Lake Resources NL

ABN 49 079 471 980

Annual Report - 30 June 2019

Directors	Stuart Crow - Non-executive Chairman Steve Promnitz - Managing Director Nicholas Lindsay - Non-executive Director
Company secretary	Sinead Teague (appointed on 2 July 2019)
Notice of annual general meeting	The annual general meeting of Lake Resources NL will be held on 26 November 2019 at 11am.
Registered office and Principal Place of Business	Level 5 126 Phillip Street Sydney NSW 2000 Tel: +61 2 9299 9690
Share register	Automic Pty Ltd Level 5 126 Phillip Street Sydney NSW 2000 GPO Box 5193 Sydney 2001 Fax: +61 2 8072 1400
Auditor	Stanley & Williamson
Solicitors	HopgoodGanim
Bankers	National Australia Bank
Stock exchange listing	Lake Resources NL shares are listed on the Australian Securities Exchange (ASX code: LKE)
Website	www.lakeresources.com.au

Chairman's Report

Lake Resources is located in the heart of the lithium triangle in South America where nearly half the world's production is sourced and all of which is at the low-cost end of the lithium cost curve. Your company is transitioning to pre-production of lithium product in the coming financial year, as a developer of lithium brine projects, from an exploration phase in the previous financial year. In the financial year just ended, a major JORC Mineral Resource was defined at the Kachi project placing it amongst the Top 10 lithium brine projects globally, which, together with a modern, efficient processing method will produce premium low-impurity lithium products sustainably into the future. Additionally, Lake now has a second well-defined high-grade lithium brine project at Cauchari, thanks to successful drilling, extending a major near-production adjoining resource into Lake's leases. Lake has become one of only a few substantial lithium companies with multiple projects of significance in Argentina with a cost-effective pathway to production.

The market price for lithium products declined in early 2019 as new entrants provided new supply with a range of qualities, mainly from hard rock sources in Australia. This has impacted the sentiment towards the upstream supply of lithium, and yet demand continues to increase for lithium batteries and electric vehicles, best shown by the continued rising investment in lithium battery megafactories. Despite short term weakness in lithium product pricing, downstream participants remain keen to secure long-term, scalable upstream supply with low impurities, in the lower part of the cost curve. This continues to provide support for Lake's projects now and in the future.

The Kachi project continues to appeal to downstream lithium battery and cathode producers, due to its size and the progress on the pilot plant, which will produce samples for qualification work in the coming year. The Cauchari project appeals because it is close to a major new near-term producer (in 2020) within 500 metres of Lake's leases in the same basin. The completion of a recent major acquisition by one of the world's largest producers in the adjoining project has strengthened the potential future and optionality for Lake's Cauchari project.

Your company's aim is to be one of a handful of lithium development companies with the right projects in the right location, using new and efficient processing methods which can sustainably produce a range of lithium products to suit the downstream user.

The successful laboratory testing of the ion exchange direct processing method has reinforced the merits of building a pilot plant, supported by a Pre-Feasibility Study (PFS). I thank my fellow director, Dr Nick Lindsay, for his detailed efforts in ensuring a quality PFS and consistent progress on the pilot plant, together with Lilac Solutions and the engineering firm, Hatch. I also want to thank the experienced team in Argentina for delivering a successful result at Cauchari and persisting with approvals and support for Kachi and Olaroz, which are critical to ensure success.

I would like to thank shareholders for their support in a period of declining lithium pricing and share prices across the sector. In the coming year, the planned progress to producing samples from the pilot plant promises deeper engagement with downstream participants in the lithium battery chain and further financing of these exciting developments.

Stu Crow
Chairman

Managing Director's Report

Lake Resources has delivered a major defined lithium brine resource during the year at the Kachi project. New direct extraction technology has been laboratory tested for over six months, with the intent of delivering premium lithium products in the future faster and more efficiently using ion exchange in a modular, scalable processing plant.

Kachi is the most advanced of the four prime lithium projects in development in the north west of Argentina, which is part of an area where half the world's lithium is produced and at the lowest operating costs. The company is fortunate to have further expanded and consolidated its large 100% owned lithium property holdings to over 200,000 hectares.

Cauchari was successfully drill tested and has shown high grade lithium brines over 500 vertical metres extending the very large resource with similar grades into Lake's leases from the adjoining Cauchari Project of Ganfeng Lithium/ Lithium Americas. This adjoining project, within 500 metres from Lake's areas, is progressing to significant production next year, and will become Argentina's largest lithium producer from Argentina's largest lithium brine resource.

Olaroz, which adjoins current production by Orocobre, has been planned to be explored with drill holes for some time, and the Company is seeking all approvals prior to commencement. The aim is to repeat the success shown at Cauchari.

In Catamarca, the complete acquisition was completed over a large belt of hard rock pegmatites with considerable potential for a series of discoveries due to the region being a past producer.

At the Kachi Lithium Brine Project in Catamarca, a maiden JORC Mineral Resource was defined with 4.4 million tonnes of contained Lithium Carbonate Equivalent (LCE), comprising 1 Mt LCE Indicated Resource, and 3.4 Mt LCE Inferred Resource, over the deepest part of a large basin. Lease holdings were consolidated and expanded over an area of more than 70,000 Ha. A Pre-Feasibility Study (PFS) is well advanced and will be completed prior to the calendar year-end, guided by the international engineering firm, Hatch, and Dr Nick Lindsay of Lake Resources.

A pilot plant is under construction for Kachi based on the successful Phase 1 Engineering Study, using a direct extraction ion exchange process with technology partner Lilac Solutions. Laboratory test work has demonstrated highly selective, durable pellets, capable of producing high quality, low impurity lithium products in the lowest part of the lithium cost curve. High grade lithium concentrations (50,000 mg/L to 60,000 mg/L) were produced from Kachi brine samples. Pre-production will see a pilot plant on-site in early 2020 providing samples for the qualification process with down-stream battery makers as a precursor to full-scale production.

By producing samples for a number of cathode and battery makers, it is Lake's strategy to develop these relationships into development funding and partnership at its Kachi project, together with off-take agreements. This process has been successfully demonstrated in other projects in Argentina with different owners.

The successful exploration programme at Kachi and Cauchari, using new targeting methods to find major resources, is in large part due to the quality local team working for the company in Argentina.

The next key milestones will be the successful production of samples from the pilot plant delivered for qualification with down-stream supply chain participants, supported by the completed PFS. This will help confirm the efficiency of the direct extraction process and the quality of lithium products. Drilling is planned at Olaroz, to repeat the success of Cauchari. However, transitioning to pre-production is considered key to a re-rating of the Company's shares prices.

Steve Promnitz
Managing Director

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Lake Resources NL (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2019.

Directors

The following persons were directors of Lake Resources NL during the whole of the financial year and up to the date of this report, unless otherwise stated:

S. Crow (Non-Executive Chairman)
S. Promnitz (Managing Director)
N. Lindsay (Non-Executive Director)

Principal activities

The principal activities of the entities within Lake Resources NL ('Lake') are:
- Exploration and development of lithium brine projects in Argentina
- Exploration for minerals.

Lake holds three lithium brine projects in Argentina including one project, Kachi, moving into pre-production with the construction of a direct extraction pilot plant. Lake holds one of the largest lease holdings of lithium in the heart of the Lithium Triangle in South America.

During the year ended 30 June 2019, Lake released a large JORC Mineral Resource (Indicated and Inferred) of 4.4 million tonnes Lithium Carbonate Equivalent (LCE) over a major discovery at the 100% owned Kachi Lithium Brine Project in Argentina. An efficient direct extraction process using ion exchange was announced in a Phase 1 Engineering Study with successful laboratory testing undertaken for over 6 months. The Company also has a Pre-Feasibility Study underway, scheduled for release Nov/Dec 2019. A pilot plant is in construction post the financial year end and will be delivered to site later in FY2020 to produce samples for battery makers.

At the Cauchari Lithium Brine Project in Argentina, a successful drilling programme was completed which demonstrated that the high-grade lithium brines in the adjoining world class project extended into Lake's 100% owned leases. Drilling at the Olaroz project is planned to follow in FY2020. The Catamarca Pegmatite project was acquired 100% with a share-based transaction in September 2018.

Corporate activity adjacent to Lake's projects continues to support their underlying valuation. Some recent examples are the Cauchari project adjoining Lake's leases that was acquired 50% by an equity/debt transaction of US$397 million and the northern part of the Sal de Vida project, 110 kilometres north of Kachi, acquired 100% for US$280 million.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to $3,530,935 (30 June 2018: $3,540,391).

Corporate

A major advance was made during the financial year whereby the Company progressed significantly from exploration towards pre-production with a defined resource at its Kachi Lithium project, developing a sustainable and efficient method of lithium direct extraction, a pre-feasibility study underway, and a pilot plant being constructed. It also made a new discovery at its Cauchari Lithium Project, which adjoins a major resource in construction for near-term production. The flagship Kachi project and new discovery at Cauchari are well located within the heart of South America's Lithium Triangle. Low-cost production and the progression to pre-production should deliver shareholders significant growth. Lake continues to be one of the largest lease holders (~200,000 hectares) of lithium brine and hard rock projects in Argentina of any listed entity with more than one major project nearing pre-production. While short-term lithium pricing has depressed market sentiment, low cost lithium brine production is increasingly considered attractive as a growing supply deficit in the early 2020s requires new investment for consistent scalable supply of low impurity lithium products.

The Kachi Lithium Brine Project in Catamarca Province has a pre-feasibility study (PFS) nearing completion for its maiden Kachi JORC resource of 4.4 million tonnes lithium carbonate (LCE) within consolidated mining leases of 70,000 hectares over almost an entire salt lake. A pilot plant has been designed and is under construction using the direct lithium extraction process of Lilac Solutions, which will produce a premium low impurity product at low cost as demonstrated in the Phase 1 Engineering Study of December 2018. Lake continues discussions with a number of parties regarding development funding and off-take partnership at its Kachi project.

The Cauchari Lithium Brine Project in Jujuy Province was successfully drilled for the first time and has demonstrated extensions of lithium brine bearing aquifers with similar high grades into Lake's properties from the adjoining major resource progressing rapidly into production in 2020 at the Ganfeng/Lithium Americas project. Drilling at the Olaroz Lithium Brine Project, which adjoins production at the major Orocobre project, will occur in FY2020.

The Catamarca Pegmatite Lithium Project, acquired 100% during the past financial year, comprises 80,000 hectares of leases at an early exploration stage over large pegmatite swarms in an area of past production within a 150km long belt.

The Company secured the lithium projects when it acquired the unlisted company LithNRG Pty Ltd on 14 November 2016 (announced May 2016). Lake controls 100% of the subsidiary LithNRG Pty Ltd with its Argentine subsidiaries, Minerales Australes SA, Morena del Valle Minerals SA, and Petra Energy SA.

