

# Annual Report 2024







## CORPORATE DIRECTORY

### Directors

**Stuart Crow**  
Non-Executive Chairman

**David Dickson**  
Managing Director/CEO

**Robert Trzebski**  
Non-Executive Director

### Management

**Don Miller**  
Chief Financial Officer

**Justin Olson**  
Chief Legal, Compliance & Risk  
Officer and General Counsel

**Mark Anning**  
Head of Legal, Australia and  
Company Secretary

**Amalia Sáenz**  
Senior Vice President, Corporate  
Affairs and Country Manager,  
Argentina

### Principal Registered Office and Principal Place of Business

Level 5, 126 Phillip Street  
Sydney NSW 2000  
Tel: +61 2 9299 9690

### Share registry

Automatic Pty Ltd  
GPO Box 5193  
Sydney, NSW, 2001  
Tel: +61 2 9698 5414

### Auditor

BDO Audit Pty Ltd  
Level 10, 12 Creek Street  
Brisbane Qld 4000

### Solicitors

White & Case  
Level 32  
525 Collins Street  
Melbourne VIC 3000  
Australia

### Bankers

Citibank, N.A., Sydney

### Stock exchange listings

Australian Securities Exchange  
(ASX code: LKE)  
OTCQB: LLKKF

### Website address

[www.lakeresources.com.au](http://www.lakeresources.com.au)





# FY2024 HIGHLIGHTS

Successful lithium carbonate testing, one of the largest test programs undertaken by a DLE project



Production Environmental Impact Assessment submitted for Phase One of Kachi project

Maiden Ore Reserve demonstrates Kachi project capable of delivering

**25**  
ktpa operation



# US\$2.3B

Kachi Phase One Definitive Feasibility Study shows post-tax NPV of US\$2.3B and IRR of 21%

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LOI signed with Argentine energy infrastructure company for Kachi power supply



Kachi Phase One Definitive Feasibility Study outlines clear path to 25ktpa battery grade lithium carbonate production with expansion possibilities subject to further study



**Post-balance date:**  
Lilac Solutions identifies cost savings of up to 50% for DLE equipment and confirms long-term lithium recovery rates of over 90%

Lake cuts global headcount **by additional 50%**; strategic partnering process continues; non-core asset sale process underway for Paso de Jama, Olaroz, Cauchari and Ancasti projects



# ABOUT LAKE RESOURCES

**Lake Resources NL (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.**

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 a low carbon footprint and significant ESG benefits.

Decarbonisation will continue to drive significant lithium demand growth through the rapid adoption of renewable electricity generation and electric vehicles. Lake is building its business to meet the growing demand for high-quality lithium needed to meet the world's decarbonisation ambitions.

## **INNOVATIVE TECHNOLOGY PRODUCING HIGH-PURITY LITHIUM**

Lake's technology partner, California-based Lilac Solutions Inc, has developed efficient and disruptive clean technology to produce sustainable high purity lithium. This approach comes with a small environmental footprint, both physically and by returning almost all brine to its source.

Lilac and Lake are working together to set a new standard for project development in the lithium industry. The demonstration plant has proven highly successful – independent testing of lithium carbonate produced from the Kachi Project in Argentina has confirmed grades and purity greater than 99.8%.

This is a proven and more efficient way to refine and produce battery-grade lithium carbonate. The ion exchange technology produces a lithium-rich solution without long lead-time and environmentally disruptive evaporation pond concentration – allowing Lake to produce high-quality lithium sustainably and at scale.

Lilac and Lake are strategically aligned through a 25% project earn-in on the completion of technology testing, demonstration plant validation and end-product qualification.

On 19 December 2023, Lake Resources announced the results of its Definitive Feasibility Study (DFS) for phase one of the globally significant Kachi lithium brine project in Argentina. The Kachi Project Phase One DFS demonstrates that Kachi is a top tier project, backed by a significant resource and strong economics positioning it competitively within the growing lithium market.

## **LOCATED IN ARGENTINA'S LITHIUM TRIANGLE**

Lake's flagship Kachi Project is in Catamarca Province within the Lithium Triangle in Argentina, one of the world's key lithium regions – half of all global lithium resources are found in the Lithium Triangle.

Lake also has three additional early-stage projects in this region.



## MESSAGE FROM THE CEO

To my fellow shareholders,

I am pleased to present Lake Resources' FY24 Annual Report.

Lake has had a significant year operationally, against a backdrop of challenges facing the broader lithium sector. I am grateful to our staff and everyone associated with Lake for remaining steadfast in their determination to build a better Company, despite facing extremely difficult market conditions.

Our focus during this time has been, and will continue to be, on those things we can control, to ensure our Company is in the best possible position to benefit from the eventual upturn. The work done this past year has been very important in this regard, laying the groundwork for our future growth.

### **DFS shows Kachi a top tier project**

Released in December 2023, the Kachi project's Phase One Definitive Feasibility Study (DFS) demonstrated that Kachi is a tier one project, backed by a significant resource and strong economics that position it competitively within the lithium market.

The financial highlights included a post-tax net present value (NPV) of US\$2.3 billion and an internal rate of return (IRR) of 21%, with annual average EBITDA of US\$635 million and an EBITDA margin of 76%. It would generate US\$21 billion in revenue and US\$16 billion in EBITDA for Phase One, making it a very attractive project.

Importantly for our broader stakeholders, Kachi will advance sustainable and responsible lithium production through the application of ion exchange Direct Lithium Extraction (DLE) technology from our partner, Lilac Solutions.

The Phase One DFS has marked a key milestone in Kachi's development, building on the field, test and engineering work performed over more than two years and representing a credible and de-risked execution plan to support delivery of the project.

Released in conjunction with the DFS, Lake also announced a maiden Ore Reserve for Kachi which demonstrated that the mine plan is capable of delivering sufficient lithium brine for a planned 25 ktpa operation.

Significantly, the feed grade will average above 245 mg/L with minimal dilution, ensuring the operation can be developed in an environmentally sustainable manner. The Ore Reserve for the 25 ktpa operation extracts only a small percentage of the Mineral Resource Estimate.

Prior to the release of the DFS, in August 2023 Lake further de-risked the DLE process following successful extraction and injection tests at Kachi. The testing confirmed highly favourable reservoir hydraulic properties at Kachi, allowing Lake to optimise the future wellfield.

A month later, Lake announced the successful completion of a lithium carbonate test program, producing battery-grade



lithium carbonate from Lilac DLE chloride eluate. These tests further proved the extraction technology, reinforcing Lake's great confidence in the DLE process.

And in November 2023, Lake reported another success with Kachi's Measured and Indicated Resources increasing from 2.9 to 7.3 Mt LCE, with the total resource estimate exceeding 10.6 Mt LCE. These results highlight the continued resource growth at Kachi since the maiden resource estimate was announced in November 2018.

### **Strategic refresh**

Lake started calendar year 2024 in a strong position following the successful Kachi DFS. However, the lithium market environment continued to worsen, requiring Lake management to rapidly adapt in order to preserve shareholder capital, extend its financial runway and ensure the advancement of value-adding activities.

In March 2024, Lake announced a number of actions aimed at "right-sizing" the Company, including a substantial reduction in global headcount and other cost-saving initiatives. While these measures are never easy, they were necessary to ensure Lake preserves its financial flexibility amid difficult market conditions.

Lake is also actively engaging with a number of potential strategic partners with the goal of securing a strategic equity partner for Kachi's development.

Concerning the project, there have also been a number of other milestones achieved during 2024, including the submission of a Production Environmental Impact Assessment (EIA) for Phase One of the Kachi project to the Catamarca Ministry of Mining in Catamarca Province, Argentina.





This demonstrates that Lake has given due attention to Kachi's impacts on the environment and local community. Importantly, the EIA shows that Lake's innovative and sustainable project development plan will have a small water footprint, amongst the lowest for lithium brine projects per tonne, compared to evaporation ponds or absorption DLE technology. Other environmental benefits for Kachi include its small land footprint and low solid waste output compared to traditional evaporation ponds and hard rock projects.

