LAKE RESOURCES N.L.

QUARTERLY REPORT

ENDING 31 MARCH 2018

ABN 49 079 471 980

30 April 2018

Lake Resources N.L.
ASX:LKE

Shares on Issue:
305,683,867

Options Listed:
19,200,000 (10c Aug'18)

Options to be Listed (in process):
16,666,665 (20c Dec '18)

Options Unlisted:
1,539,250 (10c, Jun'18)
5,042,494 (5c, Nov'18)
6,250,000 (5c, Oct'19)
9,500,000 (28c, Dec'20)

Market Capitalisation:
$36 million (@12c)

Share Price Range:
$0.035 – 0.31 (12mth)

Cash Position (30Mar18)
$4.2 million

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HIGHLIGHTS

- **Four prime lithium projects – 3 brine projects and 1 hard rock project in Argentina – with one of the largest lithium lease holdings in Argentina of 180,000 hectares, including areas under option.**
- **Landmark agreement signed with Jujuy Province in Argentina confirmed tenure of Lake's ~45,000 Hectares of leases 100% owned in world class lithium production area**
- **Olaroz-Cauchari leases adjoin lithium brine production / development projects in Jujuy, Argentina in the same basin as Orocobre and SQM/Lithium Americas. Activity on Lake leases had been stalled for two years pending approvals but now granted.**
- **Leases were pegged prior to the recent rush for lithium projects with the process underway to commence drilling after the standard process is completed**
- **Three rigs drilling at the Kachi Lithium Brine Project in Catamarca. Results soon from conductive brines in porous sandy horizons over 11 km distance.**
- **Kachi Lithium Brine Project is a large salt lake 20 km x 12 km owned 100% by Lake with ~54,000 ha leases.**
- **Lake raised A$4.5 million (before costs) in March 2018 in an oversubscribed private placement at $0.135 per share with an attached 1-for-2 option at $0.20 which the company is seeking to have listed.**
- **Lake is sufficiently funded to pursue current exploration initiatives with $4.2 million cash position.**

LAKE RESOURCES N.L.
QUARTERLY REPORT – ENDING 31 MARCH 2018

Lake Resources NL is an exploration and development company with one of the largest lithium lease holdings in Argentina of 180,000 ha, including areas under option with four prime lithium projects: 3 brine projects and 1 hard rock project. Each project is capable of being a 'company maker'.

These include the Kachi Lithium Brine Project which covers ~54,000 ha of consolidated mining leases over a previously undrilled salt lake; the Olaroz/Cauchari and Paso Projects in Jujuy province adjacent to Orocobre and SQM/Lithium Americas; and the Catamarca Pegmatite Lithium Project (~72,000 ha), under option, with large pegmatite swarms over 150km of strike.

OPERATIONS

Olaroz - Cauchari & Paso Lithium Brine Projects - Jujuy Province, Argentina

Lake holds mining leases over ~45,000 hectares in two areas in Jujuy Province, in NW Argentina. A landmark agreement was entered into with Jujuy Province, Argentina on 28 Feb 2018 that confirms tenure of Lake's ~45,000 hectares of mining leases which covers Lake's Olaroz – Cauchari Lithium Brine Project and Paso Lithium Brine Project in Argentina.

Lake's leases adjoin the production leases owned by Orocobre and SQM/Lithium Americas and are in the same basin with strong potential to display lithium in the same aquifers. These prime lithium brine areas were applied for "pre-boom" by the entities acquired by Lake Resources in November 2016. Some of the initial applications from March 2016 and some of the areas reapplied for in November 2016 were combined under the agreement. Leases/applications are held 100% through Lake's local subsidiaries.

A landmark agreement has been, entered into with the government of Jujuy province, which allows Lake to start work on advancing exploration efforts across these areas, with preliminary work commenced on environmental impact studies and community consultations to expedite drill access. Local administrative issues had brought delays for almost two years, but these are now effectively resolved with this collaborative agreement with the province, subject to the usual processing procedures.

In Olaroz, Lake's leases extend 30km north-south of the adjoining Orocobre's Olaroz lithium production leases to the east. In Cauchari, Lake's leases extend 11km north-south of the adjoining SQM/Lithium Americas and Advantage Lithium/Orocobre's Cauchari lithium development leases to the west.

Drilling is planned to follow ground geophysics as soon as drill access is available. Substantial ground geophysics and drilling has been completed in the surrounding leases at Olaroz/Cauchari.

High-grade lithium brine results averaging 450-600 mg/L lithium with other holes up to 720 mg/L lithium with high flow rates of brines, were reported from the leases immediately adjoining Lake's leases at the Cauchari Lithium Brine Project by Advantage Lithium and Orocobre (ASX:ORE). It is Lake's intention to target the same aquifers.

Kachi Lithium Brine Project - Catamarca Province, Argentina

The Kachi Lithium Brine Project is located in Catamarca province, approximately 80km south of FMC Corp's Hombre Muerto Lithium brine operation (now owned by Du Pont) and Galaxy Resources Limited's Sal de Vida lithium brine project. Albemarle Corp's Antofalla lithium potash brine development project is in the adjacent basin.

The Kachi Project is a consolidated package of ~54,000 hectares of mining leases owned 100% by Lake (90% granted), centred around a previously undrilled salt lake within a large basin. The area has been recently recognised as a lithium brine bearing basin, and this is the first time the area has been consolidated under one owner. Near-surface brines show high conductivities and auger sampling has displayed positive lithium results.

