

## ASX ANNOUNCEMENT

1 July 2024

### Lake Resources Provides Operational Update

- **Goldman Sachs Led Strategic Partnering Process for Kachi Project Continues**
- **Company Actively Marketing the Sale of Non-Core Assets**
- **Company Implements Proactive Plan to Significantly Reduce Costs**

Lake Resources N.L. (ASX: LKE; OTC: LLKKF) (“Lake” or the “Company”) announces today an operational update regarding the Company’s plan to optimize its financial runway and maximise the value of the Kachi project (“Kachi”).

“We continue to engage with interested parties as part of the strategic partnering process for Kachi,” said David Dickson, Managing Director and Chief Executive Officer of Lake Resources. “We, along with industry analysts across the sector, see a structural deficit of battery-grade lithium in the next five years. Because of that, we are taking all necessary actions to secure our financial flexibility, ensuring we maximise value for our shareholders from the Goldman led strategic process.”

#### **Update on the Strategic Partnering Process**

Since the last update (refer to 4 March 2024 ASX announcement), the Company has progressed from reviewing a broad range of potential partners to participating in detailed discussions with a select group of interested parties. The Company is focused on ensuring that the process maximises Kachi’s value, which it believes will take longer than initially expected due to current macro environment conditions.

To support the value of the strategic partnering process, the non-binding Conditional Framework Agreements entered into in late 2022 with WMC Energy B.V. and SK On Co., Ltd. (refer to 5 October 2022 and 10 October 2022 ASX announcements, respectively) are not being progressed. Rather, the Company is focusing on the competitive strategic partnering process to secure equity investment and offtake agreements.

#### **Non-Core Asset Sale Process**

Lake is managing an ongoing process for the potential sale of non-core assets and lithium tenements located in Jujuy and Catamarca Provinces; namely Paso de Jama, Olaroz, Cauchari and Ancasti.

“These assets, while non-core to Lake’s strategy, are strategically located within the Lithium Triangle and offer exploration and development potential in close proximity to other known lithium resources,” Mr. Dickson said. “In order to focus our efforts on

making Kachi a success, we believe the timing is right for marketing the sale of these assets, which is part of our plan to optimise the Company's financial runway. This supports the work we have done over the past 18 months and the successful completion of the Definitive Feasibility Study showing that Kachi is a globally significant, tier-one project.”

### **Proactive Plan to Significantly Reduce Costs**

In addition, the Company is implementing operating cost initiatives to right-size its headcount and expenditure level, without impact to ongoing strategic priorities for Kachi, which include:

- Reduction of more than 50 percent of global headcount, including staggered exits over several months of six members of the Company's executive team and additional rationalization of and decrease in general and administrative expenses. These actions are in addition to the approximate 50 percent reduction in non-core operational and administrative workforce announced in March 2024 (refer to 4 March 2024 ASX Announcement); and
- Voluntary deferral of a significant portion of the CEO's base salary.

These actions are not expected to impact Lake's ongoing strategic priorities for Kachi, including: the outcome of the Environmental Impact Assessment; the advancement of work on the power solution with YPF Luz; the strategic partnering process; or the strong relationships the Company has built with the surrounding communities.

### **Strong Cash Position**

As reported in the Company's most recent quarterly 5B (refer to 28 April 2024 ASX announcement), Lake's cash balance as of 31 March 2024, was A\$30.8 million (excluding the A\$1.5 million from the Share Purchase Plan, which closed on 18 April 2024). With the benefit of a significantly smaller organization and additional reductions in expenditures, consumption of cash reserves is expected to reduce as we progress through the second half of 2024.

#### **For investor queries, please contact:**

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**About Lake Resources N.L. (ASX:LKE OTC:LLKKF)**

Lake Resources N.L. (ASX:LKE, OTC: LLKKF) is a responsible lithium developer utilising state-of-the-art ion exchange extraction technology for production of sustainable, high purity lithium from its flagship Kachi Project in Catamarca Province within the Lithium Triangle in Argentina. Lake also has three additional early-stage projects in this region.

This ion exchange extraction technology delivers a solution for two rising demands – high purity battery materials to avoid performance issues, and more sustainable, responsibly sourced materials with low carbon footprint and significant ESG benefits.

**Forward Looking Statements:**

Certain statements contained in this announcement, including information as to the future financial performance of the projects and the Company, are forward-looking statements. Such forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Lake Resources N.L. are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; involve known and unknown risks and uncertainties and other factors that could cause actual events or results to differ materially from estimated or anticipated events or results, expressed or implied, reflected in such forward-looking statements; and may include, among other things, statements regarding targets, estimates and assumptions in respect of production and prices, operating costs and results, capital expenditures, reserves and resources and anticipated flow rates, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions and affected by the risk of further changes in government regulations, policies or legislation and that further funding may be required, but unavailable, for the ongoing development of Lake's projects. Lake Resources N.L. disclaims any intent or obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. The words "believe", "expect", "anticipate", "indicate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward-looking statements. All forward-looking statements made in this announcement are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein. Lake does not undertake to update any forward-looking information, except in accordance with applicable securities laws.