Lake continues to put priority on caring for the environment and collaborating with the local community. We look forward to bringing future employment and economic growth to Catamarca Province, while contributing to the global energy transition.

In another important operational update, Lake signed in May 2024 a 'Letter of Intent' (LOI) with YPF Luz, a leading Argentine sustainable electric power generation company. Under the LOI, Lake and YPF Luz are engaging in discussions regarding the construction of a high voltage power line to Kachi and delivery of the power supply necessary for the Kachi project.

Establishing a power solution for Kachi is a critical milestone for the project's development. Importantly, YPF Luz has demonstrated expertise in bringing power to remote areas of Argentina and shares Lake's commitment to sustainability.

Post-balance date, on July 1, Lake announced further cost reductions along with the exploration of a possible sale of non-core assets and lithium tenements located in Jujuy and Catamarca Provinces, namely the Paso de Jama, Olaroz, Cauchari and Ancasti projects. Given that Kachi is Lake's flagship project, the timing is right for marketing the sale of these assets to optimise the Company's financial runway.

Significantly, on July 19, Lake welcomed the release of Lilac's fourth-generation ion exchange technology and technical white paper. The white paper showed Lilac has improved long-term lithium recovery to over 90% on salar brines and reduced core extraction equipment cost by up to 50%, resulting in total cost savings across the DLE technology of up to 25%. In addition, 10% lower reagent consumption is expected to positively impact project operating costs.

These are substantial savings which we expect to enhance Kachi's economics, potentially reducing the overall capex requirement by up to 10%. We look forward to working with Lilac to implement these improvements at Kachi, delivering a more cost-competitive project for the benefit of shareholders.

Finally, my enormous thanks to Lake directors, employees, contractors and everyone involved with our Company after what has been an enormously challenging year.

Despite recent difficulties, the longer-term outlook is extremely positive for Lake and the lithium sector. I hope you will stay with us for the journey as we work to deliver responsible lithium supply to facilitate the world's energy transition.

A handwritten signature in black ink, appearing to read 'D. Dickson'.

**David Dickson**

Managing Director & CEO





## MESSAGE FROM THE CHAIR

To my fellow shareholders,

Thank you for your support in what has been a year of substantial progress at Lake.

In the short term, lithium is in a bear market, with prices having fallen significantly and new projects and investments being curtailed as a result. Ultimately though, we believe that the market will rebalance, with the long-term structural thematic underpinning lithium demand remaining intact.

For example, based on today's policy settings, almost one in three cars on the road in China by 2030 will be electric, and almost one in five in both the United States and the European Union, according to the International Energy Agency.

Industry analysts, Benchmark Mineral Intelligence, project that the lithium market needs US\$94 billion of investment simply to meet the anticipated 2030 demand, and double that to meet 2040 demand.

Lithium demand is expected to double by 2026 and triple by 2030 from 2023 levels, presenting a compelling case for investment. Importantly, the lengthy lead times in developing new projects and recent curtailments could lead to lithium raw material deficits emerging from 2028 and extending to around 1.8 million tonnes LCE by 2040.

**In short, the world needs 100 Kachi Phase One projects to balance the market by 2030.**

Argentina holds 12% of global lithium reserves and is currently the world's fourth-largest lithium producer, having some of the largest and most productive lithium deposits in the world. The recent passage of the 'Incentive Regime for Large Investments' has enhanced Argentina's attractiveness as a recipient of foreign investment, with the current administration showing a positive stance towards the mining and lithium sector.

The United States and Argentina are continuing discussions on facilitating greater bilateral trade and investment; talks which Lake welcomes. Through these talks, we are optimistic that a pathway will be found to facilitate greater Argentinian lithium supply into U.S. battery production, with potential access to U.S. 'Inflation Reduction Act' subsidies.

It is therefore important for Lake to continue advancing our flagship project while preserving shareholder capital, ensuring that your Company is ready to seize the opportunities that will emerge from the projected supply deficit.

In this regard, I would like to thank Lake shareholders for supporting our Share Purchase Plan and welcome all new investors who have participated in recent equity raisings.



It has also been refreshing to meet Lake shareholders during our recent investor briefings in Australia, to get first-hand feedback. All of the shareholder sessions we have held have been well attended, which is extremely encouraging, while we also continue to receive a positive response from many stockbrokers and fund managers.

With the benefit of recent cost-cutting initiatives, including the significant reduction in global headcount, Lake has trimmed expenditures enormously, with consumption of cash reserves to reduce further through the second half of 2024.

The potential sale of non-core assets in Argentina will also strengthen Lake's financial position as we focus on our flagship Kachi project and its development, including securing a strategic partner.

Lake also sees significant potential for enhancing capex and opex efficiencies between now and the start of production, with a number of optimisation opportunities identified.

Adjusting to market conditions has required tough decisions by your Board. I would like to sincerely thank our former Non-Executive Directors, Howard Atkins, Dr Cheemin Bo-Linn and Ana Gomez Chapman, who all, further enabling the Company to adjust to market conditions, voluntarily resigned in July 2024 after making significant contributions to Lake.

Looking ahead, Lake is continuing to advance the strategic partnering process for Kachi. We are focused on ensuring the process maximises Kachi's value, with a competitive strategic partnering process to secure equity investment and offtake agreements. Because of the current lithium market conditions, we expect that the strategic partnering process will take longer than initially expected. The successful Kachi DFS has shown the value of our flagship project, and I am confident we will secure the right partner to drive our development journey.





In this regard, our technology partner, Lilac's recent progress has been extremely encouraging, positioning its DLE technology as a leader in the field.

An ESG-friendly, sustainable production solution is essential for the communities where we operate together with global investors and industry players, and this is exactly what Lilac's technology will help deliver with its higher lithium recovery rates, lower water and land usage and reduced solid waste volume.

Lake also continues to build strong relationships with all levels of government in Argentina together with the local community and other stakeholders, ensuring we maintain a social licence to operate.

Kachi's development will deliver better infrastructure and significant employment and economic opportunities for the local community and we are working diligently to maximise the local benefits. Lake has continued to engage with the community, holding a number of public information sessions, while promoting training and other job opportunities as well as ensuring the health and safety of our workforce.

As an investor it is important to evaluate any company on its merits. I believe Lake continues to offer a compelling opportunity, due to its robust market and project fundamentals; a globally significant resource and proven, sustainable production; and compelling project economics, with opportunities for further optimisation.

The security of future lithium supply is virtually impossible without Argentina. Lake is in the right place at the right time with the right product for the global decarbonisation drive.

Thank you again for your support and I look forward to meeting you during Lake's shareholder meetings in Australia.

**Stuart Crow**

Non-Executive Chairman

## REVIEW OF OPERATIONS

### Kachi Project

It was an exciting year at Lake's flagship Kachi Project in Catamarca. The JORC-compliant total mineral resource estimate grew significantly during fiscal 2024 to more than 10.6 million tonnes (Mt) of contained battery grade lithium carbonate equivalent (LCE), with 7.3 Mt of LCE in the Measured and Indicated Resource category. Additionally, significant project milestones were achieved, including:

- August 2023 – Successful extraction and injection tests.
- September 2023 – Completion of lithium carbonate tests by Saltworks Technologies.
- November 2023 – Updated JORC Mineral Resource Estimate.
- December 2023 – Maiden JORC Ore Reserve Statement.
- December 2023 – Phase One Definitive Feasibility Study (DFS) for the planned 25-year 25,000 tonnes per annum (tpa) LCE operation.
- March 2024 – Submission of the Production Environmental Impact Assessment (Informe de Impacto Ambiental - Etapa de Explotación - Proyecto Kachi).