Lake's Argentine subsidiary commenced a maiden drilling programme of lithium brines in November 2017. In March 2018, the first rotary drill hole was completed to 240 metres with slotted casing in place to 237 metres to allow testing and sampling. Conductive brines were intersected in two thick sandy aquifers but these horizons have proven challenging to drill with rotary and diamond drill rigs. The initial diamond drill hole from November/December/January collapsed prior to sampling due to these running sands. Testing and results will follow in early May.

A third rig, a diamond drill rig, commenced operations adjacent to the second rotary drill rig, 11 kilometres to the south east of the recently completed rotary drillhole to assess whether the same conductive sandy aquifers can be intersected. The intention is to assess which of the three rigs produces the best results, and the drilling programme will then be extended based on these outcomes.

Drilling is aimed at reaching a range of target depths to 300m to intersect further brine horizons which are anticipated at that depth, and may show significant results as suggested by nearby third party drilling with results above ~250 mg/L lithium below 170m depth.

Catamarca Lithium Pegmatite Project - Catamarca Province, Argentina

An option agreement with Petra Energy SA exists over a large area (~72,000 ha) of potential lithium bearing pegmatites in Ancasti, Catamarca Province. The optioned leases (exploration and mining leases, and applications) cover a large part of this newly recognised 150km long belt of pegmatite swarms. These areas are at low altitudes with good year-round access. The agreement was extended under similar terms to allow for completion of the formation of the local entity which can then allow a share transfer if the option is exercised in full, which would involve the payment of 19 million LKE shares (50% escrowed for 6 months).

The pegmatites were recognised following a study of past lithium (spodumene) producing mines, satellite image interpretation and field visits by Lake's geologists. Spodumene is a lithium-bearing mineral, usually in pegmatites, used as feedstock by most of the world's hard-rock lithium producers. Within these areas, eight exploration leases (cateos) and a small number of mining leases (minas) were applied for with approximately half granted to date. The aim is to locate a large swarm of pegmatites with spodumene as a drill target and project development target.

CORPORATE

Cash Position

Lake held cash of $4.2 million as at 31 March 2018, in AUD, USD and Argentine Pesos.

Lake raised $4.5 million (before costs) in March 2018 in an oversubscribed private placement by way of the issue of 33,333,335 new ordinary LKE shares (Offer Shares) at $0.135 per share (Placement) with an attached 1-for-2 option exercisable at $0.20 on or before 15 December 2018 (Attaching Option), to sophisticated and professional investors. The intention was to raise $4 million but due to significant demand from current shareholders, the offer was upsized. The Company has agreed to seek quotation of the Attaching Options subject to meeting the listing requirements under the ASX Listing Rules. Patersons Securities Limited and Hunter Capital Advisors Pty Ltd were joint lead managers

The funds raised through the Placement will be used by Lake for further exploration at its Olaroz, Cauchari and Paso Lithium Brine Projects, and for ongoing drilling and initial scoping studies at the Kachi Lithium Brine Project, and for working capital. Lake issued a A$1.6 million short term debt

security to provide additional funding for a drill program which was repaid late March/early April. A portion of the funds from the private placement was used to repay the outstanding notes.

As a result, the Company is sufficiently funded to pursue current exploration initiatives and meet all corporate expenses.

Capital Structure

Lake has 305,683,867 shares on issue as at 30 April 2018. Listed options include 19,200,000 options (LKEO) with an exercise price of $0.10 (expiry 28 August 2018). The process is underway to list 16,666,665 options linked to the recent capital raising which will have an exercise price of $0.20 (expiry 15 December 2018). Unlisted options include 1,539,250 options with an exercise price of $0.10 (expiry 14 June 2018), 5,042,494 options with an exercise price of $0.05 (expiry 30 November 2018), 6,250,000 options with an exercise price of $0.05 (expiry November 2019) and 9,500,000 unlisted options with an exercise price of $0.28 (expiry 31 December 2020. 2,500,000 LTI Plan Performance Rights are yet to reach the required hurdles for vesting.

25,000,000 options (at 5c) were converted prior to expiry on 4 April 2018. With the signing of the agreement in Jujuy province, 12,500,000 performance rights reached the hurdle included as vendor consideration in the transaction with Lith NRG Pty Ltd, together with 6,250,000 options (5c).

Research Report

Hunter Capital's analyst, Jean-Francois Bertincourt, initiated coverage of Lake Resources with a share price target of $0.55, titled: "Project Assessment Likely to Lead to Tremendous Value Uplift".

Outlook

The focus in the coming quarter will be:

Kachi Lithium Brine Project - Catamarca Province

- Continuation and expansion of the drilling.
- Report initial assay results from drilling.

Olaroz/Cauchari & Paso Lithium Brine Projects - Jujuy Province

- Community consultation, geophysics and advance progress to drill the project areas.

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Background on Lake Resources NL (ASX:LKE)

Lake Resources NL (ASX:LKE, Lake) is a lithium exploration and development company focused on developing its 3 lithium brine projects and 1 hard rock project in Argentina, owned 100%. The leases are in a prime location among the lithium sector's largest players within the Lithium Triangle where half of the world's lithium is produced. Lake holds one of the largest lithium tenement packages in Argentina (~180,000Ha) secured in 2016 prior to a significant 'rush' by major companies. The large holdings provides the potential to provide security of supply demanded by battery and electric vehicle manufacturers located.