The Company had 472,296,192 shares on issue at 30 June 2019, with unlisted options including 5,052,083 options with an exercise price of $0.05 (expiry 21 October 2019); 5,555,000 options with an exercise price of $0.08 (expiry February 2022); and 9,500,000 unlisted options with an exercise price of $0.28 (expiry 31 December 2020). After the end of the financial year, 52,512,693 listed LKEOB options at $0.10 (expiry 15 June 2021) were issued, plus LTI Performance Rights and options to board/management. 9,900,000 unsecured convertible notes issued in December 2018 for a value of $990,000 with an expiry date of 25 June 2020 were repaid during July and August 2019.

Equity capital raising and quasi-equity convertible notes were issued during the financial year to sustain the development of the Kachi Project and the drilling of the Cauchari Project. In June 2019, $2.6 million, before costs, was raised in a private placement with 14,917,923 LKE shares issued at $0.09 cents per share with an attached listed option exercisable at A$0.10 (expiry June 2021). In April 2019, $1 million, before costs, was raised in a private placement with 21,350,000 LKE shares issued at $0.05 cents per share. 37,551,195 Bonus Options (expiring on 15 June 2019) were converted into shares at an exercise price of $0.04 each from a total pool of 55,475,257 options issued in late April for nil consideration to Eligible Shareholders on the Record Date of 17 April 2019 at a ratio of one (1) free Bonus Option for every seven (7) shares held. Converted Bonus Options have an attached second option (Additional Options) which were issued in August 2019 as listed options with an exercise price $0.10 each, expiring on 15 June 2021. At the end of November 2018, 5,420,085 options were converted at an exercise price of $0.05 for $271,000.

In late February 2019, $1.65 million was secured via an unsecured convertible security (1,820,500 securities; expiry August 2020) with Amvest Capital, a US based investor, which has been a strong supporter of new energy projects and the resources sector.

Lake has held discussions with potential development partners and off-takers, in China, Japan, South Korea and the USA, to secure funding and a down-stream partner to develop the Kachi Project.

Corporate activity adjacent to the Lake projects has reaffirmed the prime location of the projects. In December 2018, POSCO completed the US$280 million acquisition of the northern resource of Galaxy's Sal de Vida lithium brine project, approximately 110 km north of the Kachi Project. In April-June 2019, Gangfeng Lithium completed the US$397 million acquisition of 50% of the Cauchari project in JV with Lithium Americas which is located 500 metres from Lake's successfully drilled Cauchari project.

Operations

Argentina

Kachi Lithium Brine Project - Catamarca Province, Argentina

Lake Resources' 100%-owned Kachi Lithium Brine Project in Catamarca province, NW Argentina, covers 37 mining leases (70,400 hectares), centred around a previously undrilled salt lake within a large lithium brine-bearing basin.

A Pre-Feasibility Study (PFS) is nearing completion in November/December 2019 for the Kachi Project. An international engineering firm, Hatch, is overseeing the PFS. This study is examining the project's technical and economic viability, using Lilac's direct extraction ion exchange process together with project engineering design, product specifications, optimisation of recovery, and operating and capital costs.

The Kachi Project has a maiden JORC Mineral Resource estimate of 4.4 million tonnes of contained Lithium Carbonate Equivalent (LCE) as 1 Mt LCE Indicated Resource, and 3.4 Mt of LCE as Inferred Resource, with a resource depth of 400m at an average grade of 211 mg/L lithium and Mg/Li ratio of 4.7. This is within the top 10 lithium brine projects globally and has potential to be expanded significantly as the brine-bearing sediments remain open at depth and laterally.

A pilot plant has been designed and is under construction for Kachi, using a direct extraction process with technology partner Lilac Solutions. Successful Phase 1 Engineering Study completed in December 2018 which showed high quality, low impurity lithium carbonate with potential for low lithium production costs in the lowest half of the cost curve. High lithium recoveries of 80-90% have been confirmed in laboratory tests for more than 6 months from multiple Kachi brine samples. Lithium concentrations of 50,000 mg/L to 60,000 mg/L have been produced from ~300 mg/L lithium brine. The on-site pilot plant would be in pre-production in early 2020 providing samples for the qualification process with down-stream cathode and battery makers as a precursor to full-scale commercial project offering rapid, low-cost production with low environmental impact.

Lake is currently in discussions with a number of parties regarding production development funding and partnership at its Kachi project and to assist financing the feasibility study that is likely to follow from the PFS.

The Kachi Project covers the lowest point (~3000 m altitude) of a large drainage area of about 9,500 square kilometres, sourcing lithium from acid volcanics of Cerro Galan, which is interpreted to also provide the lithium for at the Salar de Hombre Muerto. This large drainage covers the areas immediately south of Livent's Hombre Muerto Lithium brine operation (NYSE:LTHM) which is Argentina's longest operating lithium brine project and Galaxy Resources (GXY.ASX) Limited's Sal de Vida lithium brine project.

Lake's Argentine subsidiary, Morena del Valle Minerals SA, has completed 15 rotary and diamond drill holes (3150m) to depths up to 403m into the Kachi lithium brine-bearing sediments. Consistent results have been delivered, with highest grades to date from the most recent drill-hole K08R14 averaging 326 mg/L lithium with low impurities and low average Mg/Li ratio of 3.7 (3.4 – 4.8). Results demonstrate thick permeable sand dominated sediments hosting the lithium brines that are expected to continue below current drilling depth limits and beyond the surface dimensions of the salt lake, and indicate the likely extension to the south potentially at similar grades and to greater depths.

The Company released an initial exploration target on 7 and 27 November 2018, under the JORC code guidelines, suggesting the potential dimensions of the Kachi project which include the resource statement area.

The table below (Table 1) outlines the resource reported on 27 November 2018 in accordance with the JORC Code (2012) and estimated by a Competent Person as defined by the JORC Code. The resource estimate has not changed materially from November 2018 to 30 June 2019.

RESOURCE ESTIMATE KACHI						
	Indicated		Inferred		Total Resource	
Area km^2	17.10		158.30		175.40	
Aquifer volume km^3	6		41		47	
Brine volume km^3	0.65		3.2		3.8	
Mean drainable porosity % (Specific yield)	10.9		7.5		7.9	
Element	Li	K	Li	K	Li	K
Weighted mean concentration mg/L	289	5,880	209	4,180	211	4380
Resource tonnes	188,000	3,500,000	638,000	12,500,000	826,000	16,000,000
Lithium Carbonate Equivalent tonnes	**1,005,000**		**3,394,000**		**4,400,000**	
Potassium Chloride tonnes	6,705,000		24,000,000		**30,700,000**	

Lithium is converted to lithium carbonate (Li_2CO_3) with a conversion factor of 5.32
Potassium is converted to potassium chloride (KCl) with a conversion factor of 1.91
Mg/Li ratio averages 4.7

A summary of the main governance arrangements and internal controls that Lake has put in place with respect to its estimates of mineral resources and the estimation process includes use of industry standard drilling and sub-sampling techniques, a chain of custody for sample integrity, use of standards, blanks and duplicates in sample analysis, internal database validation and use of internationally recognised independent resource consultants with internal peer review of estimation assumptions and techniques.

The complete range of governance and internal controls for the resource estimates outlined above are included in Table 1 of ASX announcement dated 27 November 2018 for the Kachi Lithium brine resource estimate.

Competent Person's Statement – Kachi Lithium Brine Project

The information contained in the 27 November 2018 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 is repeated in an ASX announcement of 27 November 2018 by Lake Resources and is an accurate representation of the available data from initial exploration at the Kachi project.

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 - Lake's Olaroz and Cauchari Lithium Brine Projects and the Paso Lithium Brine Project, 100% owned by Lake. Drilling access was granted in late 2018 at Lake's Cauchari Project, followed by successful drilling in mid 2019.

Discovery of multiple lithium brines over a 506m interval (102m – 608m depth) was announced in July/August 2019 at Lake's Cauchari Lithium Brine Project. Results ranged from 421 to 540 mg/L lithium (493 mg/L average) in detailed sampling with low Mg/Li ratios of 2.7.

Brine zones confirm continuity from similar lithium brines in the adjoining world-class major project (500m away) progressing to production from next year at Ganfeng Lithium/Lithium Americas (NYSE:LAC) where the average resource grade is 581 mg/L lithium. This enhances the potential for future production on Lake's leases. The Orocobre (ASX:ORE)/Advantage Lithium (AAL.TSXV) joint venture also have adjoining leases with results from the nearest drillhole showing 198m brine zone interval (6-204m depth) with 450 mg/L lithium. In Cauchari, Lake's leases extend 11 km north-south of the adjoining lithium development to the west.

The objectives of the drilling have been successfully achieved by demonstrating the extension of the adjoining resource into Lake's properties in the same basin. The adjoining resource has doubled in size in April to become the largest in the world.

In Olaroz, Lake's leases extend 30 km north-south of the adjoining Orocobre's Olaroz lithium production leases to the east. Approvals are being finalised to drill these areas with the aim of repeating the success encountered at Cauchari.

Significant corporate transactions continue in adjacent leases. In April-June 2019, Gangfeng Lithium completed the US$397 million acquisition of 50% of the Cauchari project in JV with Lithium Americas which is located 500 metres from Lake's successfully drilled Cauchari project. It is in construction and production is scheduled for late 2020 at 25,000 tpa LCE.

Catamarca Pegmatite Project – Catamarca Province, Argentina

The Company has lease holdings and applications over 80,000 hectares of outcropping pegmatites with lithium potential within Catamarca Province in NW Argentina, held through the local subsidiary Petra Energy SA, fully acquired during the financial year. Exploration is still at an early stage over a 150 kilometre-long belt which favourably hosts significant lithium mineralisation as spodumene in large pegmatite swarms, with prior small scale production. The lithium pegmatites are part of a belt of pegmatite swarms outcropping at relatively low altitudes (300-1500m) in Ancasti, Catamarca province, which has good year-round access.

Pakistan Copper/Gold

Lake holds an interest in the copper-gold Chagai Project in Pakistan, situated in the Tethyan magmatic arc, which extends from Turkey through Iran into Pakistan and hosts a number of world-class copper gold deposits including the Saindak copper-gold mine and the giant Reko Diq copper-gold deposits. Previously, Colt Resources Middle East (CRME) and Aamir Resources Consultants could earn a majority interest in the Chagai project through exploration expenditure of US$1.9 million by 2018. To date this has not been possible due to the lack of government security clearances for key personnel, among other issues. Lake Resources 27.5% interest in Chagai Resources (Pvt) Limited, a Pakistan incorporated operating entity, is held through a wholly owned Pakistan incorporated subsidiary, Lake Mining Pakistan (Pvt) Limited. During the year, no significant exploration activities were undertaken although further discussions are planned.