Successful field operations and subsurface characterisation programs provided the expansive data set that underpinned these studies. The FY2024 field program was a continuation of the field program completed in FY2023, and included three drillholes and three pumping and injection tests on wells drilled in the previous fiscal year.

Highlights included:

- Three drillholes completed to over 600m; all confirmed the presence of lithium brine in sediments similar to those encountered to 400m depth (Figure 1).
- The footprint of the lithium brine extent grew dramatically to the north and south, as well as vertically.

- Higher grade lithium concentrations measured in the southern sector at K24D41 and K25D44 (Figure 2) returning grades of 180-348 mg/L lithium over 445m (166 – 610m) with an average of 267 mg/L and 230 – 302 mg/L lithium over 407m (215 – 622m) with an average of 257 mg/L, respectively.
- Northern step-out hole K23D40 intersected coarse-grained alluvial fan materials and averaged 228 mg/L over 322m with a maximum of 254 mg/L. This hole is 3.5 km northwest of K22R39.
- The consistency of the lithium concentration and brine chemistry in the new step out holes demonstrated how well the brine has circulated and mixed within the basin.
- Additional data from pumping tests and infill drilling has led to improved lithium grades in the central resource area.
- Extraction and injection tests confirmed highly favourable subsurface conditions (Figure 1) for both lithium extraction and injection in the central resource area where the Measured and Indicated Resources are located (refer ASX announcement 16 August 2023).
- Lithium carbonate tests conducted by Saltworks Technologies in Canada, producing battery-grade lithium carbonate from Lilac DLE lithium chloride eluate (refer ASX announcement 26 September 2023).

### Mineral Resource Estimate

Lake's concession holdings are expansive and cover an area of more than 103,000 Ha. The updated JORC-compliant resource estimate for the Kachi Project from November 2023 comprised 7.3 Mt LCE as Measured and Indicated Resource and 3.3 Mt LCE as Inferred Resource (Figure 2&3 and Table 1).

- Step-out holes and deeper drilling to 600m bgs (metres below ground surface) led to significantly larger resource estimates than previous mineral resource updates.
- Measured and Indicated Resources increased from 2.9 to 7.3 Mt of LCE defined to a depth of 600m over 143.8 square kilometres.





- Surrounding the Measured and Indicated Resources are Inferred Resources of approximately 3.3 Mt LCE defined over 130.9 sq km.
- The updated total resource estimate exceeds 10.6 Mt of LCE.
- Significant exploration targets remain and are estimated to contain between 3.6 Mt and 14.7 Mt LCE.
- The Kachi Mineral Resource Estimate has steadily grown in size since the maiden resource in 2018, adding more than 2 Mt LCE since 2023 (Figure 3 and Table 2).

### Ore Reserves Statement

The extensive characterisation data set, inclusive of geologic, hydrogeologic, hydrochemical, and geophysical data formed the basis for the conceptual and numerical models that are the basis for the Ore Reserve estimate and Environmental Impact Study.

The JORC-compliant Ore Reserve Statement included the following key findings:

- Modelling of the well-field development plan indicated the planned mine design will result in feed grades and rates in excess of those required to produce 25,000 tpa LCE over the Life-Of-Mine (LoM).
- Ore Reserves (Table 3) were classified into Proved and Probable Reserves based on industry standards, the Competent Person's experience, and confidence in data and hydrogeologic model performance.
- The hydrogeologic model reproduced historical data very well, which improves the predictive reliability of the model simulations related to lithium recovery and injection.
- Proved Reserves were specified for the first seven years despite very high production from the Measured Resource.
- Probable Reserves were conservatively assigned for the last 18 years of the LoM, as model reliability is expected to continue to improve with operational data.
- The well-field development plan includes 16 extraction wells and 21 injection wells, with extraction focused on the core of the salar where lithium concentration is highest.

- Simulations indicated that the well-field design can exceed processing plant design capacity, with potential unconstrained potential for LCE production of 834,000 tonnes relative to the reserve's 624,400 tonnes.
- Plant design capacity is the constraint for LCE production.
- Feed grade in Years 1-7 of operations is predicted to be 257 mg/L.
- Feed grade in Years 8-25 of operations averages 245 mg/L.
- Dilution as a result of injection of spent brine on the western and eastern margins of the well-field is minimal (less than 10% after 25-years of operations).
- Production in Years 1-7 is predicted to be 94% from Measured Resources with the remainder from Indicated Resources.
- Production in Years 7-25 is predicted to be 85% from Measured Resource with 9% from Indicated Resources.
- Significant upside exists for larger production rates with total reserves representing less than 6% of the total resource.
- Modelling indicates that the planned operation results in minimal changes to the hydrogeologic system, including environmentally sensitive areas.

### Phase One Definitive Feasibility Study

A major milestone for the Kachi Project was the release of the Phase One DFS. Highlights included:

- A post-tax NPV<sub>8</sub> of US\$2.3 billion and an internal rate of return (IRR) of 21%.
- Targets battery grade lithium carbonate revenue of US\$21 billion and US\$16 billion EBITDA for the 25-year LoM.
- Targets annual average EBITDA of US\$635 million and EBITDA margin of 76%.
- US \$6.05 / kg of LCE estimated run rate Opex for Phase One.
- 25-year mine life supported by maiden Ore Reserve statement.
- Phase One targets production of 25 ktpa over the LoM.



- DLE process tailored to mitigate impact on the local community with minimal disruption to land, freshwater table, and water usage.
- The Project targets production of consistent battery grade lithium carbonate (>99.5% purity) at site without the need for further refining or processing.
- Proven process from brine extraction to battery grade lithium carbonate.
- The Project operated two campaigns at the demonstration plant processing 5.2 million litres of brine and producing over 200,000 litres of lithium chloride eluate while also allowing for increased operational experience and optimisation of Lilac's DLE technology.
- Additionally, the Project has produced in excess of 1,300 kilograms of >99.5% purity lithium carbonate at Saltworks' demonstration facility to ensure that the commercial flowsheet will meet expectations and to have in place product samples for potential offtake parties.
- Utilising Lilac's proprietary ion-exchange DLE technology eliminates the need for upstream or downstream evaporation ponds for lithium concentration, reducing the footprint of a traditional brine evaporation operation by >90%.
- The demonstration plant vessels, which hold the ion-exchange material, are approximately one-third the size of commercial-scale vessels. This significantly reduces scale-up risk and increases process uptime.
- The extraction plant is conservatively designed for 80% lithium recovery within the DLE process and an overall plant recovery of lithium of >75%.

### Production Environmental Impact Assessment

A comprehensive Environmental Impact Assessment (EIA) for production activities was submitted in March 2024. The EIA was prepared by global mining and environmental consultancy Knight Piesold with technical support from additional subject matter experts in groundwater modelling and Lake's technical team.

As part of the review process, the lead review agency, the Ministry of Mining of Catamarca, held a two-day presentation in July 2024 of the EIA led by global consulting firm Knight Piesold and Lake Resources' technical teams. The meeting was attended by several government agencies participating in the EIA process, including the Provincial Directorate of Mining Environmental Management, Provincial Directorate of Social Promotion and Corporate Social Responsibility, Secretariat of Water Resources, Secretariat of Environment, Secretariat of Energy, Secretariat of Indigenous Affairs, Provincial Directorate of Archaeology and Palaeontology, and municipal authorities.