The three key brine projects, Olaroz/Cauchari, Paso and Kachi, are located adjacent to major world class brine projects being developed in the highly prospective Jujuy and Catamarca Provinces. The Olaroz-Cauchari project (~18,000 Ha) is located in the same basin as Orocobre's Olaroz lithium production and adjoins SQM/Lithium Americas Cauchari project, where high grade lithium with high flow rates have been drilled immediately across the lease boundary. The Kachi project covers 54,000 Ha over a salt lake south of FMC's lithium operation and near Albemarle's Antofalla project.

Drilling at Kachi has shown conductive brines in thick porous sands with results are anticipated over the coming months. Surface sampling has revealed positive lithium results which will be expanded through the drilling program and geophysics. Drilling over Kachi and future drilling at Olaroz-Cauchari will provide several catalysts for the company's growth. Scope exists to unlock considerable value through partnerships and corporate deals in the near-term.

Significant corporate transactions continue in adjacent leases with development of SQM/Lithium Americas Olaroz/Cauchari project with an equity/debt investment over $300 million and Advantage Lithium's equity transaction in some of Orocobre's leases. LSC Lithium has also raised over $60 million on a large lease package in similar areas as Lake's properties. Nearby projects of Lithium X were recently acquired via a takeover offer of C$265 million completed March 2018.

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Figure 1: Location map of Lake Resources lithium brine and hard rock (pegmatite) projects in NW Argentina

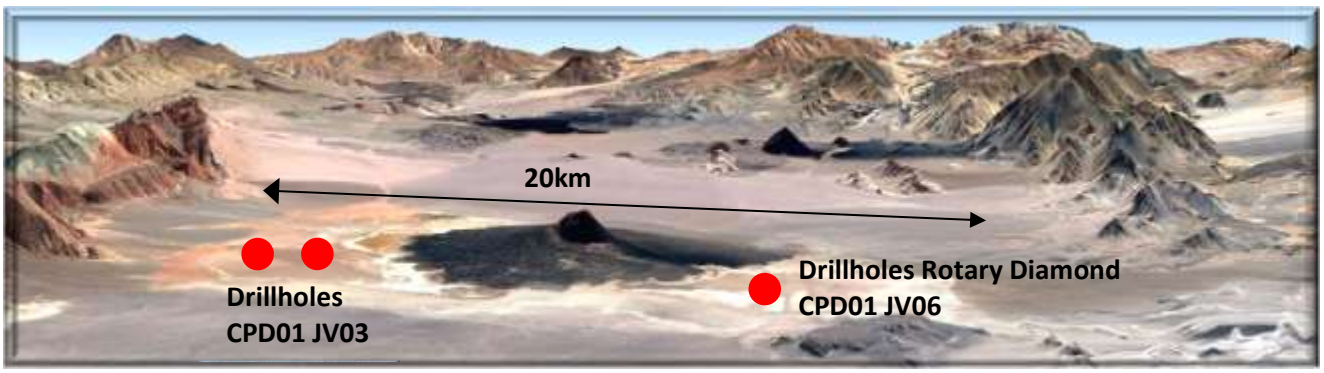


Fig 2: 3D view of the initial and recent drill holes of the Kachi project

Figure 3: Images of the larger rotary drill rig in the south east of Kachi; the recent rotary drillhole undergoing testing and geophysics in the west of Kachi; the diamond rig in the south east and side-by-side of the rotary and diamond rigs and an indicative map/image of the Kachi project

Competent Person's Statement – Kachi Lithium Brine Project

The information contained in this ASX release relating to Exploration Results has been compiled by Mr Andrew Fulton. Mr Fulton is a Hydrogeologist and a Member of the Australian Institute of Geoscientists and the Association of Hydrogeologists. Mr Fulton has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a competent person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Andrew Fulton is an employee of Groundwater Exploration Services Pty Ltd and an independent consultant to Lake Resources NL. Mr Fulton consents to the inclusion in this announcement of this information in the form and context in which it appears. The information in this announcement is an accurate representation of the available data from initial exploration at the Kachi project.