Significant changes in the state of affairs

On 31 July 2018, the Company entered into a Controlled Placement Agreement (CPA) with Acuity Capital. The CPA provides LKE with up to $4.5 million of standby equity capital over the coming 29 month period. Importantly, LKE retains full control of all aspects the placement process: having sole discretion as to whether or not to utilise the CPA, the quantum of issued shares, the minimum issue price of shares and the timing of each placement tranche (if any). There are no requirements on LKE to utilise the CPA and LKE may terminate the CPA at any time, without cost or penalty. Acuity Capital and the CPA do not place any restrictions at any time on LKE raising capital through other methods. If LKE does decide to utilise the CPA, LKE is able to set a floor price (as its sole discretion) and the final issue price will be calculated as the greater of that floor price set by LKE and a 10% discount to a Volume Weighted Average Price (VWAP) over a period of LKE's choosing (again at the sole discretion of LKE). As collateral for the CPA, LKE has issued 15,000,000 treasury shares on 2 August 2018 at nil consideration to Acuity Capital, but may, at any time, cancel the CPA and buy back the treasury shares for no consideration.

In September 2018, Lake exercised an option agreement with Petra Energy SA for leases and applications over almost 72,000 hectares of outcropping pegmatites with lithium potential as spodumene within Catamarca Province, in NW Argentina. A single tranche of 19 million ordinary shares were issued to the vendors in late September 2018 to acquire 100% of the local company and the project, of which 50% of the shares will be escrowed for 6 months.

Between August and September 2018 the Company issued 18,039,914 (in tranches) new ordinary shares at $0.10 per share following the conversion of LKEO Options. Approximately $0.8 million were converted by the holders and a further $1 million was subscribed by a New York based investor, Long State Investments. At the end of November 2018, 5,420,085 options were converted at an exercise price of $0.05 for $271,000.

9,900,000 unsecured convertible notes were issued in December 2018 for a value of $990,000 with an expiry date of 25 June 2020 and were later repaid into cash and shares.

On 11 April 2019 Lake issued 21,350,000 new ordinary shares by a private placement at $0.05 per share. These funds were primarily to assist the additional working capital requirements and for further drilling at Cauchari Lithium Brine Project, Olaroz Project and Kachi Project.

On 12 April 2019 Lake announced the issue of 55,475,257 bonus options with expiry date 15 June 2019 and exercise price $0.04. The purpose of the offer is to reward shareholder of continuing to support the Company and to provide the Company with a potential source of additional capital. During May and June 2019, 37,551,195 new shares were issued as per bonus options exercise. These funds were used for advancing the Company’s Lithium projects in Argentina and for general working capital purposes.

During May and June 2019, 16,582,349 new shares were issued as per securities agreement with a North American investor introduced by Amvest Capital, announced on the 28th of February 2018. The initial funds received were used primarily towards advancing the PFS at Kachi, accelerating the drilling at the Cauchari project, and working capital.

In late February 2019, $2.6 million before costs was raised in a private placement with 14,917,923 LKE shares issued at $0.09 cents per share with an attached listed option exercisable at A$0.10 (expiry June 2021).

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year

An Extraordinary General Meeting of the Shareholders was held on the 15 August 2019 and the results are presented as follows:

a) Ratification of prior issue of June Placement Shares issued
b) Ratification of prior issue of April Placement Shares issued
c) Approval of the issue of June Placement Options: LKEOB Options attached to the June Placement and the Options attached to the Exercise of Bonus Options in June, commenced trading on the 22nd of August. 51,512,693 LKEOB Options were listed with a $0.10 exercise price and an expiry date of 15 June 2021.
d) Approval of Long-Term Incentive (LTI) Plan: includes up to 25,000,000 performance rights.
e) Approval to grant Performance Rights to Dr Nicholas Lindsay, Stephen Promnitz, Stuart Crow under LTI plan: each director received 5,000,000 performance rights under the LTI plan.
f) Approval of grant of Director Options to Stuart Crow, Stephen Promnitz, and Dr Nicholas Lindsay: 5,000,000 of unlisted options will be issued to the Directors exercisable at $0.09 and expiry date 31 July 2021.
g) Ratification of prior issue of convertible securities
h) Ratification of prior issue of Options

On the 6 September 2019, 45,319,508 new shares were issued at $0.045 per ordinary share by way of private placement. These funds were used by Lake to complete the Pre-Feasibility Study (PFS) and advance the construction of a pilot plant using the Lilac direct extraction process at the Kachi project, together with exploration at Olaroz and Cauchari Lithium Brine Projects, and additional working capital.

No other matter or circumstance has arisen since 30 June 2019 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

The focus for the Company is near-term pre-production of lithium products from Kachi via the delivery of a PFS and an operating pilot plant at Kachi using a direct extraction process with technology partner Lilac Solutions, to produce high quality, low impurity lithium carbonate with potential for lowest quartile lithium production costs. Additionally, the Company has announced that it intends to commence drilling at its 100% owned Olaroz Lithium Brine project in the Jujuy province in FY2020.

Environmental regulation

The consolidated entity is subject to and compliant with all aspects of environmental regulation of its exploration and mining activities. The directors are not aware of any environmental law that is not being complied with.

Information on directors

Name:	Stuart Crow
Title:	Non-Executive Chairman
Experience and expertise:	Mr Crow has global experience in financial services, corporate finance, investor relations, international markets, and stock broking. Stuart is passionate about assisting emerging listed companies to attract investors and capital and has owned and operated his own businesses.
Other current directorships:	Non-Executive Director Todd River Resources LTD (ASX:TRT) Non-Executive Director Ironridge Resources Limited (AIM:IRR)
Former directorships (last 3 years):	Non-Executive Director TNG Limited (ASX:TNG) Chairman Bryah Resources Limited (ASX:BYH)
Interests in shares:	4,358,964 Shares
Interests in options:	8,701,120 Options
Interests in rights:	None

Name:	Stephen Promnitz
Title:	Managing Director
Experience and expertise:	Mr Promnitz has considerable technical and commercial experience in Argentina, a geologist fluent in Spanish, and a history of exploring, funding and developing projects. Mr Promnitz has previously been CEO and 2IC of mid-tier listed mineral explorers and producers (Kingsgate Consolidated, Indochine Mining), in corporate finance roles with investment banks (Citi, Westpac) and held technical, corporate and management roles with major mining companies (Rio Tinto/CRA, Western Mining).
Other current directorships:	None
Former directorships (last 3 years):	None
Interests in shares:	15,381,293 Shares
Interests in options:	13,073,169 Options

Name:	Dr Nick Lindsay
Title:	Non-Executive Director
Experience and expertise:	Nick has extensive 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. Nick has an BSc (Hons) degree in Geology, a PhD in Metallurgy 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. Dr Lindsay is currently CEO of Valor Resources, and previously held the position of President – Chilean Operations for Kingsgate Consolidated Ltd and is a member of the AusIMM and the AIG.
Other current directorships:	Valor Resources (since 2018)
Former directorships (last 3 years):	None
Interests in shares:	None
Interests in options:	6,500,000 Options
Interests in rights:	None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary

Andrew Bursill became company secretary on 14 November 2016. Mr Bursill held the position of company secretary for a number of publicly listed companies and has experience in accounting, administration, capital raisings and ASX compliance and regulatory requirements. Mr Bursill resigned on 2 July 2019.

Sinead Teague was appointed company secretary on 2 July 2019. Ms Sinead Teague has over 10 years' experience within company secretarial roles in Australia and Ireland. Ms Teague works with a varied portfolio of ASX listed companies across technology, mining, financial and communications industries as well as providing company secretarial services for other large public unlisted, private and not-for-profit entities. Ms Teague holds a Masters in Management and Corporate Governance and a degree in Law with Government and is an associate member of the Governance Institute having qualified as a Chartered Company Secretary through the ISCA (now Governance Institute).

Meetings of directors

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2019, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
S. Crow	3	3
S. Promnitz	3	3
N. Lindsay	3	3

Held: represents the number of meetings held during the time the director held office.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The board policy is to remunerate directors at market rates for time, commitment, responsibilities and overall performance. The board determines payments to the directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of directors' fees that can be paid is subject to approval by shareholders at the Annual General Meeting. Fees for non-executive directors are not linked to the performance of the consolidated entity. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company. The consolidated entity did not utilise the services of a remuneration consultant for the year.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:
- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the consolidated entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:
- having economic profit as a core component of plan design
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retaining high calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:
- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors remuneration
Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The Chairman is not present at any discussions relating to the determination of his own remuneration.

The current non-executive directors' fees are determined within an aggregate directors' fee limit. The maximum current aggregate non-executive directors' fee limit stands at $350,000 per annum.

Executive remuneration
The consolidated entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:
- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board of Directors based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the consolidated entity and provides additional value to the executive.

Long Term Incentive (LTI) Plan
At the 2016 Annual General Meeting, the shareholders of the Company approved the Long Term Incentive (LTI) Plan ('Plan'). The Plan was updated and extended at an Extraordinary General Meeting of the Shareholders on 15 August 2019. The main purpose of the Plan is to give incentives to eligible participants (or their nominee) to provide dedicated and ongoing commitment and effort to the Company aligning the interest of both employees and shareholders and for the Company to reward eligible employees for their effort. The Plan contemplates the issue to eligible employees of performance rights which may have milestones.

Under the Plan, during the financial year to 30 June 2019, the Company issued the final allocation of 2.5 million performance rights to Mr Steve Promnitz. The performance shares were issued at nil consideration.

On 15 August 2019, shareholders approved the issue of Securities under the Plan, of up to 25,000,000 performance rights.

For Mr Promnitz, 2.5 million performance rights will vest when a Pre-Feasibility Study is completed and 2.5 million performance rights will vest when an investment partner signs an agreement to invest into the Kachi project in Catamarca.

Mr Crow's 5 million performance rights will vest in a single tranche when an investment partner signs an agreement to invest in the Kachi project in Catamarca.

Dr Lindsay’s 2.5 million performance rights will vest when a Pre-Feasibility Study is completed and 2.5 million performance rights will vest when a Pilot Plant is established on-site at the Kachi project in Catamarca.

Voting and comments made at the Company's 2018 Annual General Meeting ('AGM')
In excess of 75% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2018. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration
Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

The key management personnel of the consolidated entity consisted of the following directors of Lake Resources NL:
- S. Crow (Non-Executive Chairman)
- S. Promnitz (Managing Director)
- N. Lindsay (Non-Executive Director)

	Short-term benefits			Post-employment benefits	Long-term benefits		
2019	Cash salary and fees $	Cash bonus $	Annual leave $	Super-annuation $	Long service leave $	Performance Rights $	Total $
Non-Executive Directors:							
S. Crow *	246,000	-	-	-	-	-	246,000
N. Lindsay	60,000	-	-	-	-	-	60,000
Executive Directors:							
S. Promnitz	230,384	-	20,676	21,130	-	-	272,190
	536,384	-	20,676	21,130	-	-	578,190

* The amount paid to Stu includes $146,000 of consultancy fees paid during the FY2019

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2018	Cash salary and fees $	Cash bonus $	Annual leave** $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
S. Crow	36,667	-	-	-	-	415,034	451,701
N. Lindsay*	28,900	-	-	-	-	207,517	236,417
Executive Directors:							
S. Promnitz	230,384	50,000	29,535	24,366	-	691,723	1,026,008
	295,951	50,000	29,535	24,366	-	1,314,274	1,714,126

* appointed 18 July 2017.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	2019	2018	2019	2018	2019	2018
Non-Executive Directors:						
S. Crow	100%	8%	-	-	-	92%
N. Lindsay	100%	12%	-	-	-	88%
Executive Directors:						
S. Promnitz	100%	31%	-	-	-	69%

Service agreements
Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	S. Promnitz
Title:	Managing Director
Agreement commenced:	14 November 2016
Term of agreement:	Initial salary of $250,000 per annum, with a review point scheduled for 12 months from commencement date, subject to satisfactory performance. Incentive of 5,000,000 performance rights as approved by shareholders on 4 October 2016. If notice given by Company, the Company shall be liable to pay full compensation for a six month notice period. If notice is given by Mr Promnitz, the notice period is three months. Company shall have the right to choose whether Mr. Promnitz work his notice or paid in lieu of notice.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Non-executive director arrangements

All non-executive directors enter into an agreement with the Company in the form of a letter of appointment. The letter summarises the board policies and terms, including remuneration, relevant to the office of director.