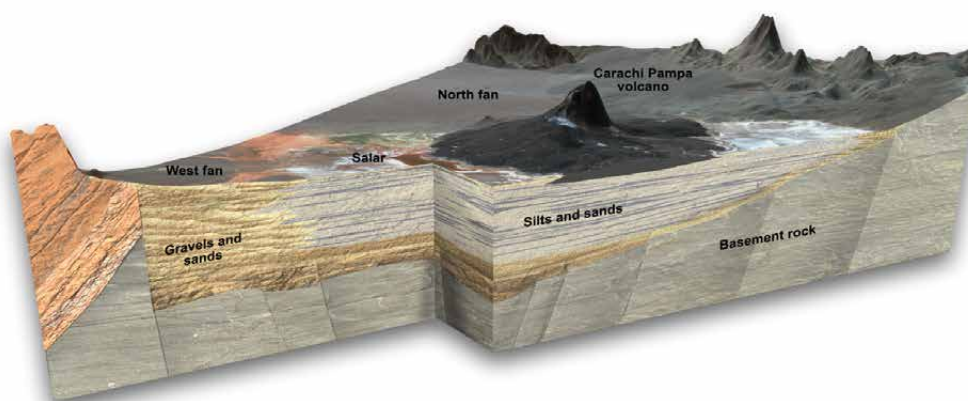
As part of the meeting, Lake shared the highly advanced brine management plans, which have been developed to maintain baseline hydrogeological conditions by reinjecting spent brine and hence preserve environmentally sensitive areas. The project is designed with an industry-leading low freshwater consumption of less than 24 cubic metres per tonne of LCE over the course of the operation.

### Front End Engineering Design (FEED)

YPF Luz has been advancing the FEED for the power delivery system for the Kachi Project. As of August 2024, significant progress has been achieved by YPF Luz including geotechnical investigations of some key infrastructure sites. The Environmental Impact Assessments for the Provinces of Salta and Catamarca will be submitted by Q4 2024, and the FEED Study is expected to be completed by the end of year.

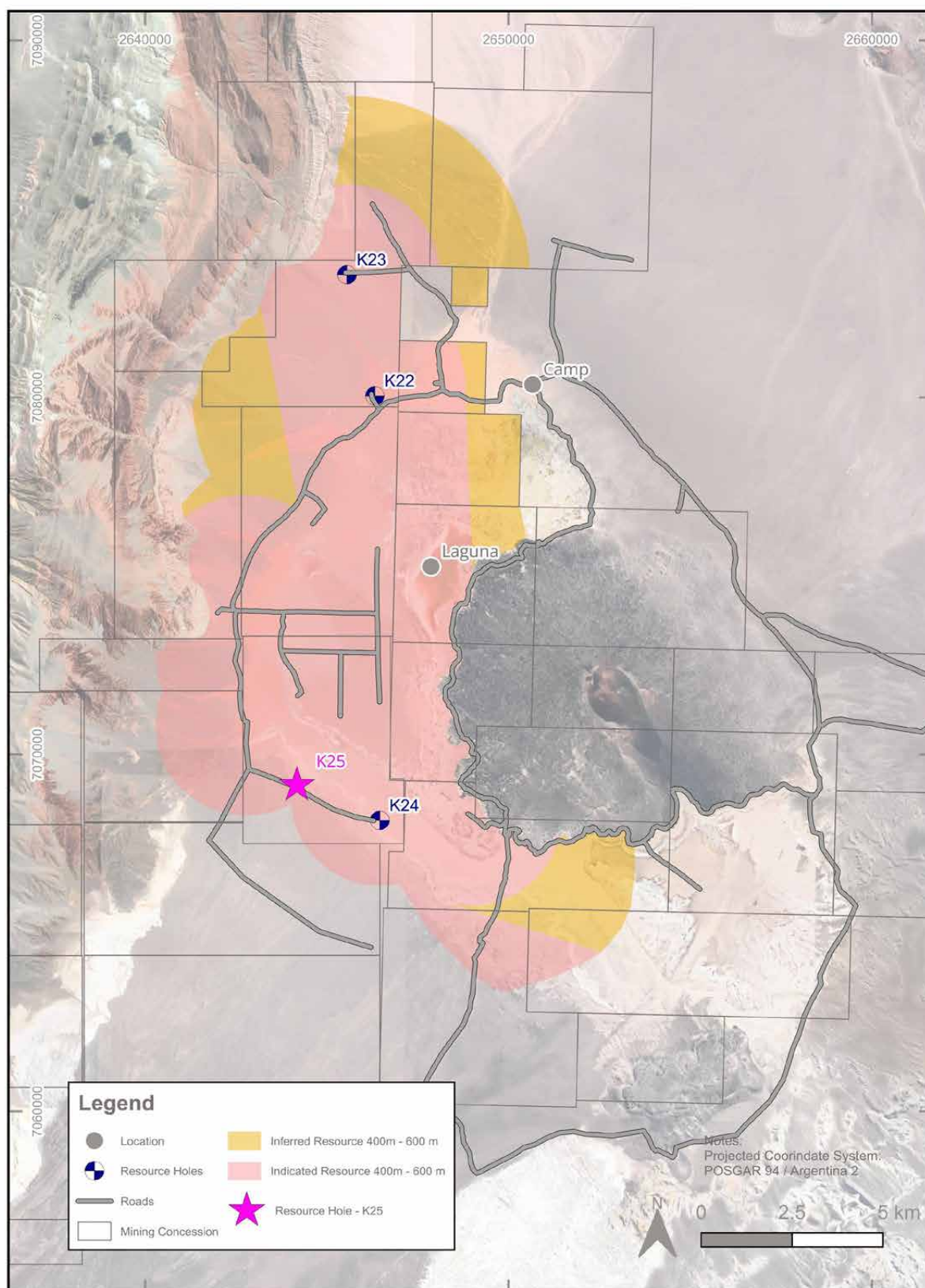
### Site Reclamation

As the project transitions from exploration to exploitation, Lake has been carrying out the reclamation activities required by the exploration permit. These efforts involve removing the majority of the temporary camp's infrastructure, regrading and revegetation, and consolidating assets and offices into the former DLE demonstration plant building. As part of this process Lake has engaged with community members to ensure that local input is integrated into current site plans and the permanent camp configuration.

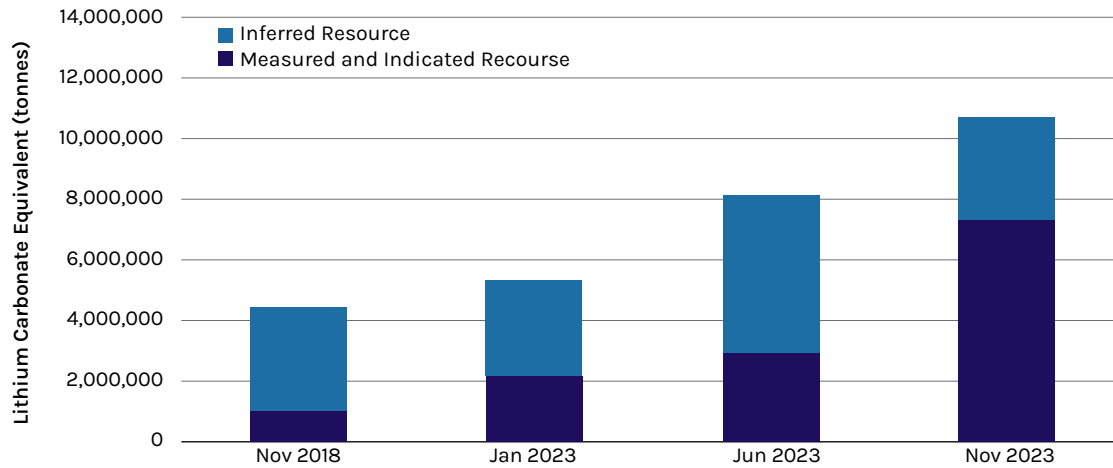


**Figure 1:** Hydrogeological east-west cross-section of the Carachi Pampa Basin, illustrating the sand and silt units that dominate the salar area and coarser-grained materials of the alluvial fans west of the salar core. The thick sand horizons in the salar core are the focus of planned production wells with injection wells planned west of the salar in the alluvial fans and to a lesser extent east of the salar production wells.