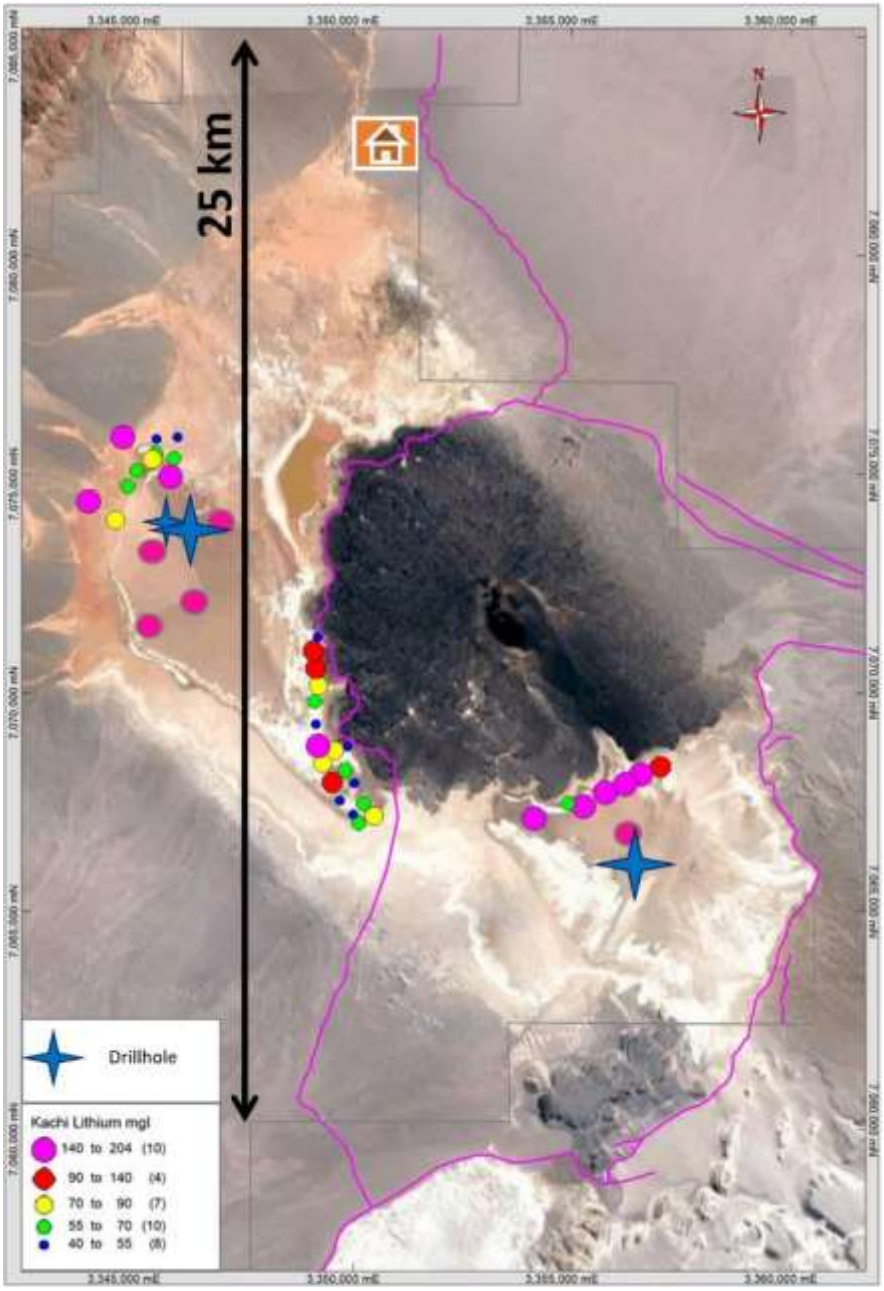


Figure 4: Location of drill holes at the Kachi project over satellite image with near surface auger samples

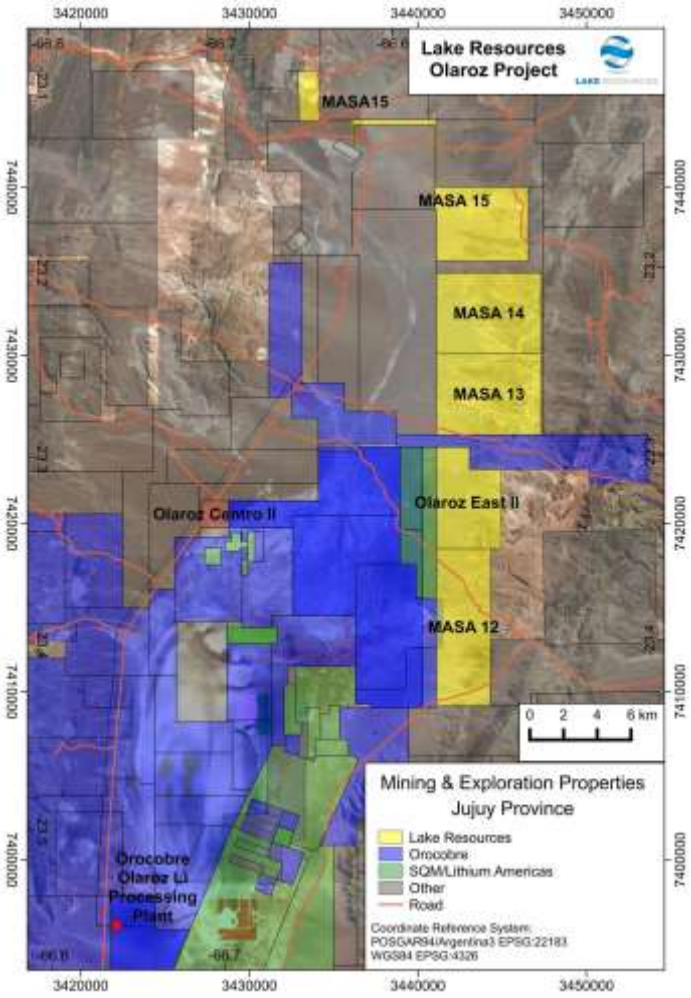


Figure 5: Lake's Olaroz Lithium Brine Project in relation to Orocobre and SQM / Lithium Americas

Source: Jujuy *Registro Grafico* Feb 18, Past Orocobre and Lithium America releases, differences may exist