Share-based compensation

Issue of shares
There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2019.

Options
The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
30 November 2017	30 Nov 2017	31 Dec 2020	$0.28	$0.138

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
S. Promnitz	5,000,000	30 Nov 2017	30 Nov 2017	31 Dec 2020	$0.28	$0.138
S. Crow	3,000,000	30 Nov 2017	30 Nov 2017	31 Dec 2020	$0.28	$0.138
N. Lindsay	1,500,000	30 Nov 2017	30 Nov 2017	31 Dec 2020	$0.28	$0.138

Options granted carry no dividend or voting rights.

There were no options over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 30 June 2019.

Performance rights
There were no performance rights over ordinary shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2019.

The number of performance rights over ordinary shares granted to and vested by directors and other key management personnel as part of compensation during the year ended 30 June 2019 are set out below:

Name	Number of rights granted during the year 2019	Number of rights granted during the year 2018	Number of rights vested during the year 2019	Number of rights vested during the year 2018
Stuart Crow	-	-	-	1,000,000
Steve Promnitz	-	-	2,500,000	5,000,000

Additional information
The earnings of the consolidated entity for the five years to 30 June 2019 are summarised below:

	2019 $	2018 $	2017 $	2016 $	2015 $
Net Loss	3,530,935	3,540,391	1,170,745	41,682	88,420
Net Assets	12,441,849	6,505,140	3,228,950	68,031	109,713
Share Price at year end (cents)	9	9	3	1	1

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the Company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ Other	Balance at the end of the year
Ordinary shares					
S. Crow	3,534,600	-	824,364	-	4,358,964
S. Promnitz	14,008,124	-	5,573,169	(4,200,000)	15,381,293
	17,542,724	-	6,397,533	(4,200,000)	19,740,257

No other directors and key management personnel holds shares in the Company.

Option holding
The number of options over ordinary shares in the Company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
S. Crow	3,312,500	-	(156,250)	-	3,156,250
S. Promnitz	5,625,511	-	-	-	5,625,511
N. Lindsay	1,500,000	-	-	-	1,500,000
	10,438,011	-	(156,250)	-	10,281,761

No other directors and key management personnel holds options in the Company.

Performance rights holding
The number of performance rights over ordinary shares in the Company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted as remuneration	Converted to shares	Expired/ forfeited/ other	Balance at the end of the year
Performance rights over ordinary shares					
S. Promnitz	2,500,000	-	(2,500,000)	-	-
	2,500,000	-	(2,500,000)	-	-

No other directors and key management personnel holds performance rights in the Company.

There have been no other transactions involving equity instruments apart from those described in the tables relating to options, right and shareholdings.

This concludes the remuneration report, which has been audited.

Shares under option
Unissued ordinary shares of Lake Resources NL under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
14 November 2016	21 October 2019	$0.05	5,052,083
30 November 2017	31 December 2020	$0.28	9,500,000
08 March 2019	28 February 2022	$0.08	5,555,000
19 August 2019	15 June 2021	$0.10	52,512,693
16 September 2019	31 July 2021	$0.09	15,000,000
			87,619,776

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

Shares under performance rights
There were no unissued ordinary shares of Lake Resources NL under performance rights outstanding at the date of this report.

Shares issued on the exercise of options
The following ordinary shares of Lake Resources NL were issued during the year ended 30 June 2019 and up to the date of this report on the exercise of options granted:

Date options granted	Exercise price	Number of shares issued
27/02/2017	$0.10	18,039,914
14/11/2016	$0.05	4,720,085
14/11/2016	$0.05	1,197,917
12/04/2019	$0.04	37,551,195
		61,509,111

Shares issued on the conversion of performance rights
There were 2,500,000 ordinary shares of Lake Resources NL issued on the exercise of performance rights during the year ended 30 June 2019 and up to the date of this report. These performance rights were granted on 4 October 2016 and approved at a meeting of Shareholders.

Indemnity and insurance of officers
The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor
The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Non-audit services
There were no non-audit services provided during the financial year by the auditor.

Officers of the Company who are former partners of Stanley & Williamson
There are no officers of the Company who are former partners of Stanley & Williamson.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor
Stanley & Williamson continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Steve Promnitz
Director

2 October 2019

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead auditor for the audit of Lake Resources N.L. for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Lake Resources N.L. and the entities it controlled during the year.

KThakkar

Kamal Thakkar

Partner

Stanley & Williamson

Sydney
2 October 2019

CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND

KRESTON

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General information

The financial statements cover Lake Resources NL as a consolidated entity consisting of Lake Resources NL and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Lake Resources NL's functional and presentation currency.

Lake Resources NL is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 5, 126 Phillip Street
SYDNEY NSW 2000

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 2 October 2019. The directors have the power to amend and reissue the financial statements.

Corporate Governance Statement

The Company's Corporate Governance Statement can be found on the Company's website: www.lakeresources.com.au

	Note	Consolidated 2019 $	2018 $
Expenses			
Depreciation and amortisation expense		(667)	(135)
Administrative expenses		(82,001)	(21,582)
Corporate expenses	4	(1,178,593)	(718,574)
Employee benefit expenses		(473,455)	(395,952)
Share based payments expense	26	(239,049)	(1,314,274)
Consultancy and legal costs	4	(810,200)	(310,975)
Finance costs	4	(391,046)	(30,493)
Loss before income tax expense		(3,175,011)	(2,791,985)
Income tax expense	5	(355,924)	(748,406)
Loss after income tax expense for the year attributable to the owners of Lake Resources NL	15	(3,530,935)	(3,540,391)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Lake Resources NL		(3,530,935)	(3,540,391)
		Cents	**Cents**
Basic earnings per share	25	(0.97)	(1.43)
Diluted earnings per share	25	(0.97)	(1.43)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

	Note	Consolidated 2019 $	Consolidated 2018 $
Assets			
Current assets			
Cash and cash equivalents	6	1,725,366	1,744,467
Trade and other receivables		151,679	33,308
Other current assets	7	54,687	48,873
Total current assets		1,931,732	1,826,648
Non-current assets			
Investments accounted for using the equity method	8	35	35
Property, plant and equipment		1,198	1,865
Exploration and evaluation	9	13,312,658	4,901,193
Total non-current assets		13,313,891	4,903,093
Total assets		15,245,623	6,729,741
Liabilities			
Current liabilities			
Trade and other payables	10	1,320,203	190,636
Borrowings	11	1,428,079	-
Employee benefits	12	55,492	33,965
Total current liabilities		2,803,774	224,601
Total liabilities		2,803,774	224,601
Net assets		12,441,849	6,505,140
Equity			
Issued capital	13	27,758,605	18,342,102
Reserves	14	1,508,020	1,757,605
Accumulated losses	15	(16,824,776)	(13,594,567)
Total equity		12,441,849	6,505,140

The above statement of financial position should be read in conjunction with the accompanying notes

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2017	12,346,866	936,260	(10,054,176)	3,228,950
Loss after income tax expense for the year	-	-	(3,540,391)	(3,540,391)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(3,540,391)	(3,540,391)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 13)	5,252,736	-	-	5,252,736
Share-based payments (note 26)	-	1,563,845	-	1,563,845
Transfer to share capital on conversion of performance rights	742,500	(742,500)	-	-
Balance at 30 June 2018	18,342,102	1,757,605	(13,594,567)	6,505,140

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2018	18,342,102	1,757,605	(13,594,567)	6,505,140
Loss after income tax expense for the year	-	-	(3,530,935)	(3,530,935)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(3,530,935)	(3,530,935)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 13)	7,512,003	-	-	7,512,003
Share-based payments (note 26)	1,767,000	188,641	-	1,955,641
Conversion of performance shares to issued capital (note 14)	137,500	(137,500)	-	-
Transfer from option reserve to accumulated losses on options expired/ exercised (note 14)	-	(300,726)	300,726	-
Balance at 30 June 2019	27,758,605	1,508,020	(16,824,776)	12,441,849

The above statement of changes in equity should be read in conjunction with the accompanying notes

	Note	Consolidated 2019 $	Consolidated 2018 $
Cash flows from operating activities			
Payments to suppliers		(3,182,586)	(1,480,128)
Net cash used in operating activities	24	(3,182,586)	(1,480,128)
Cash flows from investing activities			
Payments for property, plant and equipment		-	(2,000)
Payments for exploration and evaluation		(5,127,571)	(3,672,537)
Net cash used in investing activities		(5,127,571)	(3,674,537)
Cash flows from financing activities			
Proceeds from issue of shares, net of transaction costs	13	6,436,389	4,044,239
Proceeds from borrowings	11	2,347,211	1,665,000
Repayment of borrowings	11	(439,750)	(175,000)
Payment of interest on borrowings		(52,794)	(31,932)
Net cash from financing activities		8,291,056	5,502,307
Net increase/(decrease) in cash and cash equivalents		(19,101)	347,642
Cash and cash equivalents at the beginning of the financial year		1,744,467	1,396,825
Cash and cash equivalents at the end of the financial year	6	1,725,366	1,744,467

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 9 Financial Instruments
The consolidated entity has adopted AASB 9 from 1 January 2018. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available. The adoption of AASB 9 has not had a material impact on the consolidated entity's financial statements.

AASB 15 Revenue from Contracts with Customers
The consolidated entity has adopted AASB 15 from 1 January 2018. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period. The adoption of AASB 15 has not has a material impact on the consolidated entity's financial statements.

Note 1. Significant accounting policies (continued)

Accounting Standards issued but not yet adopted

AASB 16 Leases

The consolidated entity will adopt AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. Based on the work performed to date, findings by Management indicate that the application of AASB 16 will not have a material impact on the recognition of expenses for rent, depreciation or financial costs or on the recognition of leased assets of lease liabilities.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Going concern

The financial report has been prepared on a going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. The consolidated entity has incurred net losses after tax of $3,530,935 (2018: $3,540,391) and net cash outflows from operating and investing activities of $8,310,157 (2018: $5,154,665) for the year ended 30 June 2019. For the reasons described below, conditions exist that indicate there is a material uncertainty as to the consolidated entity’s ability to continue as a going concern.