**Figure 2:** Lake Resources' properties and drill platform locations in the Kachi Project area, showing drilling concentrated over the salar area, with the resource outlines shown to 400 metres depth. The map includes Measured Resource (purple), Indicated Resource (rose), and Inferred Resource (orange). With the exception of the location of drillhole K25, this map is unaltered from what was disclosed and made available on the Company's website and on the ASX in the Company's JORC update dated 22 November 2023. No exploration or production targets, nor new estimates of inferred mineral resources, indicated mineral resources or measured mineral resources in relation to the Kachi Project are being reported in this annual report, and the mineral resources last reported in the announcement on 22 November 2023 have not materially changed since that date.



**Figure 3:** Change in Measured, Indicated and Inferred Lithium Resource at the Kachi Project since 2018. This figure was disclosed and made available on the Company's website and on the ASX in the Company's JORC update dated 22 November 2023.

**Table 1:** Updated resource estimate of contained lithium for the Kachi Project - as of 22 November 2023\*

Measured November 2023 (to 400 m depth)								
Unit	Sediment	Specific Yield %	Brine volume	Litres	Li mg/L	Li grams	Li Tonnes	Tonnes LCE
	Volume m <sup>3</sup>		m <sup>3</sup>					
A	11,001,000,000	0.078	858,078,000	858,078,000,000	210	179,783,644,000	180,000	956,000
B	4,366,100,000	0.081	352,090,000	352,090,162,000	229	80,628,647,000	81,000	429,000
C	8,007,400,000	0.068	544,503,000	544,503,200,000	230	125,427,401,000	125,000	667,000
Fan West	8,833,000,000	0.095	839,135,000	839,135,000,000	220	184,609,700,000	185,000	982,000
<b>Total</b>	<b>32,207,500,000</b>	<b>-</b>	<b>2,593,806,000</b>	<b>2,593,806,362,000</b>	<b>-</b>	<b>570,449,393,000</b>	<b>571,000</b>	<b>3,035,000</b>

Indicated November 2023 to 600 m								
Unit	Sediment	Specific Yield %	Brine volume	Litres	Li mg/L	Li grams	Li Tonnes	Tonnes LCE
	Volume m <sup>3</sup>		m <sup>3</sup>					
A (South)	3,694,300,000	0.076	278,924,000	278,924,452,000	181	50,485,326,000	50,000	269,000
B (South)	1,489,000,000	0.075	111,543,000	111,543,670,000	179	19,959,624,000	20,000	106,000
C (South)	4,382,400,000	0.067	294,407,000	294,407,879,000	182	53,582,234,000	54,000	285,000
A (North)	3,075,200,000	0.095	292,144,000	292,144,000,000	232	67,891,052,000	68,000	361,000
B (North)	4,294,400,000	0.095	407,968,000	407,968,000,000	241	98,166,484,000	98,000	522,000
C (North)	9,188,400,000	0.092	845,333,000	845,332,800,000	182	206,021,447,000	206,000	1,096,000
400 - 600m Under Salar	12,230,170,000	0.066	806,922,000	806,922,156,000	242	195,275,162,000	195,000	1,039,000
400 - 600m West Fan Deep	4,858,200,000	0.092	446,954,000	446,954,400,000	244	109,056,874,000	109,000	580,000
<b>Total</b>	<b>43,212,070,000</b>		<b>3,484,197,000</b>	<b>3,484,197,358,000</b>		<b>800,438,203,000</b>	<b>800,000</b>	<b>4,258,000</b>



Combined Measured and Indicated								
	75,419,570,000		6,078,004,000	6,078,003,721,000		1,370,887,596,000	1,371,000	7,293,000
Inferred November 2023								
Unit	Sediment	Specific Yield %	Brine volume	Litres	Li mg/L	Li grams	Li Tonnes	Tonnes LCE
	Volume m <sup>3</sup>		m <sup>3</sup>					
A	4,756,500,000	0.08	378,325,000	378,325,351,000	185	69,975,435,000	70,000	372,000
B	1,671,300,000	0.079	131,198,000	131,197,886,000	191	25,101,960,000	25,000	134,000
C	5,287,600,000	0.074	393,746,000	393,746,422,000	218	85,950,119,000	86,000	457,000
Fan North	8,895,490,000	0.081	716,324,000	716,324,455,000	232	166,081,974,000	166,000	884,000
Fan South	12,248,490,000	0.064	781,249,000	781,249,112,000	239	186,718,538,000	187,000	993,000
Under volcano	6,718,700,000	0.074	500,471,000	500,471,260,000	192	96,334,211,000	96,000	512,000
<b>Total</b>	<b>39,578,080,000</b>		<b>2,901,314,000</b>	<b>2,901,314,485,000</b>		<b>630,162,237,000</b>	<b>630,000</b>	<b>3,352,000</b>

\* This table reproduces the data from the 22 November 2023 ASX announcement - Lake Resources JORC Update Increases Measured and Indicated Resource by 250% for its Flagship Kachi Project. There have been no material changes since the date of this announcement.

Notes on Mineral Resource Estimate:

- JORC definitions were followed for Mineral Resources.
- The Competent Person for this Mineral Resource estimate is Andrew Fulton, MAIG.
- No internal cut-off concentration has been applied to the resource estimate. The reserve is reported at a 150 mg/l cut-off.
- Numbers may not add due to rounding.
- Specific Yield (Sy) = Drainable Porosity.
- Lithium is converted to lithium carbonate (Li<sub>2</sub>CO<sub>3</sub>) with a conversion factor of 5.323. For details on the lithology units please refer to the 15 June 2023, 22 August 2023, 4 October 2023 and 22 November 2023 ASX announcements.
- See Figure 2&3 for the map showing the geographical area for the various Mineral Resource classifications. All are constrained to Kachi Project Concessions.
- The CP for the Mineral Resource Estimate is Andrew Fulton.

**Table 2:** Comparison of defined resource for the Kachi Project - 2024 and 2023

Year	Measured (Tonnes LCE)	Indicated (Tonnes LCE)	Measured and Indicated (Tonnes LCE)	Inferred (Tonnes LCE)	Total (Tonnes LCE)
2024	3,035,000	4,258,000	7,293,000	3,352,000	10,645,000
2023	2,210,600	715,601	2,926,202	5,183,199	8,109,401
<b>Increase in Resource</b>	<b>+824,400</b>	<b>+3,542,399</b>	<b>+4,366,798</b>	<b>-1,831,199</b>	<b>+2,535,599</b>

#The 2023 annual report and the Kachi Mineral Resource Estimate from June 2023 that forms the basis of the resource included in the 2032 Annual Report are available at [www.lakeresources.com.au](http://www.lakeresources.com.au) and [www.asx.com.au](http://www.asx.com.au).

**Table 3:** Proved and Probable Lithium Reserves

Reserve Category	Years	Lithium (Tonnes)	LCE (Tonnes)	Average Lithium (mg/l)
Proved	1	3,600	18,900	258.6
Proved	2-7	28,500	151,400	257.2
Probable	8-25	85,400	454,100	245.0
<b>Total</b>	<b>1-25</b>	<b>117,400</b>	<b>624,400</b>	

## Notes to the Reserve Estimate:

- Lithium is converted to lithium carbonate ( $\text{Li}_2\text{CO}_3$ ) equivalent (LCE) with a conversion factor of 5.32.
- The effective date for the Reserve Estimate is based on the November resource update (22 November 2023).
- The reserve above includes processing losses in the plant and transfer ponds.
- Numbers may not add due to rounding effects.
- Projected processing is based on first year rate of 18,921 tonnes LCE.
- Projected processing for Years 2 - 25 rate of 25,228 tonnes LCE.
- Reserve estimates are based on the anticipated lithium production schedule with an economic cut-off grade of 150 mg/L lithium and a 77.6% average recovery,
- The CP for the Ore Reserve Statement is Andrew Fulton.

**Additional Property Updates**

- **Paso de Jama**
- **Olaroz**
- **Ancasti**
- **Cauchari**

The Paso de Jama Lithium Brine Project in Jujuy Province comprises over 50,000 hectares. Initial surface geophysical surveys, passive seismic and transient electromagnetic (TEM) were completed in 2022. Drilling and testing occurred through the end of 2022 and resulted in more than 1,700m of drilling and five small diameter wells.