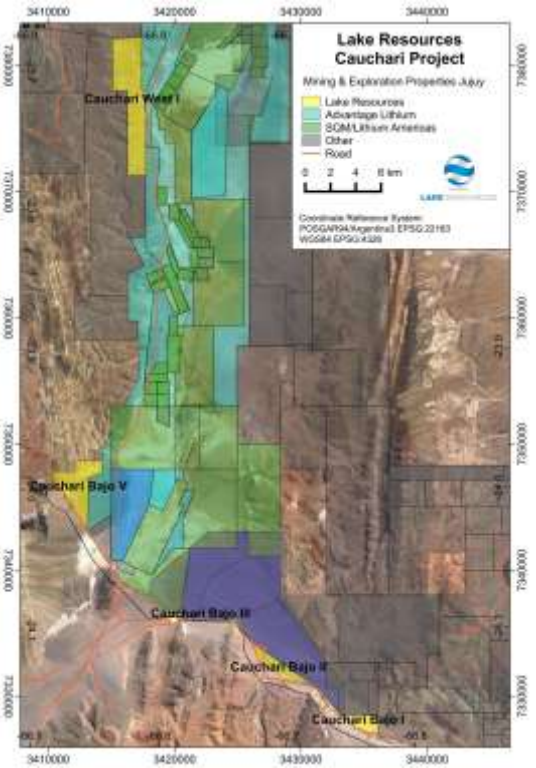
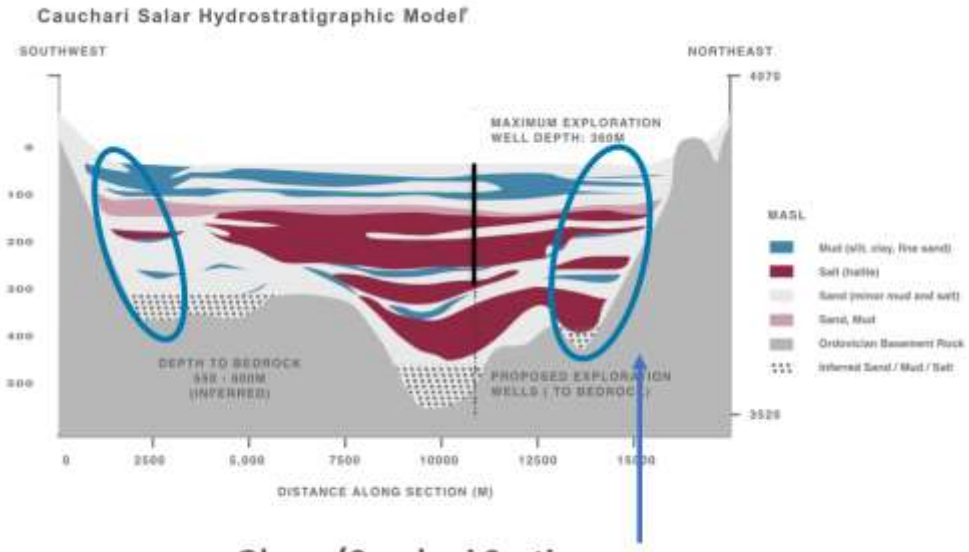


Figure 6: Lake's Cauchari Lithium Brine Project in relation to Advantage Lithium/Orocobre and SQM / Lithium Americas

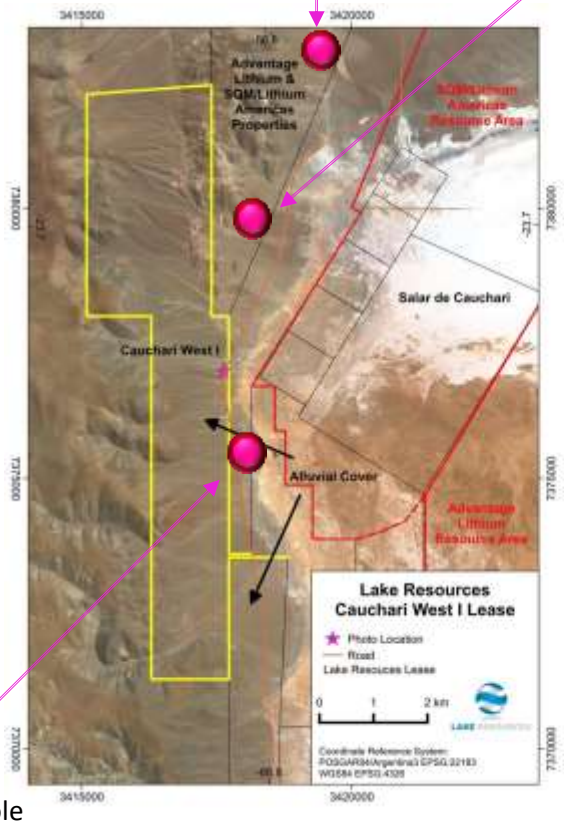


Olaroz/Cauchari Section

Targets on basin boundaries with potential for same aquifer & high flows

AAL Drillhole
600mg/L Lithium
High flow rates

AAL Drillhole
430-530mg/L
Lithium



Cauchari West I nearby Advantage drill rig and Lithium America camp

Cauchari West I looking NE

AAL Drillhole
410-470mg/L
Lithium

Figure 7: Lake's Cauchari Lithium Brine Project in relation to recent Advantage Lithium/Orocobre drill results and an indicative cross section of Cauchari with the targets identified on the basin boundaries