The directors have prepared cash flow forecasts which indicate that the current cash resources will not be sufficient to fund planned exploration and development expenditure, other principal activities and working capital requirements without further funding or capital raising during the upcoming financial year to fund its current and planned operations.

The directors have been reviewing various funding opportunities to meet its funding requirements at the time of this financial report. The Board has resolved to accept the Second Investment Amount of a funding facility available to the consolidated entity under the terms of the Convertible Securities Agreement with Amvest Capital Inc / SBI Investments (PR) LLC which was announced on 28 February 2019. Under the terms of the unsecured facility, the consolidated entity will have access to funding of up to $3,345,000. Other offers have been received for larger amounts. The directors are also in advanced discussions with cornerstone investors and other potential investors to allow continued funding of the $3m pilot plant for its Kachi project, as well as development funding partners for the first phase of potential staged production.

Based on the cash flow forecasts and achieving the funding arrangement described above, or similar, the directors are confident that the consolidated entity will be able to continue as a going concern. The directors are confident in the consolidated entity’s ability to fund its activities based on past success in raising capital and the discussions to date.

Note 1. Significant accounting policies (continued)

Should the consolidated entity be unable to raise capital or realise the sale of non-core assets, there is a material uncertainty whether the consolidated entity will be able to continue as a going concern and therefore, whether it will be able to realise its assets and discharge its liabilities in the normal course of business. The financial report does not include adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 21.

Principles of consolidation
The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Lake Resources NL) and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of subsidiaries is provided in note 22.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the consolidated entity from the date on which control is obtained by the consolidated entity. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between consolidated entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the consolidated entity.

Operating segments
Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation
The financial statements are presented in Australian dollars, which is Lake Resources NL's functional and presentation currency.

Transaction and balances
Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of comprehensive.

Foreign operations
The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Financial Instruments
Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Note 1. Significant accounting policies (continued)

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Financial assets at amortised cost
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Financial assets at fair value through profit and loss
Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through comprehensive income
Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets
The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Income tax
The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income. Current tax liabilities/(assets) are measured at the amounts expected to be paid to/(recovered from) the relevant tax authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Deferred tax assets and liabilities are calculated at the rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Note 1. Significant accounting policies (continued)

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

Trade and other receivables

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Interest in joint arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint venture entities providing joint venturers with an interest in net assets are classified as a joint venture and accounted for using the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the consolidated entity's share of net assets of the joint venture.

Note 1. Significant accounting policies (continued)

Exploration and development expenditure
Exploration, evaluation and development expenditure incurred are capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area of interest.

Costs of site restoration are provided over the life of the project from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with local laws and regulations and clauses of the permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

Impairment of assets
At each reporting date, the Company assesses whether there is any indication that an set may be impaired. The assessment will include the consideration of external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the assets carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Trade and other payables
These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Note 1. Significant accounting policies (continued)

Share-based payments
Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:
- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Note 1. Significant accounting policies (continued)

Fair Value of Assets and Liabilities
The Company may measure some of its assets and liabilities at fair value on either a recurring or non-recurring basis after initial recognition, depending in the requirements of the applicable Accounting Standard. Currently though there are no assets or liabilities measured at fair value.

Fair value is the price the Company would receive to see an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuations techniques maximise, to the extent possible, the use of observable market data.

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

Provisions
Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Business combinations
The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Note 1. Significant accounting policies (continued)

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Lake Resources NL, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Equity Settled Compensation
The Company makes equity-settled share-based payments to directors, employees and other parties for services provided. The fair value of the equity is measured at grant date and recognised as an asset or as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price.

Comparative Figures
When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Going concern
The most critical accounting estimate/judgment used in preparing the financial statements is the going concern basis - see note 1 Basis of Preparation above.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Share-based payment transactions
The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Exploration and evaluation costs
Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Note 3. Operating segments

Segment Information
The Company currently operates entirely in the mineral exploration industry with interests in Argentina (previously Pakistan) and corporate operations in Australia. Accordingly, the information provided to the Board of Directors is prepared using the same measures used in preparing the financial statements.

Geographical information

	Sales to external customers		Geographical non-current assets	
	2019 $	2018 $	2019 $	2018 $
Argentina	-	-	13,312,658	4,901,193
Pakistan	-	-	35	35
	-	-	13,312,693	4,901,228

Note 4. Expenses

	Consolidated 2019 $	Consolidated 2018 $
Loss before income tax includes the following specific expenses:		
Corporate expenses		
Filing fees - ASIC	10,277	4,297
Advertising	82,185	24,983
Audit fees	34,787	46,500
General expenses	271,234	262,466
Travel expenses	237,695	97,535
Consulting - Director	95,592	-
Share registry maintenance	166,584	123,340
Investor relations	280,239	159,453
Corporate expenses	1,178,593	718,574
Consultancy and legal costs		
Consulting and accounting	634,348	244,884
Legal expenses	175,852	66,091
Consultancy and legal costs	810,200	310,975
Finance costs		
Interest and finance charges paid/payable	391,046	30,493
Net foreign exchange loss		
Net foreign exchange loss	13,430	5,932
Superannuation expense		
Defined contribution superannuation expense	24,636	24,366

Note 5. Income tax expense

	Consolidated 2019 $	Consolidated 2018 $
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(3,175,011)	(2,791,985)
Tax at the statutory tax rate of 27.5%	(873,128)	(767,796)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Share-based payments	239,049	361,425
	(634,079)	(406,371)
Future income tax benefit of tax losses not brought to account	634,079	406,371
Tax expense in relation VAT in Argentina - amount only recoverable when sales generated	355,924	748,406
Income tax expense	355,924	748,406

The Company has unrecouped, unconfirmed carry forward tax losses of approximately $13.2 million (2018: $11.7 million).

Note 5. Income tax expense (continued)

A deferred income tax asset arising from carry forward tax losses will only be recognised to the extent that:
(a) it is probable that the Company will derive future assessable income of a nature and of an amount sufficient to enable the benefits from the deductions for the losses to be realised;
(b) the Company continues to comply with the conditions for deductibility imposed by the law; and
(c) no changes in tax legislation adversely affect the Company in realising the benefit from the losses.

Note 6. Current assets - cash and cash equivalents

	Consolidated	
	2019 $	2018 $
Cash at bank and on hand	1,725,366	1,744,467

Note 7. Current assets - other current assets

	Consolidated	
	2019 $	2018 $
Prepayments	54,687	48,873

Note 8. Non-current assets - investments accounted for using the equity method

Lake Resources NL (the parent) holds a 27.5% interest through its subsidiary in Chagai Resources (Pvt) Ltd, a joint arrangement between the consolidated entity and two other parties. The principal place of business is Pakistan and the primary purpose is mineral exploration. The exploration licences are in a stage of renewal.

	Consolidated	
	2019 $	2018 $
Equity accounted investment	35	35

Colt Resources Middle East, were to have expended a minimum of US$1.9 million on exploration of the licences by 2018 but access to the areas proved challenging. The consolidated entity may resume 100% ownership of Chagai Resources if the areas are renewed.

During the year no significant exploration activities were undertaken.

Note 9. Non-current assets - exploration and evaluation

	Consolidated	
	2019 $	2018 $
Exploration and evaluation assets - at cost	13,312,658	4,901,193

Note 9. Non-current assets - exploration and evaluation (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Exploration and evaluation assets $
Balance at 1 July 2017	1,887,866
Additions - direct exploration costs	3,013,327
Balance at 30 June 2018	4,901,193
Additions - direct exploration costs	8,411,465
Balance at 30 June 2019	13,312,658

Exploration and evaluation costs are carried forward in the statement of financial position as detailed in accounting policy note 1. Recoverability of the carrying amount of exploration assets is dependent on the successful exploration of minerals.

Note 10. Current liabilities - trade and other payables

	Consolidated	
	2019 $	**2018 $**
Trade payables	1,099,014	144,977
Sundry creditors and accrued expenses	221,189	45,659
	1,320,203	190,636

Refer to note 17 for further information on financial instruments.

Note 11. Current liabilities - borrowings

	Consolidated	
	2019 $	**2018 $**
Loan Notes	1,428,079	-

Note 11. Current liabilities - borrowings (continued)

Refer to note 17 for further information on financial instruments.

During the period, the Company announced it raised $990,000 by way of issue of 9,900,000 unsecured convertible notes ('Notes') to sophisticated and professional investors. The Notes issued are debt securities and are convertible into ordinary shares.

A summary of the key terms of the Notes are set out below:

Denomination: The Notes were issued fully paid with a face value of $0.10 per Note.
Maturity Date: 18 months from the date of issue.
Interest Rate: The Notes attract interest at 15% per annum, payable quarterly in arrears in cash or fully paid ordinary shares issued at 95% VWAP of the shares for the 10 trading day period ending on the relevant interest payment date.
Status and Ranking: The Notes rank equally with all other direct, unsubordinated and unsecured obligations of the Issuer.
Conversion: The Notes convert into fully paid ordinary shares at 80% VWAP of the shares for the 10 trading day period ending on the date of the conversion notice or maturity date.

During the year, the Notes were repaid through a combination of cash repayment and offset against the issue of shares in the Company's April and June 2019 share placement.

Notes repaid through cash: 1,237,500
Notes offset against issue of shares: 4,262,500

Balance at the end of the Financial Year: $472,502 (repaid in full after the end of the financial year).

During the period, the Company signed an agreement with the investor SBI Investments (PR) LLC, which the investor has agreed to invest up to an aggregate of $1,655,000 in the Company (with the potential to invest between a further $500,000 and $3,345,000 pursuant to a second investment) and the Company has agreed to issue convertible securities to the investor in accordance with the terms and conditions of this agreement.

A summary of the key terms of the Notes are set out below:

Denomination: The 1,820,500 Notes were issued fully paid with a face value of $0.909 per Note.
Maturity Date: 18 months from the date of issue.
Interest Rate: The Company authorises the investor to deduct from the first investment amount the interest payable for the initial first investment securities interest period, being an amount equal to $248,250 (first year interest amount).
Conversion:
a) The number of shares to which the Investor is entitled upon conversion of the relevant convertible security is determined by the following formula: Number of shares = ARA / Conversion Price, where:
ARA: means the aggregate of the repayment amount of the Convertible Security being converted by the Investor, plus any accrued (but unpaid) interest which is due and payable on the Conversion Date.
Conversion Price: means the Conversion Price (as defined) per Convertible Security, which may be subsequently adjusted under this clause.
b) Where the number of shares to be issued to the Investor under this clause (above) includes a fraction, that fraction will be rounded to the nearest whole number.