Activities in 2023 included analysing and processing the investigation results, performance of small-scale hydraulic tests in several wells and laboratory properties analysis for physical characteristics including drainable porosity.

During FY2024, activities focused on analysing available data, updating the exploration strategies, development of project characterisation reports, environmental monitoring, social engagement and conversion of tenements to concessions. As at the date of this annual report, no resource has been developed for the Paso de Jama Lithium Brine Project.

Activities at the more than 45,000 hectare Olaroz Lithium Brine Project were limited to permitting and community relations activities during FY2024. These efforts have laid the groundwork to initiate surface geophysical studies including passive seismic and TEM, which are planned for 2025.

The Ancasti or Catamarca Pegmatite Lithium Project, comprises over 90,000 hectares of leases at the early exploration stage, with large pegmatite swarms in an area of past production within a 150 km long belt.

During FY2024, data from the 2018 field program were compiled and analysed. The geologic and chemical data were used to define conceptual models and form the basis for an updated exploration program. The expansive surface sampling program is expected to start in FY2025.

The Cauchari Lithium Brine Project in Jujuy Province was successfully drilled for the first time during FY2020. It demonstrated extensions of lithium brine bearing aquifers with similar high grades into Lake's properties from the adjoining major resource projects. No further investigative drilling was undertaken in FY2024. However, environmental monitoring and community engagement activities are ongoing.

As described in the 12 March 2024, Updated Investor Presentation<sup>1</sup>, Lake has been exploring a divestiture plan for the additional properties described in this section of the report since May 2024.

<sup>1</sup> Refer to ASX Announcement 12 March 2024.



**Lake Resources NL  
Directors' report  
for the year ended 30 June 2024**

Your Directors present their report on the Consolidated entity consisting of Lake Resources NL ("Lake", "Lake Resources", "Company" and "Consolidated entity") and the entities it controlled at the end of, or during, the year ended 30 June 2024.

**Directors and company secretary**

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

S. Crow, Non-Executive Chairman  
D. Dickson, Managing Director and Chief Executive Officer  
R. Trzebski, Non-Executive Director  
C. Bo-Linn, Non-Executive Director (resigned 25 July 2024)  
H. Atkins, Non-Executive Director (resigned 25 July 2024)  
A. Gomez Chapman, Non-Executive Director (resigned 25 July 2024)

The company secretary is Mr. Mark Anning.

**Principal activities**

During the year the principal continuing activities of the Consolidated entity consisted of:

- (a) Exploration and evaluation of lithium brine projects in Argentina;
- (b) Exploration for minerals.

**Dividends**

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

**Review of operations**

The loss from ordinary activities after income tax amounted to \$54,022,596 (2023 loss: \$47,253,043).

**Corporate Strategy**

During the period, Lake made excellent operational progress on its flagship Kachi Project ("Kachi", "Kachi Project" or "Project") which culminated in the completion of the Kachi Project Phase One Definitive Feasibility Study ("DFS") and maiden Ore Reserve statement supporting a 25-year life of mine (refer to ASX announcement 19 December 2023), Additional milestones include the submission of a Production Environmental Impact Assessment ("EIA") for Phase One of the Project to the Catamarca Ministry of Mining in Catamarca Province, Argentina (refer to ASX announcement 25 March 2024) with an expected approval in the first half of the 2025 calendar year, and the execution of a non-binding Letter of Intent ("LOI") with YPF Luz, a leading power generation company in Argentina, to evaluate and negotiate agreements with regard to a high voltage line and delivery of the power supply for Kachi (refer to ASX announcement 5 May 2024). YPF Luz will perform the Front-End Engineering Design ("FEED") for the proposed power delivery system.

With these operational milestones complete, the focus of the Company is the strategic delivery of Kachi. In late November, Lake and Lilac Solutions ("Lilac"), its technology and operating partner of Kachi, engaged Goldman Sachs as financial adviser in connection with exploring a potential strategic partnership for Kachi (refer to ASX announcement dated 29 November 2023) (the "Process"). The Process was officially launched following the completion of the DFS. The successful selection of a suitable partner is an essential cornerstone to the development of Kachi, and Lake is committed to executing the Process in a thorough and prudent manner.

**Lake Resources NL  
Directors' report  
for the year ended 30 June 2024**

**Corporate Strategy (continued)**

**Aligning Developmental Timelines to Strategic Partner Selection Process**

In running the Process, Goldman Sachs is acting as financial advisor to the operating entity of Kachi. The Company actively conducted outreach to a wide array of potential strategic partners and is now participating in detailed discussions with a select group of interested parties. While the Company initially expected the Process to conclude in the second half of the year (2H CY24), with final investment decision ("FID") to follow approximately nine to twelve months thereafter (CY25), current difficulties in the lithium sector could delay these efforts, which may further delay the previous target date for FID. Additionally, the timeline for awarding engineering, construction, power and other agreements to finalise the design and construction program for Kachi may also be impacted by the timing and outcome of the Process, given that the type of strategic partner ultimately selected could influence these decisions.

**Corporate and Financial**

The key near-term objectives of the Company are to reduce costs to right-size the Company and ensure Lake preserves its financial flexibility and the advancement of value-adding activities amid difficult lithium market conditions, and to successfully complete the Process.

**Project Finance (Kachi)**

As previously announced, Lake received Expressions of Interest from The UK Export Finance ("UKEF"), the Export Credit Agency ("ECA") of the United Kingdom, (ASX 11 August 2021) and from Canada's Export Credit Agency ("EDC"), to potentially support approximately 70% of the total finance required for Kachi (refer to ASX announcement 28 September 2021). These Expressions of Interest remain in place and discussions with UKEF and EDC are ongoing.

Additionally, Citi and J.P. Morgan, joint coordinators on the proposed debt financing for Kachi, amended and extended its agreement with the Company, reflecting the revised project development timeline (refer to ASX announcement 29 January 2024).

Subsequent to the end of the period, Lilac, a 20% owner of Kachi, completed a Series C capital raise of US\$145 million from existing investors, including Breakthrough Energy, BMW, and Sumitomo.

**Cash position**

Lake held cash of A\$22,902,013 as at 30 June 2024 with no debt.

**Operations**

**Overview of Operations for the Year**

**Kachi Lithium Brine Project - Catamarca Province, Argentina**

The technical operations teams achieved several significant milestones over the past year. The Lilac DLE technology received third-party validation after commissioning and operating the on-site demo plant for over one year. The demonstration program concluded site operations activities in December 2023. In total, the DLE plant processed over 5 million litres of brine from the Kachi resource and produced over 200,000 litres of lithium chloride concentrate. A portion of that concentrate was delivered to Saltworks in Richmond, British Columbia, Canada in 2023 for conversion into lithium carbonate. That test program was concluded in September 2023 with over 1300 kg of >99.5% lithium carbonate being produced, and validation data generated for the Phase One DFS. That program remains one of the largest DLE to battery grade carbonate test programs ever conducted.



**Lake Resources NL**  
**Directors' report**  
**for the year ended 30 June 2024**

## **Operations (continued)**

### **Overview of Operations for the Year (continued)**

#### **Kachi Lithium Brine Project - Catamarca Province, Argentina (continued)**

##### ***Significant Growth in Mineral Resources***

Step-out drilling from the central salar core and significantly deeper drilling and testing, to more than 600 metres depth, led to a large increase in both the surface footprint of the mineralised area and the overall size of the lithium resource.

Since that last reporting period, Measured and Indicated Resources have increased from 2.9 to 7.3 Mt of LCE defined to a depth of 600 metres over 143.8 sq km. Surrounding the Measured and Indicated Resources are Inferred Resources of 3.3 Mt LCE defined over 130.9 sq km. The updated total mineral resource estimate exceeds 10.6 Mt of LCE (refer to ASX announcement 22 November 2023).