APPENDIX 1 - JORC Code, 2012 Edition

Table 1 Report: Kachi Lithium Brine Project

Criteria	Section 1 - Sampling Techniques and Data
Sampling techniques	• Brine samples were taken from the diamond drill hole with a straddle packer device to obtain representative samples of the formation fluid by purging a volume of fluid from the isolated interval, to minimize the possibility of contamination by drilling fluid then taking the sample. Low pressure airlift tests are used as well. The fluid used for drilling is brine sourced from the drill hole and the return from drillhole passes back into the excavator dug pit lined to avoid leakage. • The brine sample was collected in a clean plastic bottle (1 litre) and filled to the top to minimize air space within the bottle. A duplicate was collected at the same time for storage and submission of duplicates to the laboratory. Each bottle was taped and marked with the sample number. • Drill core in the hole was recovered in 1.5 m length core runs in core split tubes to minimize sample disturbance. • Drill core was undertaken to obtain representative samples of the sediments that host brine.
Drilling techniques	• Diamond drilling with an internal (triple) tube was used for drilling. The drilling produced cores with variable core recovery, associated with unconsolidated material, in particularly sandy intervals. Recovery of these more friable sediments is more difficult with diamond drilling, as this material can be washed from the core barrel during drilling. • Brine has been used as drilling fluid for lubrication during drilling.
Drill sample recovery	• Diamond drill core was recovered in 1.5m length intervals in the drilling triple (split) tubes. Appropriate additives were used for hole stability to maximize core recovery. The core recoveries were measured from the cores and compared to the length of each run to calculate the recovery. • Brine samples were collected at discrete depths during the drilling using a double packer over a 1 m interval (to isolate intervals of the sediments and obtain samples from airlifting brine from the sediments within the packer) over an ~1 m interval. • As the brine (mineralisation) samples are taken from inflows of the brine into the hole (and not from the drill core – which has variable recovery) they are largely independent of the quality (recovery) of the core samples. However, the permeability of the lithologies where samples are taken is related to the rate and potentially lithium grade of brine inflows.
Logging	• Sand, clay, silt and salt was recovered in a triple tube diamond core drill tube, was examined for geologic logging by a geologist and a photo taken for reference. • Diamond holes are logged by a senior geologist who also supervised taking of samples for laboratory porosity analysis as well as additional physical property testing. • Logging is both qualitative and quantitative in nature. The relative proportions of different lithologies which have a direct bearing on the overall porosity, contained and potentially extractable brine are noted, as are more qualitative characteristics such as the sedimentary facies and their relationships. When cores are split for sampling they are photographed.
Sub-sampling techniques and sample preparation	• Brine samples were collected by packer sampling of brine, on a metre basis from the fluid extracted from within the packer device as a representative sample following purging of brine from the packer equipment and surrounding sediments. Low pressure airlift tests are used as well to purge test interval and gauge potential yields. • The brine sample was collected in one-litre sample bottles, rinsed and filled with brine. Each bottle was taped and marked with the sample number.
Quality of assay data and laboratory tests	• The Alex Stewart Argentina/Norlab SA in Palpala, Jujuy, Argentina, is used as the primary laboratory to conduct the assaying of the brine samples collected as part of the sampling program. They also analyzed blind control samples and duplicates in the analysis chain. The Alex Stewart/Norlab SA laboratory is ISO 9001 and ISO 14001 certified, and it is specialized in the chemical analysis of brines and inorganic salts, with experience in this field and with the oversight of the experienced Alex Stewart Argentina S.A. laboratory in Mendoza, Argentina, which has been operating for a considerable period.. • The quality control and analytical procedures used at the Alex Stewart/Norlab SA laboratory are considered to be of high quality and comparable to those employed by ISO certified laboratories specializing in analysis of brines and inorganic salts.

