issue of options to intermediaries and financial managers as consideration as fees for securing investors for the share placement	N/A	N/A	N/A	N/A	N/A	N/A	7,350,000
5 June 2017	Ordinary Shares	Issued on conversion of performance rights	N/A	\$0.05	N/A	N/A	N/A	12,500,000	N/A

To: Company Secretary

Lake Resources N.L.
Suite 2, Level 10
70 Phillip Street
Sydney NSW 2000
Australia

23 October 2017

Dear Sir/ Madam

Subject: Nomination of Auditor

In accordance with the provisions of section 328B of the Corporations Act 2001 (Cth),

I, Steve Promnitz, being a member of Lake Resources N.L., hereby nominate Stanley Williamson for appointment as Auditor of the Company.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Steve Promnitz', written over a horizontal line.

Steve Promnitz



LAKE RESOURCES

ACN 079 471 980

LODGE YOUR VOTE

ONLINE
www.linkmarketservices.com.au

BY MAIL
Lake Resources N.L
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138; or
Level 12, 680 George Street, Sydney NSW 2000

ALL ENQUIRIES TO
Telephone: +61 1300 554 474

LODGE MENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **2:00pm on Tuesday, 28 November 2017**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:

ONLINE
www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the reverse of this Proxy Form).

BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.

QR Code



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

NAME SURNAME
 ADDRESS LINE 1
 ADDRESS LINE 2
 ADDRESS LINE 3
 ADDRESS LINE 4
 ADDRESS LINE 5
 ADDRESS LINE 6



X9999999999

PROXY FORM

I/We being a member(s) of Lake Resources N.L and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **2:00pm on Thursday, 30 November 2017 at Level 8, Waterfront Place, 1 Eagle Street, Brisbane QLD 4000 (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolutions 1 and 11: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1 and 11, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8 Ratification of Prior Issue of Securities Under ASX Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director – Mr Stuart Crow	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Ratification of Prior Issue of Securities Under ASX Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Director – Mr Nicholas Lindsay	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Approval of Issue of Shares to Petra Energy SA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Ratification of Prior Issue of Securities Under ASX Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 Approval of Grant of Options to Stuart Crow	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5A Ratification of Prior Issue of Securities Under ASX Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12 Approval of Grant of Options to Stephen Promnitz	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5B Ratification of Prior Issue of Securities Under ASX Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13 Approval of Issue of Grant of Options to Nicholas Lindsay	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Ratification of Prior Issue of Securities Under ASX Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	14 Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Ratification of Prior Issue of Securities Under ASX Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	15 Approval of 10% Capacity to Issue Equity Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 2

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

STEP 3

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

LKE PRX1701D