In addition to expanding the delineated resource to the north, south and vertically, drilling during the reporting period intercepted some of the highest lithium concentrations drilled to-date at the project, with an average of 267 mg/L over 445m at K24D41 (refer to ASX announcement 4 October 2023) and 257 mg/L over 407 metres at K25D44 (refer to ASX announcement 12 February 2024).

The Kachi Project has shown continual increases in mineral resource estimates since the maiden resource estimate of 4.4 Mt of contained LCE in Inferred and Indicated categories was announced in November 2018. The resource was significantly upgraded in January 2023, with a Measured and Indicated Resource of 2.2 Mt of LCE and approximately 3.1 Mt of LCE as Inferred mineral resources.

The total resource was again increased in June 2023 with more than 2.9 Mt of LCE in Measured and Indicated and approximately 5.2 Mt of LCE in the Inferred category for a total resource estimate of more than 8.1 Mt of LCE. The most recent update in November 2023 is 7.3 Mt LCE Measured and Indicated Resource with 3.3 Mt LCE of Inferred Resource for a total resource estimate of over 10.6 Mt LCE. This update does not include the positive results from K25D44, which is expected to further improve the resource estimates.

##### ***Proven Successful Extraction and Injection***

Lake reported on the successful extraction and injection of lithium brine for two tests completed in the summer of 2023 (refer to ASX announcement 16 August 2023) and the 2023 Annual Report (refer to ASX announcement 29 September 2023). Those tests confirmed highly favourable reservoir hydraulic properties and are indicative of high-yield, production-scale, extraction and injection wells in the core resource area.

Since the release of the 2023 Annual Report, an additional 30-day long extraction and injection test was completed during September and October 2023. These results, documented in the DFS (refer to ASX announcement 19 December 2023) further demonstrate the viability of the well-field development plan. The data collected during all the extraction and injection tests were used to calibrate the hydrogeologic model used for evaluating ore reserves and predicting changes near environmental receptors such as springs and the Carachi Pampa laguna during operations.

##### ***Maiden Ore Reserve Statement***

The Ore Reserve is based on a mine plan that includes 16 production wells and 21 injection wells with average grades and flow rates exceeding production requirements for a 25-year Life-of-Mine ("LoM") (refer to ASX announcement 19 December 2023). The plan uses the calibrated hydrogeologic model, developed from the field characterisation data, to optimise the Kachi well-field layout to maximise lithium grade recovered, maximise the Proved Ore Reserve, and minimise environmental impacts. Over 85% of the 25-year LoM production is derived from Measured Resources, with the remaining predicted to be sourced from Indicated Resources.

**Lake Resources NL  
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**Operations (continued)**

**Overview of Operations for the Year (continued)**

**Kachi Lithium Brine Project - Catamarca Province, Argentina (continued)**

***Maiden Ore Reserve Statement (continued)***

The Proved Ore Reserve derived from Measured Resources is constrained to the first seven years of operation, equaling 170,300 tonnes. The defined injection strategy maintains higher reservoir pressures thereby minimising potential subsidence and environmental impacts.

Dilution in lithium grade from injection of spent brine is predicted to be minimal, with a less than 10-percent reduction in lithium concentration in Year 25 of operations 232 mg/L, down from 257 mg/L in Years 1 through 7.

The model indicates that the well-field design can exceed processing plant design capacity, with unconstrained potential for LCE production of 834,000 tonnes LCE relative to the reserves 624,400 tonnes LCE. Plant design capacity is the constraint for LCE production. The 834,000 tonnes LCE represents less than 8% of the 10.6 Mt LCE total Mineral Resource Estimate, indicative of significant potential for plant expansion.

***Kachi Project Definitive Feasibility Study (DFS)***

In accordance with Lake's operational timeline, the Company announced the results of the DFS for Phase One of the Kachi lithium brine project in December 2023. The Phase One DFS demonstrates that the Kachi Project is a tier one project with strong economics and a significant resource, positioning it competitively within the growing lithium market. The financial highlights include a post-tax NPV of US\$2.3 billion and an IRR of 21%. Additional project highlights include a globally significant resource of an estimated 10.6 Mt LCE, target production of >99.5% battery grade lithium carbonate, a 25-year mine life supported by maiden Ore Reserve statement at the Phase One production target of 25,000 ktpa over the LoM.

***Environmental Impact Study for Phase One Operations***

In accordance with Lake's operational timeline, Lake submitted the Production EIA for Kachi Phase One to the Catamarca Ministry of Mining in the Province of Catamarca, Argentina in March 2024. This EIA was based on the production scenario presented in the DFS. This critical milestone was the culmination of extensive fieldwork and community engagement completed over the previous three years. The Kachi lithium brine project development plan is designed to minimize the consumption of fresh water, protect environmentally sensitive areas, and benefit local communities.

Highlights include the Lilac technology which requires a fraction of the water required for evaporation pond and adsorption DLE process technologies. In addition, Lake has also incorporated a Zero Liquid Discharge unit that further reduces freshwater consumption by about 75%. The injection of spent brine allows Lake to design a system that maximizes lithium recovery while maintaining the hydrological/hydrogeological system as close to baseline conditions as possible during operations. Other significant environmental benefits include a smaller land footprint and lower solid waste output compared to traditional evaporation ponds and hard rock projects.

***Power Solution***

Lake signed a Letter of Intent in May 2024 with YPF Luz ("YPF") to negotiate the construction and delivery of power to the Kachi project site. YPF is a leading Argentine sustainable electric power generation company and an excellent partner to support the Kachi Project. YPF will perform the FEED for the proposed power delivery system. As of August 2024, significant progress has been achieved on the FEED including geotechnical investigations of some key infrastructure sites. The Environmental Impact Assessments for the Provinces of Salta and Catamarca are expected to be submitted by Q4 2024, and the FEED Study is expected to be completed by the end of year.



**Lake Resources NL**  
**Directors' report**  
**for the year ended 30 June 2024**

## **Operations (continued)**

### **Overview of Operations for the Year (continued)**

#### ***Other exploratory project updates***

While the development of Kachi is Lake's top priority and key focus, the company is continuing its work at its four 100-percent owned projects, Olaroz, Cauchari, Ancasti and Paso de Jama. Lake continues to work with local communities and authorities to convert tenements to concessions through the completion of environmental impact studies for exploration, complete regular environmental monitoring at the properties and consolidate concessions into more easily managed groups of concessions. Lake is managing an ongoing process for the potential sale of these named non-core projects, including the assets and lithium tenements located in Jujuy and Catamarca Provinces (refer to ASX announcement 1 July 2024).

#### **Significant changes in the state of affairs**

Significant changes in the state of affairs of the Consolidated entity during the financial year were as follows:

Lake strengthened its management team during the second half of the year, adding Don Miller as the Company's Chief Financial Officer (refer to ASX announcement 8 December 2023). Mr. Miller is a highly accomplished energy financial executive bringing over 35 years of experience. He joined Lake after serving as the President and CEO of Bristow Group Inc. ("Bristow"), a leading global provider of helicopter services to the offshore energy industry. Importantly, he also served as Bristow's Chief Financial Officer, leading the development of the company's financial strategy, overseeing all corporate finance functions, and leading international corporate M&A efforts, including strategy, structuring, and negotiations. Earlier in his career, Mr. Miller served in financial roles of increasing responsibility at large, international public companies.

Another appointment made during the financial year included the appointment of Lindsay Bourg as Chief Accounting Officer (refer to ASX announcement 3 July 2023).

#### **Matters subsequent to the end of the financial year**

On 25 July 2024, the Company announced that it has utilised its ATM to raise \$2,500,000 (inclusive of costs) by agreeing to issue 65,000,000 fully paid ordinary shares to Acuity Capital.