Verification of sampling and assaying	• Field duplicates, standards and blanks will be used to monitor potential contamination of samples and the repeatability of analyses. Accuracy, the closeness of measurements to the "true" or accepted value, will be monitored by the insertion of standards, or reference samples, and by check analysis at an independent (or umpire) laboratory. • Duplicate samples in the analysis chain were submitted to Alex Stewart/Norlab SA as unique samples (blind duplicates) during the process • Stable blank samples (distilled water) were used to evaluate potential sample contamination and will be inserted in future to measure any potential cross contamination • Samples were analysed for conductivity using a hand held Hanna pH/EC multiprobe. • Regular calibration using standard buffers is being undertaken..
Location of data points	• The diamond drill hole sample sites were located with a hand held GPS. • The properties are located at the junction of the Argentine POSGAR grid system Zone 2 and Zone 3 (UTM 19) and in WGS84 Zone 19 south.
Data spacing and distribution	• Brine samples were collected over 1m intervals every 6 m intervals within brine producing aquifers.
Orientation of data in relation to geological structure	• The salt lake (*salar*) deposits that contain lithium-bearing brines generally have sub-horizontal beds and lenses that contain sand, gravel, salt, silt and clay. The vertical diamond drill holes will provide a better understanding of the stratigraphy and the nature of the sub-surface brine bearing aquifers
Sample security	• Samples were transported to the Alex Stewart/Norlab SA laboratory for chemical analysis in sealed 1-litre rigid plastic bottles with sample numbers clearly identified. Samples were transported by a trusted member of the team. • The samples were moved from the drillhole sample site to secure storage at the camp on a daily basis. All brine sample bottles are marked with a unique label not related to the location.
Review (and Audit)	• No audit of data has been conducted to date. However, Competent Person Andrew Fulton of GES was present on site during drilling of the 2nd drillhole in the programme. The review included drilling practice, geological logging, sampling methodologies for water quality analysis and physical property testing from drill core, QA/QC control measures and data management. The practices being undertaken were ascertained to be appropriate.
Criteria	**Section 2 - Mineral Tenement and Land Tenure Status**
Mineral tenement and land tenure status	• The Kachi Lithium Brine project is located approximately 100km south-southwest of FMC's Hombre Muerto lithium operation and 45km south of Antofagasta de la Sierra in Catamarca province of north western Argentina at an elevation of approximately 3,000m asl. • The project comprises approximately 51,770 Ha in twenty seven mineral leases (minas) of which five leases (9,445 Ha) are granted for drilling, twenty leases are granted for initial exploration (39,575 Ha) and two leases (2750 Ha) are applications pending granting. • The tenements are believed to be in good standing, with payments made to relevant government departments.
Exploration by other parties	• Marifil Mines Ltd conducted sparse near-surface pit sampling of groundwater at depths less than 1m during 2009. • Samples were taken from each hole and analysed at Alex Stewart laboratories in Mendoza Argentina. • Results were reported in an NI 43-101 report by J. Ebisch in December 2009 for Marifil Mines Ltd. • NRG Metals Inc recently commenced exploration in adjacent leases under option. An initial diamond drillhole intersected lithium bearing brines from 172-198m and below with best results to date of 15m at 229 mg/L Lithium, reported in December 2017. A VES ground geophysical survey was completed prior to drilling. A NI 43-101 report was released in February 2017. • No other exploration results were able to be located
Geology	• The known sediments within the *salar* consist of salt/halite, clay, sand and silt horizons, accumulated in the *salar* from terrestrial sedimentation and evaporation of brines . • Brines within the salt lake are formed by solar concentration, with brines hosted within sedimentary units . • Geology was recorded during the diamond drilling
Drill hole Information	• Lithological data was collected from the hole as it was drilled and cores were retrieved. Detailed geological logging of cores has not been completed to date. • All drill holes are vertical, (dip -90, azimuth 0 degrees).
Data aggregation methods	• N/A
Relationship between mineralisation widths and intercept lengths	• N/A pending results
Diagrams	• A drill hole location plan is provided showing the locations of the drill holes and the surface sampling.

Balanced reporting	• No brine assay results are available from the drilling to date, other than observations of the sediment types. Information will be provided as it becomes available.
Other substantive exploration data	• There is no other substantive exploration data available regarding the project.
Further work	• The company is undertaking a 1000m maiden diamond drilling programme in 4 holes and will expand the programme based on results to rotary water well drilling and further diamond drilling. Ground geophysics will also be undertaken.

SCHEDULE OF TENEMENTS (Appendix 5B)