Balance at the end of the Financial Year: $955,576

Note 12. Current liabilities - employee benefits

	Consolidated	
	2019 $	2018 $
Annual leave	55,492	33,965

Note 13. Equity - issued capital

	Consolidated			
	2019 Shares	2018 Shares	2019 $	2018 $
Ordinary shares - fully paid	472,296,192	305,683,867	27,758,605	18,342,102

Movements in ordinary share capital

Details	Date	Ordinary Shares	$
Balance	1 July 2017	227,493,026	12,346,866
Exercise of options	7 December 2017	150,000	15,000
Conversion of performance shares	8 December 2017	6,000,000	330,000
Issue of shares - placement	27 March 2018	29,011,110	3,916,500
Issue of shares - conversion of notes	27 March 2018	4,322,225	583,500
Exercise of options - cash payment	4 April 2018	25,000,000	1,250,000
Conversion of performance shares	24 April 2018	12,500,000	412,500
Exercise of options	24 April 2018	1,207,506	60,375
Capital raising costs - cash		-	(323,068)
Capital raising costs - share based payments		-	(249,571)
Balance	30 June 2018	305,683,867	18,342,102
Issue of shares - CPA with Acuity Capital *	2 August 2018	15,000,000	-
Transferred to treasury shares	2 August 2018	(15,000,000)	-
Issue of shares - exercise of listed options	20 August 2018	504,000	50,400
Issue of shares - exercise of listed options	23 August 2018	2,575,869	257,587
Issue of shares - exercise of listed options	24 August 2018	65,235	6,524
Issue of shares - exercise of listed options	27 August 2018	4,770,679	477,068
Issue of shares - Petra Energy **	13 September 2018	19,000,000	1,767,000
Issue of shares - exercise of listed options	25 September 2018	10,124,131	584,785
Issue of shares - conversion of performance rights	10 October 2018	2,500,000	137,500
Issue of shares - exercise of unlisted options	30 November 2018	5,420,085	271,004
Issue of shares - exercise of unlisted options	17 December 2018	497,917	24,896
Issue of shares - Exercise of convertible notes	11 March 2019	835,020	41,250
Issue of shares - Placement	11 April 2019	21,350,000	1,067,480
Issue of shares - Exercise of convertible notes SBI Agreement	06 May 2019	1,149,425	49,425
Issue of shares - Exercise of convertible notes and bonus of options	24 May 2019	2,611,174	107,381
Issue of shares - Exercise of convertible notes and bonus of options	05 June 2019	11,198,584	457,240
Issue of shares - Placement and Exercise of bonus options	13 June 2019	38,245,614	3,020,042
Issue of shares - Exercise of convertible notes and bonus of options	17 June 2019	24,245,917	978,319
Issue of shares - Placement and Exercise of bonus options	24 June 2019	6,518,675	254,953
Capital raising costs - cash		-	(136,351)
Balance	30 June 2019	457,296,192	27,758,605

Note 13. Equity - issued capital (continued)

Treasury shares

Details	Date	Treasury Shares	$
Balance	1 July 2018	-	$0
Transfer from ordinary share capital	2 August 2018	15,000,000	$0
		15,000,000	

*These shares were entered under a Controlled Placement Agreement with Acuity Capital
** Refer to note 26 for further details

Performance rights (note that the valuation for the performance rights are recognised in performance rights reserve)

Details	**Date**	**Performance rights**	**$**
Balance	1 July 2017	21,000,000	880,000
Conversion to share capital	8 December 2017	(6,000,000)	(330,000)
Conversion to share capital	24 April 2018	(12,500,000)	(412,500)
Balance	30 June 2018	2,500,000	137,500
Conversion to share capital	10 October 2018	(2,500,000)	(137,500)
Conversion to share capital	24 April 2018	-	-
Balance	30 June 2019	-	-

Note 13. Equity - issued capital (continued)

Options (note that the valuation for the options are recognised in option reserve)

Details	Date	Options	$
Balance	1 July 2017	58,389,250	51,263
Issued to directors	30 November 2017	9,500,000	1,314,274
Exercise of options	7 December 2017	(150,000)	-
Exercise of options	4 April 2018	(25,000,000)	-
Exercise of options	24 April 2018	(1,207,506)	-
Issued to brokers in relation to services for capital raising	9 May 2018	9,500,000	249,571
Issued to shareholders in relation to capital raising	15 June 2018	33,316,667	-
Options lapsed	18 June 2018	(1,539,250)	-
Balance	30 June 2018	82,809,161	1,615,108
Exercise of listed options	20 August 2018	(504,000)	-
Exercise of listed options	23 August 2018	(2,575,869)	-
Exercise of listed options	24 August 2018	(65,235)	-
Exercise of listed options	27 August 2018	(4,770,679)	-
Expiry of options	27 August 2018	(1,160,086)	(51,155)
Exercise of listed options	25 September 2018	(10,124,131)	-
Exercise of options C	30 November 2018	(5,420,085)	(249,571)
Expiry of options	30 November 2018	(322,409)	-
Expiry of options	15 December 2018	(42,816,667)	-
Exercise of options D	17 December 2018	(497,917)	-
Issue of unlisted options	08 March 2019	5,555,555	188,641
Issue of bonus of options	12 April 2019	52,045,081	-
Exercise of bonus options	24 May 2019	(1,453,767)	-
Exercise of bonus options	05 June 2019	(5,250,452)	-
Exercise of bonus options	13 June 2019	(8,469,169)	-
Exercise of bonus options	17 June 2019	(15,918,532)	-
Exercise of bonus options	24 June 2019	(6,459,275)	-
Exercise of bonus options	24 June 2019	(14,493,886)	-
Balance	30 June 2019	20,107,638	1,503,023

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back
There is no current on-market share buy-back.

Capital risk management
Exploration companies such as Lake Resources NL are funded primarily by share capital. The Company's capital comprises share capital supported by financial assets and financial liabilities.

Management controls the capital of the Company to ensure it can fund its operations and continue as a going concern.

Capital management policy is to fund exploration activities by way of equity. No dividend will be paid whilst the Company is in its exploration stage. There are no externally imposed capital requirements.

Note 14. Equity - reserves

	Consolidated 2019 $	2018 $
Capital profits reserve	4,997	4,997
Options reserve	1,503,023	1,615,108
Performance rights reserve	-	137,500
	1,508,020	1,757,605

Capital profits reserve
The capital profits reserve records non-taxable profits on sale of investments.

Option reserve
The option reserve is to recognise the fair value of options issued for share based payment to employees and service providers in relation to the supply of goods or services.

Performance rights reserve
The performance rights reserve is to recognise the fair value of performance rights issued to employees and vendors in relation to the supply of goods or services.

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Capital profit reserve $	Option reserve $	Performance rights reserve $	Total $
Balance at 1 July 2017	4,997	51,263	880,000	936,260
Share-based payments - issue of options to directors	-	1,314,274	-	1,314,274
Share-based payments - issued to brokers in relation to capital raising	-	249,571	-	249,571
Transferred to share capital on conversion	-	-	(742,500)	(742,500)
Balance at 30 June 2018	4,997	1,615,108	137,500	1,757,605
Share-based payments - issued to brokers in relation to capital raising	-	188,641	-	188,641
Conversion of performance shares to issued capital	-	-	(137,500)	(137,500)
Transfer from option reserve to accumulated losses on broker options expired /exercised	-	(300,726)	-	(300,726)
Balance at 30 June 2019	4,997	1,503,023	-	1,508,020

Note 15. Equity - accumulated losses

	Consolidated 2019 $	2018 $
Accumulated losses at the beginning of the financial year	(13,594,567)	(10,054,176)
Loss after income tax expense for the year	(3,530,935)	(3,540,391)
Transfer from options reserve	300,726	-
Accumulated losses at the end of the financial year	(16,824,776)	(13,594,567)

Note 16. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 17. Financial instruments

Financial risk management objectives

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses different methods to measure different types of risk to which it is exposed.

Risk management is carried out by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits.

Market risk

Foreign currency risk

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency.

In order to protect against adverse exchange rate movements, the consolidated entity has set up a foreign bank account (USD) which is used to fund its exploration activities in Argentina.

The carrying amount of the consolidated entity's foreign currency denominated financial assets at the reporting date were as follows:

	Assets		Liabilities	
Consolidated	**2019 $**	**2018 $**	**2019 $**	**2018 $**
US dollars	31,609	186,634	272,445	-
Euros	-	-	450	-
Pound Sterling	-	-	2,900	-
Canadian dollars	-	-	6,000	-
Argentinian pesos	-	-	18,978,793	-
	31,609	186,634	19,260,588	-

A sensitivity analysis of the movement in exchange rate (based on the closing balance of the asset) is presented below:

	AUD strengthened			AUD weakened		
Consolidated - 2019	**% change**	**Effect on profit before tax**	**Effect on equity**	**% change**	**Effect on profit before tax**	**Effect on equity**
USD assets	1%	808	-	1%	(808)	-
USD liabilities	1%	(3,840)	-	-	3,840	-
CAD liabilities	1%	(65)	-	-	65	-
GBP liabilities	1%	(52)	-	-	52	-
EUR liabilities	1%	(7)	-	-	7	-
ARS liabilities	1%	(6,292)	-	-	6,292	-
		(9,448)	-		9,448	-

Note 17. Financial instruments (continued)

Consolidated - 2018	AUD strengthened % change	AUD strengthened Effect on profit before tax	AUD strengthened Effect on equity	AUD weakened % change	AUD weakened Effect on profit before tax	AUD weakened Effect on equity
USD assets	1%	1,866	1,866	1%	(1,866)	(1,866)

Price risk
The consolidated entity is not exposed to any significant price risk.

Interest rate risk
Currently the consolidated entity does not have any external borrowings subject to variable rates and therefore has minimal interest rate risk.

Credit risk
The consolidated entity has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the consolidated entity based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

The consolidated entity deemed its credit risk to be minimal as its financial assets are mainly cash held at financial institutions.

Liquidity risk
Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities. The consolidated entity only deposit its cash and cash equivalent with the major banks in Australia.

Remaining contractual maturities
The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2019	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Cash and cash equivalent	-	1,725,366	-	-	-	1,725,366
Other payables	-	(1,375,696)	-	-	-	(1,375,696)
Other loans	-	(1,428,079)	-	-	-	(1,428,079)
Total non-derivatives		(1,078,409)	-	-	-	(1,078,409)

Note 17. Financial instruments (continued)

Consolidated - 2018	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Cash and cash equivalent	-	1,744,467	-	-	-	1,744,467
Other payables	-	(224,601)	-	-	-	(224,601)
Total non-derivatives		1,519,866	-	-	-	1,519,866

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 18. Key management personnel disclosures

Directors
The following persons were directors of Lake Resources NL during the financial year:

S. Crow (Non-Executive Chairman)
S. Promnitz (Managing Director)
N. Lindsay (Non-Executive Director)

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated 2019 $	Consolidated 2018 $
Short-term employee benefits	557,060	375,486
Post-employment benefits	21,130	24,366
Share-based payments	-	1,314,274
	578,190	1,714,126

Note 19. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Stanley & Williamson, the auditor of the Company:

	Consolidated 2019 $	Consolidated 2018 $
Audit services - Stanley & Williamson		
Audit or review of the financial statements	29,000	22,000

Note 20. Related party transactions

Parent entity
Lake Resources NL is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 22.

Key management personnel
Disclosures relating to key management personnel are set out in note 18 and the remuneration report included in the directors' report.

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated	
	2019 **$**	**2018** **$**
Payment for goods and services:		
Consultancy services provided by Salaris Consulting Pty Ltd, a company associated with Stuart Crow (Director)	146,000	27,645

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
Steve Promnitz - Exercise of options C (loan) $31,275.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 21. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2019 **$**	**2018** **$**
Loss after income tax	(2,820,936)	(2,579,560)
Total comprehensive income	(2,820,936)	(2,579,560)

Note 21. Parent entity information (continued)

Statement of financial position

	Parent 2019 $	Parent 2018 $
Total current assets	1,839,423	1,754,051
Total assets	16,009,518	7,812,413
Total current liabilities	1,774,998	224,601
Total liabilities	1,774,998	224,601
Equity		
Issued capital	27,758,605	18,342,102
Capital profits reserve	4,997	4,997
Options reserve	1,503,024	1,615,108
Performance rights reserve	-	137,500
Accumulated losses	(15,032,106)	(12,511,895)
Total equity	14,234,520	7,587,812

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2019 and 30 June 2018.

Contingent liabilities
The parent entity had no contingent liability as at 30 June 2019 and 30 June 2018.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2019 and 30 June 2018.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:
- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 22. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest 2019 %	Ownership interest 2018 %
Lake Mining Pakistan (Pvt) Limited *	Pakistan	100.00%	100.00%
LithNRG Pty Ltd	Australia	100.00%	100.00%
Minerales Australes SA **	Argentina	100.00%	100.00%
Morena del Valle Minerals SA **	Argentina	100.00%	100.00%
Lake Resources CRN Pty Ltd ***	Australia	100.00%	-
Petra Energy SA	Argentina	100.00%	-

Note 22. Interests in subsidiaries (continued)

* The subsidiary was incorporated on 4 December 2014. The subsidiary has share capital consisting solely of ordinary shares which are held directly by the consolidated entity. The proportion of ownership interests held equals the voting rights held by the consolidated entity. The subsidiary's principal place of business is also its country of incorporation.
** Interest is held through LithNRG Pty Ltd.
*** Entity created solely as the holder of the Company issued Convertible Notes in December 2018, and since then, all Notes have been repaid. The entity is dormant at present.

Note 23. Events after the reporting period

An Extraordinary General Meeting of the Shareholders was held on the 15 August 2019 and the results are presented as follows:

a) Ratification of prior issue of June Placement Shares issued
b) Ratification of prior issue of April Placement Shares issued
c) Approval of the issue of June Placement Options: LKEOB Options attached to the June Placement and the Options attached to the Exercise of Bonus Options in June, commenced trading on the 22nd of August. 51,512,693 LKEOB Options were listed with a $0.10 exercise price and an expiry date of 15 June 2021.
d) Approval of Long-Term Incentive (LTI) Plan: includes up to 25,000,000 performance rights.
e) Approval to grant Performance Rights to Dr Nicholas Lindsay, Stephen Promnitz, Stuart Crow under LTI plan: each director received 5,000,000 performance rights under the LTI plan.
f) Approval of grant of Director Options to Stuart Crow, Stephen Promnitz, and Dr Nicholas Lindsay: 5,000,000 of unlisted options will be issued to the Directors exercisable at $0.09 and expiry date 31 July 2021.
g) Ratification of prior issue of convertible securities
h) Ratification of prior issue of Options

On the 6 September 2019, 45,319,508 new shares were issued at $0.045 per ordinary share by way of private placement. These funds were used by Lake to complete the Pre-Feasibility Study (PFS) and advance the construction of a pilot plant using the Lilac direct extraction process at the Kachi project, together with exploration at Olaroz and Cauchari Lithium Brine Projects, and additional working capital.

No other matter or circumstance has arisen since 30 June 2019 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 24. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2019 $	2018 $
Loss after income tax expense for the year	(3,530,935)	(3,540,391)
Adjustments for:		
Depreciation and amortisation	667	135
Share-based payments	239,049	1,314,274
Tax expense for VAT not recoverable	355,924	748,406
Change in operating assets and liabilities:		
Increase in trade and other receivables	-	(6,649)
Increase in other current assets	(5,814)	(35,580)
Increase/(decrease) in trade and other payables	(241,477)	39,677
Net cash used in operating activities	(3,182,586)	(1,480,128)

Note 25. Earnings per share

	Consolidated 2019 $	2018 $
Loss after income tax attributable to the owners of Lake Resources NL	(3,530,935)	(3,540,391)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	363,393,218	248,295,795
Weighted average number of ordinary shares used in calculating diluted earnings per share	363,393,218	248,295,795
	Cents	Cents
Basic earnings per share	(0.97)	(1.43)
Diluted earnings per share	(0.97)	(1.43)

Note 26. Share-based payments

On 13 September 2018, following the approval from the shareholders at the Company's EGM, the Company issued 19,000,000 fully paid ordinary shares to Petra Energy SA to meet the terms of the option agreement, being a right of exploration and in order to maintain the right to purchase a large block of approximately 72,000 Ha of exploration and some mining leases and applications over potential lithium bearing pegmatites and pegmatite swarms. These shares were valued at market prices and a share-based payment of $1,767,000 has been recognised in the financial statements as part of the exploration and evaluation assets.

On 8 March 2019, 5,555,000 unlisted share options were granted to SBI Investors for capital raising services. The options have an exercise price of 8 cents and an expiry date of 28 February 2022. The options vested immediately on issue, and there were no other vesting conditions attached to the options. These options were recognised immediately in the statement of profit and loss with a total valuation of $188,641.

Set out below are summaries of options granted under share-based payments arrangement:

2019

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
14/11/2016	30/11/2018	$0.05	5,042,494	-	(4,720,085)	(322,409)	-
14/11/2016	21/10/2019	$0.05	6,250,000	-	(1,197,917)	-	5,052,083
21/12/2016	14/07/2018	$0.10	1,539,250	-	-	(1,539,250)	-
27/02/2017	27/08/2018	$0.10	7,350,000	-	-	(7,350,000)	-
30/11/2017	31/12/2020	$0.28	9,500,000	-	-	-	9,500,000
09/05/2018	15/12/2018	$0.20	9,500,000	-	-	(9,500,000)	-
08/03/2019	28/02/2022	$0.08	-	5,555,000	-	-	5,555,000
			39,181,744	5,555,000	(5,918,002)	(18,711,659)	20,107,083

All options are vested and exercisable at the end of the year.

Note 26. Share-based payments (continued)

2018

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
14/11/2016	04/04/2018	$0.05	25,000,000	-	-	(25,000,000)	-
14/11/2016	30/11/2018	$0.05	6,250,000	-	(1,207,506)	-	5,042,494
14/11/2016	21/10/2019	$0.05	6,250,000	-	-	-	6,250,000
21/12/2016	14/07/2018	$0.10	1,539,250	-	-	-	1,539,250
27/02/2017	27/08/2018	$0.10	7,350,000	-	-	-	7,350,000
30/11/2017	31/12/2020	$0.28	-	9,500,000	-	-	9,500,000
09/05/2018	15/12/2018	$0.20	-	9,500,000	-	-	9,500,000
			46,389,250	19,000,000	(1,207,506)	(25,000,000)	39,181,744
Weighted average exercise price			$0.06	$0.24	$0.05	$0.05	$0.15

Set out below are summaries of performance rights:

2019

Grant date	Expiry date	Balance at the start of the year	Granted	Converted to shares	Expired/ forfeited/ other	Balance at the end of the year
14/11/2016	14/11/2021	2,500,000	-	(2,500,000)	-	-
		2,500,000	-	(2,500,000)	-	-

None of the outstanding performance rights are exercisable / vested. There were no performance rights issued during the year.

2018

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
14/11/2016	04/10/2021	$0.00	12,500,000	-	(12,500,000)	-	-
14/11/2016	14/11/2021	$0.00	8,500,000	-	(6,000,000)	-	2,500,000
			21,000,000	-	(18,500,000)	-	2,500,000

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Steve Promnitz
Director

2 October 2019

Independent Auditor's Report
To the Members of Lake Resources N.L.

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of Lake Resources N.L. (the Company) and its controlled entities (collectively the Consolidated Entity), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion, the accompanying financial report of the Consolidated Entity is in accordance with the *Corporations Act 2001* including:

i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2019 and of its financial performance for the year ended on that date; and

ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Consolidated Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (the Code)* that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report which indicates that the Consolidated Entity has incurred net losses after tax of $3,530,935 (2018: $3,540,391) and net cash outflows from operating and investing activities of $8,310,157 (2018: $5,154,665) for the year ended 30 June 2019. These conditions, along with other matters set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In concluding there is a material uncertainty related to going concern we evaluated the extent of the uncertainty regarding events or conditions casting significant doubt in the Consolidated Entity's assessment of going concern. This included:

CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND

KRESTON

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Partners **MA Goodrick** > **DM O'Malley** > **Q Tat** > **BR Barter** > **K Thakkar**

- analysing cash flow forecasts by evaluating the underlying data used to generate the projections and assessing the planned level of cash outflows and inflows compared to the Consolidated Entity's past results, intentions and our understanding of business, industry and economic conditions of the Consolidated Entity;
- reviewing directors' minutes and relevant correspondence with the Consolidated Entity's advisors to understand the Consolidated Entity's ability to raise additional funds;
- evaluating the Consolidated Entity's going concern disclosure in the financial report and comparing it to our understanding of the matter, the events and conditions incorporated into the cash flow projection assessment, the Consolidated Entity's plans to address those events and the Accounting Standard requirements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter and why it was considered to be a matter of most significance in the audit	How the key audit matter was addressed in the audit
Exploration and evaluation assets	
As at 30 June 2019, the Consolidated Entity has capitalised $13,312,658 of exploration and evaluation expenditure as disclosed in Note 9 to the Financial Statements. As the carrying value of exploration and evaluation assets represents a significant asset of the Consolidated Entity, we considered it necessary to assess whether facts and circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount. Significant judgment is applied in determining the treatment of exploration and evaluation expenditure in accordance with Australian Accounting Standard AASB 6 *Exploration for and Evaluation of Mineral Resources* including in particular: • whether the conditions for capitalisation are satisfied; • which elements of exploration and evaluation expenditures qualify for recognition; and • whether the facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment.	Our procedures included, but were not limited to: • Obtaining a schedule of the areas of interest held by the Consolidated Entity and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Verifying, on a sample basis, exploration and evaluation expenditure capitalised during the year for compliance with the recognition and measurement criteria of AASB 6; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Consolidated Entity's exploration budgets, ASX announcements and director's minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Considering whether any facts or circumstances existed to suggest impairment testing was required; and • Assessing the adequacy of the related disclosures in Note 9 to the Financial Statements.