TOTAL NUMBER TENEMENTS:		TOTAL AREA TENEMENTS:				
51		101,790 Ha				
		79,500 Ha Optioned				
REF	TENEMENT NAME	NUMBER	AREA H	INTEREST	PROVINCE	STATUS
	OLAROZ - CAUCHARI AREA					
	Cauchari Bajo I	2156-D-2016	354	100	Jujuy	Granted
	Cauchari Bajo II	2157-D-2016	354	100	Jujuy	Granted
	Cauchari Bajo III	2158-D-2016	122	100	Jujuy	Granted
	Cauchari Bajo V	2154-D-2016	946	100	Jujuy	Granted
	Cauchari West I	2160-D-2016	1936	100	Jujuy	Granted
	Olaroz Centro II	2164-D-2016	268	100	Jujuy	Application
	Olaroz East II	2168-D-2016	2072	100	Jujuy	Granted
	MASA 12	2234-M-2016	2901	100	Jujuy	Granted
	MASA 13	2235-M-2016	3000	100	Jujuy	Granted
	MASA 14	2236-M-2016	3000	100	Jujuy	Granted
	MASA 15	2237-M-2016	3000	100	Jujuy	Granted
	PASO AREA					
	Paso III	2137-P-2016	2787	100	Jujuy	Granted
	Paso VI	2140-P-2016	2208	100	Jujuy	Granted
	Paso X	2144-P-2016	1833	100	Jujuy	Granted
	MASA 9	2231-M-2016	2978	100	Jujuy	Granted
	MASA 16	2238-M-2016	2114	100	Jujuy	Granted
	MASA 17	2239-M-2016	2891	100	Jujuy	Granted
	MASA 18	2240-M-2016	3000	100	Jujuy	Granted
	MASA 19	2241-M-2016	3000	100	Jujuy	Granted
	MASA 20	2242-M-2016	3000	100	Jujuy	Granted
	MASA 21	2243-M-2016	2815	100	Jujuy	Granted
	MASA 22	2244-M-2016	1460	100	Jujuy	Application
	MASA 23	2245-M-2016	1540	100	Jujuy	Application
	23 Mining leases		47579 Ha			
	KACHI AREA					
	Kachi Inca	13-D-2016	1273	100	Catamarca	Granted
	Kachi Inca I	16-D-2016	2880	100	Catamarca	Application
	Kachi Inca II	17-D-2016	2823	100	Catamarca	Granted
	Kachi Inca III	47-M-2016	3354	100	Catamarca	Granted
	Kachi Inca IV	46-M-2016	186	100	Catamarca	Application
	Kachi Inca V	45-M-2016	310	100	Catamarca	Application
	Kachi Inca VI	44-M-2016	110	100	Catamarca	Granted
	Dona Amparo I	22-D-2016	3000	100	Catamarca	Granted
	Dona Carmen	24-D-2016	873	100	Catamarca	Granted
	Debbie I	21-D-2016	1501	100	Catamarca	Granted
	Divina Victoria I	25-D-2016	1265	100	Catamarca	Granted
	Daniel Armando	23-D-2016	2115	100	Catamarca	Granted
	Daniel Armando II	97-M-2016	1387	100	Catamarca	Granted
	Maria Luz	34-M-2017	2573	100	Catamarca	Granted
	Maria II	14-D-2016	888	100	Catamarca	Granted
	Maria III	15-D-2016	1395	100	Catamarca	Granted
	Morena 1	72-M-2016	3024	100	Catamarca	Granted
	Morena 2	73-M-2016	2989	100	Catamarca	Granted
	Morena 3	74-M-2016	3007	100	Catamarca	Granted
	Morena 6	75-M-2016	1606	100	Catamarca	Granted
	Morena 7	76-M-2016	2805	100	Catamarca	Granted
	Morena 8	77-M-2016	2961	100	Catamarca	Granted
	Morena 12	78-M-2016	2704	100	Catamarca	Granted
	Morena 13	79-M-2016	3024	100	Catamarca	Granted
	Pampa I	129-S-2013	2312	100	Catamarca	Granted
	Pampa II	128-S-2013	1119	100	Catamarca	Granted
	Pampa III	130-S-2013	477	100	Catamarca	Granted
	Irene	117-P-2008	2250	100	Catamarca	In Process
	28 Mining leases		54211 Ha			
	51		101790	100		
	CATAMARCA PEGMATITES	OPTION				
	Petra I, II, III, IV	Cateos	40000	option	Catamarca	Granted
	Petra V, VI, VII, VIII	Cateos	30000	option	Catamarca	Application
	Aguada I, II, III, IV	Minas	9500	option	Catamarca	Application
			79,500 Ha			

+Rule 5.5

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

LAKE RESOURCES N.L.

ABN	**Quarter ended ("current quarter")**
49 079 471 980	31 March 2018

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	(766)	(1,769)
	(b) development		
	(c) production		
	(d) staff costs	(116)	(300)
	(e) administration and corporate costs	(284)	(637)
1.3	Dividends received (see note 3)		
1.4	Interest received		
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Research and development refunds		
1.8	Other (provide details if material)		
1.9	**Net cash from / (used in) operating activities**	**(1,166)**	**(2,706)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) property, plant and equipment		
	(b) tenements (see item 10)		
	(c) investments		
	(d) other non-current assets		

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment		
	(b) tenements (see item 10)		
	(c) investments		
	(d) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	**Net cash from / (used in) investing activities**		

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of shares	3,931	3,946
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options	(28)	(28)
3.5	Proceeds from borrowings	50	1,665
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		(11)
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	**Net cash from / (used in) financing activities**	**3,953**	**5,572**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,476	1,397
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,166)	(2,706)
4.3	Net cash from / (used in) investing activities (item 2.6 above)		
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,953	5,572
4.5	Effect of movement in exchange rates on cash held		
4.6	**Cash and cash equivalents at end of period**	**4,263**	**4,263**

Consolidated statement of cash flows	**Current quarter $A'000**	**Year to date (9 months) $A'000**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	4,263	1,476
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**4,263**	**1,476**

6.	**Payments to directors of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to these parties included in item 1.2	116
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Remuneration and fees paid to Directors

7.	**Payments to related entities of the entity and their associates**	**Current quarter $A'000**
7.1	Aggregate amount of payments to these parties included in item 1.2	
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

8.	**Financing facilities available** *Add notes as necessary for an understanding of the position*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
8.1	Loan facilities	1,665	1,665
8.2	Credit standby arrangements		
8.3	Other (please specify)		

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

The loan facility relates to the unsecured notes issued during the period. Details of the Notes are per the ASX announcement made on 3 November 2017.

9.	**Estimated cash outflows for next quarter**	**$A'000**
9.1	Exploration and evaluation	(881)
9.2	Development	
9.3	Production	
9.4	Staff costs	(106)
9.5	Administration and corporate costs	(58)
9.6	Other (provide details if material)	
9.7	**Total estimated cash outflows**	**(1,045)**

* depending on funds availability, the Company can control its spending on exploration and evaluation activities as these activities are non-contractual and discretionary in nature.

10.	**Changes in tenements (items 2.1(b) and 2.2(b) above)**	**Tenement reference and location**	**Nature of interest**	**Interest at beginning of quarter**	**Interest at end of quarter**
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Sign here:  Date: **30 APRIL 2018**
(Company secretary)

Print name: **ANDREW BURSILL**

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.