Other information

Other information comprises financial and non-financial information included in the Consolidated Entity's annual report for the year ended 30 June 2019 which is provided in addition to the financial report and the auditor's report. The directors are responsible for the other information.

Our opinion on the financial report does not cover the other information and accordingly we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If based on the work we have performed we conclude there is a material misstatement of this other information, we are required to report that fact and based on the other information that we obtained prior to the date of this Auditor's Report, we have nothing to report.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Consolidated Entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Consolidated Entity or cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Consolidated Entity audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2019.

In our opinion the Remuneration Report of Lake Resources N.L for the year ended 30 June 2019 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Stanley & Williamson

Stanley & Williamson

K Thakkar

Kamal Thakkar
Partner

Sydney
2 October 2019

The shareholder information set out below was applicable as at 16 September 2019.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Number of holders of ordinary shares	Listed Options Exercise price $0.28, Expiry 31/12/2020	Listed Options Exercise price $0.10, Expiry 15/06/2021	Listed Options Exercise price $0.09, Expiry 31/07/2021	Listed Options Exercise price $0.08, Expiry 28/02/2022
1 to 1,000	52	-	22	-	-
1,001 to 5,000	265	-	103	-	-
5,001 to 10,000	370	-	80	-	-
10,001 to 100,000	1,104	-	223	-	-
100,001 and over	548	3	99	3	1
	2,339	3	527	3	1
Holding less than a marketable parcel	781	-	337	-	-

Equity security holders

Twenty largest quoted equity security holders - ordinary shares

The names of the twenty largest security holders of quoted equity securities - ordinary shares are listed below:

	Ordinary shares Number held	% of total shares issued
MS JUSTINE MICHEL (LAMBRECHT INVESTMENT A/C)	26,372,563	5.58
MR STEPHEN PROMNITZ	15,381,293	3.26
202 LIMITED	15,075,152	3.19
ACUITY CAPITAL INESTMENT MANAGEMENT PTY LTD	15,000,000	3.18
BNP PARIBAS NOMINEES PTY LTD	12,934,436	2.74
RAYMOND JAMES (JAMES SUPERANNUATION FUND)	10,119,046	2.14
MR DANIEL RUBEN BONAFEDE	9,500,000	2.01
OUTBACK FORMWORK PTY LTD (WILLATON SUPER FUND A/C)	9,317,364	1.97
WILLATON PROPERTIES PTY LTD	8,246,431	1.75
MR ADAM FURST	8,000,000	1.69
LS WHITEHALL GROUP INC	7,321,900	1.55
MR ANDREW STEPHEN WILLIAM BROWN & MR IAIN RAYMOND BROWN	6,972,702	1.48
FLUID INVESTMENTS PTY LTD	6,930,118	1.47
NEJA PTY LTD	6,666,667	1.41
CITICORP NOMINEES PTY LIMITED	6,638,976	1.41
MR LUCAS JAMES CAVANAGH	6,240,752	1.32
M & E EARTHMOVING PTY LTD	6,015,037	1.27
MS AINSLEY RUTH WILLIAMS M & E EARTHMOVING PTY LTD	5,722,618	1.21
MR SIMON JAMES KALINOWSKI	5,239,469	1.11
MORGANS FINANCIAL LIMITED	4,722,222	1.00
	192,416,746	40.74

Twenty largest quoted equity security holders - listed options

The names of the twenty largest security holders of quoted equity securities - listed options are listed below:

	LKEA Listed Options Number held	Options % of total Options issued
MS JUSTINE DAVINA MICHEL	3,296,570	9%
MR STEPHEN PROMNITZ	2,447,661	7%
ACUITY CAPITAL INVESTMENT MANAGEMENT PTY LTD	2,142,857	6%
202 LIMITED	1,884,394	5%
LAMBRECHT INVESTMENT	1,666,667	5%
RAYMOND JAMES	1,264,880	4%
AJMVM PTY LTD	1,253,571	4%
MRS SRADDHA NITESHKUMAR PATEL	1,172,658	3%
MR SSAMIR RAHME	1,111,111	3%
PETER CROKE HOLDINGS PTY LTD	1,100,000	3%
MR ADAM FURST	1,008,953	3%
QUALITY LIFE PTY LTD	984,127	3%
FLUID INVESTMENTS PTY LTD	960,118	3%
MR ANDREW STEPHEN WILLIAM BROWN & MR IAIN RAYMOND BROWN	871,588	2%
M & E EARTHMOVING PTY LTD	751,879	2%
KEMKAY PTY LTD	731,794	2%
MR AINSLEY RUTH WILLIAMS	715,327	2%
CITICORP NOMINEES PTY LIMITED	650,922	2%
MR SIMON JAMES KALINOWSKI	629,933	2%
MELBOURNE CAPITAL LIMITED	628,571	2%
	25,273,581	72%

Unquoted equity securities

	Number on issue
$0.05 UNLISTED OPTIONS CLASS D, EXPIRY 21/10/2019	5,052,083
$0.28 UNLISTED OPTIONS, EXPIRY 31/12/2020	9,500,000
$0.09 UNLISTED OPTIONS, EXPIRY 31/07/2021	15,000,000
$0.08 UNLISTED OPTIONS, EXPIRY 28/02/2022	5,555,000

The following persons hold 20% or more of unquoted equity securities:

Name	Class	Number held
GEOFFREY STUART CROW	$0.28 UNLISTED OPTIONS, EXPIRY 31/12/2020	3,000,000
STEPHEN PROMNITZ	$0.28 UNLISTED OPTIONS, EXPIRY 31/12/2020	5,000,000
STEPHEN PROMNITZ	$0.09 UNLISTED OPTIONS, EXPIRY 31/07/2021	5,000,000
GEOFFREY STUART CROW	$0.09 UNLISTED OPTIONS, EXPIRY 31/07/2021	5,000,000
NICK M. LINDSAY	$0.09 UNLISTED OPTIONS, EXPIRY 31/07/2021	5,000,000
SBI INVESTMENTS PR, LLC	$0.08 UNLISTED OPTIONS, EXPIRY 28/02/2022	5,555,000

Substantial holders

Substantial holders in the Company are set out below:

	Ordinary shares Number held	% of total shares issued
LAMBRECHT INVESTMENT TRUST	26,372,563	5.58

* based on substantial shareholder notices lodged with the ASX and the latest share register holder details.

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities holding voting rights.

LAKE RESOURCES

SCHEDULE OF TENEMENTS (Appendix 5B)

TOTAL NUMBER TENEMENTS: 77

TOTAL AREA TENEMENTS: 208,420 Ha

REF	TENEMENT NAME	NUMBER	AREA Ha	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-M-2016	858	100	Catamarca	Granted
	Kachi Inca I	16-M-2016	2881	100	Catamarca	Granted
	Kachi Inca II	17-M-2016	2823	100	Catamarca	Granted
	Kachi Inca III	47-M-2016	3354	100	Catamarca	Granted
	Kachi Inca 4	107-M-2017	2723	100	Catamarca	In Process
	Kachi Inca V	45-M-2016	305	100	Catamarca	Granted
	Kachi Inca VI	44-M-2016	110	100	Catamarca	Granted
	Dona Amparo I	22-M-2016	3000	100	Catamarca	Granted
	Dona Carmen	24-M-2016	874	100	Catamarca	Granted
	Debbie I	21-M-2016	1501	100	Catamarca	Granted
	Divina Victoria I	25-M-2016	1266	100	Catamarca	Granted
	Daniel Armando	23-M-2016	2116	100	Catamarca	Granted
	Daniel Armando II	97-M-2016	1388	100	Catamarca	Granted
	Escondidita	131-M-2018	373	100	Catamarca	In Process

REF	TENEMENT NAME	NUMBER	AREA Ha	INTEREST %	PROVINCE	STATUS
	Irene	28-M-2018	2250	100	Catamarca	In Process
	Maria Luz	34-M-2017	2425	100	Catamarca	Granted
	Maria I	140-M-2018	889	100	Catamarca	In Process
	Maria II	14-M-2016	888	100	Catamarca	Granted
	Maria III	15-M-2016	1396	100	Catamarca	Granted
	Morena 1	72-M-2016	3025	100	Catamarca	Granted
	Morena 2	73-M-2016	2989	100	Catamarca	Granted
	Morena 3	74-M-2016	3007	100	Catamarca	Granted
	Morena 5	97-M-2017	1415	100	Catamarca	In Process
	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 11	201-M-2018	815	100	Catamarca	In Process
	Morena 12	78-M-2016	2704	100	Catamarca	Granted
	Morena 13	79-M-2016	3024	100	Catamarca	Granted
	Morena 15	162-M-2017	2559	100	Catamarca	Granted
	Pampa I	129-S-2013	2312	100	Catamarca	Granted
	Pampa II	128-M-2013	1119	100	Catamarca	Granted
	Pampa III	130-M-2013	477	100	Catamarca	Granted
	Pampa IV	78-M-2017	2569	100	Catamarca	In Process
	Parapeto 1	133-M-2018	2504	100	Catamarca	In Process
	Parapeto 2	134-M-2018	1259	100	Catamarca	In Process
	Parapeto 3	132-M-2018	1892	100	Catamarca	In Process
	37 Mining leases		70462Ha			
60			118041			

CATAMARCA PEGMATITES					
Petra I	Cateo 52-B-2016	10000	100	Catamarca	In Process
Petra II	Cateo 51-B-2016	9523	100	Catamarca	In Process
Petra III	Cateo 49-B-2016	9528	100	Catamarca	In Process
Petra IV	Cateo 50-B-2016	8939	100	Catamarca	In Process
CAT 1 (Petra VIII)	Cateo 93-B-2016	1000	100	Catamarca	In Process
CAT 2 (Petra VII)	Cateo 94-B-2016	8475	100	Catamarca	In Process
CAT 3 (Petra VI)	Cateo 95-B-2016	10000	100	Catamarca	In Process
CAT 4 (Petra V)	Cateo 98-B-2016	10000	100	Catamarca	In Process
La Aguada 1	Mina 116-B-2016	2499	100	Catamarca	Granted
La Aguada 2	Mina 117-B-2016	2950	100	Catamarca	Granted
La Aguada 3	Mina 99-B-2016	1558	100	Catamarca	In Process
La Aguada 4	Mina 173-B-2016	2929	100	Catamarca	Granted
La Aguada 5	Mina 172-B-2016	2866	100	Catamarca	Granted
La Aguada 6	Mina 174-B-2016	2999	100	Catamarca	Granted
La Aguada 7	Mina 137-B-2016	2919	100	Catamarca	Granted
La Aguada 8	Mina 139-B-2016	1587	100	Catamarca	Granted
La Aguada 9	Mina 138-B-2016	2607	100	Catamarca	Granted
9 Mining leases 8 exploration leases		90,379 Ha			
17					
77		208420			