On 26 July 2024, the Company announced the resignation of its non-executive directors (Mr. Atkins, Dr. Bo-Linn, and Ms. Chapman) as additional measures to right-size and reduce expenditure level of the company.

In September 2024, the lease for office space in Texas has been sub-leased for the remainder of its term.

Subsequent to 30 June 2024, the Company implemented cost reduction initiatives to right-size its headcount and expenditure level with a reduction of approximately 50% of global headcount, including six members of the Company's executive team, and decrease of general and administrative expenses (refer to ASX announcement 1 July 2024). These actions are in addition to the approximate 50% reduction in non-core operational and administrative workforce announced in March 2024 (refer to ASX announcement 4 March 2024). These initiatives are not expected to impact ongoing strategic priorities for Kachi.

No other matter or circumstance has arisen since 30 June 2024 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.

**Lake Resources NL  
Directors' report  
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**Material Business Risks**

Our exploration and mining operations will be subject to the normal risks of mining and any revenues will be subject to numerous factors beyond our control. The material business risks that may affect us are summarised below.

***Future Capital Raisings and Financial Risk***

Our ongoing activities may require substantial further financing, in addition to prior capital raisings. We will also require additional funding to bring the Kachi Project into commercial production. Any additional equity financing may be dilutive to shareholders and may be undertaken at prices lower than the current market price. Debt financing, if available, may involve restrictive covenants which could limit our operations and business strategy. Although we believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to us or at all. If we are unable to obtain additional financing as needed, we may be required to reduce, delay or suspend our operations which could have a material adverse effect on our activities and could affect our ability to continue as a going concern. Additionally, if the level of operating expenditure required is higher than expected, our financial position may be adversely affected. We may also experience unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

***Equity Market Conditions Risk***

Any shares listed on a stock exchange can experience extreme price and volume fluctuations that are often unrelated to the operating performances of such companies. The market price of our shares may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. General factors that may affect the market price of our shares include the macroeconomic conditions which are discussed further below, investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices including, but not limited to, lithium prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, and changes in exchange rates.

***Exploration Risk***

Our success depends on the delineation of economically mineable reserves and resources, access to required development capital, movement in the price of commodities, securing and maintaining title to our tenements and maintaining all consents and approvals necessary for the conduct of our exploration activities. Exploration on our existing tenements may be unsuccessful, resulting in a reduction in the value of those tenements, diminution in our cash reserves and possible relinquishment of the tenements. Our exploration costs are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions.

Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect our viability.

***Feasibility and Development Risks***

We may not always be able to exploit successful discoveries which may be made in areas in which we have an interest. Such exploitation would involve obtaining the necessary licences or clearances from relevant authorities that may require conditions to be satisfied and/or the exercise of discretion by such authorities. It may or may not be possible for such conditions to be satisfied. Further, the decision to proceed with further exploitation may require participation of other companies whose interests and objectives may not be the same as ours. Although a definitive feasibility study on the Kachi Project has been produced, there is a risk that it will not achieve the results expected, or that the project may not be successfully developed for commercial, financial or other reasons.



**Lake Resources NL**  
**Directors' report**  
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**Material Business Risks (continued)**

***Regulatory Risk***

Our operations are subject to various laws and plans in the jurisdictions in which we work, including those relating to mining, prospecting, development permit and licence requirements, industrial relations, environment, land use, royalties, water, native title and cultural heritage, mine safety and occupational health. Approvals, licences and permits required to comply with such rules are subject to the discretion of the applicable government officials. No assurance can be given that we will be successful in obtaining such authorisations or maintaining such authorisations in full force and effect without modification or revocation.

To the extent such approvals are required and not obtained or maintained in a timely manner or at all, our operations may be curtailed or prohibited from continuing or proceeding with production and exploration. Our business and results of operations could be adversely affected if applications lodged for exploration licences are not granted. Maintenance of our mining and exploration tenements are subject to compliance with certain ongoing and periodic conditions. Our inability to meet those conditions may adversely affect our operations, financial position and/or performance.

***Occupational Health and Safety***

Given our exploration activities (and especially if we achieve exploration success leading to mining activities), we will face the risk of workplace injuries which may result in workers' compensation claims, related claims under applicable law and potential occupational health and safety prosecutions. Further, the production processes used in conducting any future mining activities can be dangerous. We have, and intend to maintain, a range of workplace practices, procedures and policies which will seek to provide a safe and healthy working environment for its employees, visitors and the community. Of particular concern will be operating and managing health and safety in an environment where COVID-19 or other contagion becomes a major concern.

***Limited Operating History of the Group***

We have limited operating history on which we can base an evaluation of our future prospects. If our business model does not prove to be profitable, investors may lose their investment. Our historical financial information is of limited value because of our lack of operating history and the emerging nature of our business. Our prospects must be considered in the light of the risks, expenses and difficulties frequently encountered by companies in their early stage of development, particularly in the mineral exploration sector, which has a high level of inherent uncertainty.

***Key Personnel Risk***

In formulating our exploration programs, feasibility studies and development strategies, we rely to a significant extent upon the experience and expertise of our current management. Many of our key personnel are important to attaining our business goals. One or more of these key employees could leave their employment, and this may adversely affect our ability to conduct our business and, accordingly, affect our financial performance and our share price. Recruiting and retaining qualified personnel is important to our success. This risk has been heightened due to our recent headcount rationalisation initiatives. The number of persons skilled in the exploration and development of mining properties is limited and competition for such persons is strong.

***Litigation Risk***

We are exposed to possible litigation risks including, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, we may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the consolidated entity's operations, reputation, financial performance and financial position. With the exception of various minor vendor disputes and an ongoing employment dispute with our former Chief Operating Officer, Gautam Parimoo, none of which are material to the Company, we are not currently engaged in any litigation or alleged dispute or claim.

**Lake Resources NL  
Directors' report  
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**Material Business Risks (continued)**

***Force Majeure Risk***

Our projects may be adversely affected by risks outside our control including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions now and in the future.

***Resource Estimate Risk***

Resource estimates are expressions of judgment based on knowledge, experience and industry practice. These estimates were appropriate when made but may change significantly when new information becomes available. There are risks associated with such estimates. Resource estimates are necessarily imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to resource estimates could affect our future plans and ultimately our financial performance and value. Lithium price fluctuations, as well as increased production costs or reduced throughput and/or recovery rates, may render resources containing relatively lower grades uneconomic and may materially affect resource estimations.

***Environmental Risk***

Our operations and activities are subject to the environmental laws and regulations in the jurisdictions in which we work. As with most exploration projects and mining operations, our operations and activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. We attempt to conduct our operations and activities to the highest standards of environmental obligation, including compliance with all environmental laws and regulations. We are unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase our cost of doing business or affect our operations in any area. There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige us to incur significant expenses and undertake significant investments which could have a material adverse effect on our business, financial condition and performance. We are subject to and compliant with all aspects of environmental regulation of our exploration and mining activities. We are not aware of any environmental law that is not being complied with.

***Availability of Equipment and Contractors***

Ongoing geopolitical tensions, regional conflicts and labour shortages mean that appropriate goods, materials, supplies and equipment, including drill rigs, remains in short supply. There also remains high demand for contractors providing other services to the mining industry. Consequently, there is a risk that we may not be able to source all the goods, materials, supplies, equipment and contractors to perform required scopes of work to fulfil our proposed activities. There is also a risk that hired contractors may underperform or that equipment may malfunction, either of which may affect the progress of our activities.

***Climate Change Risk***

Our operations and activities are subject to changes to local or international compliance regulations related to climate change mitigation efforts, specific taxation or penalties for carbon emissions or environmental damage, and other possible restraints on industry that may further impact us and our profitability. While we will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that we will not be impacted by these occurrences. Climate change may also cause certain physical and environmental risks that we cannot predict, including events such as increased severity of weather patterns, incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which we operate.



**Lake Resources NL**  
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**Material Business Risks (continued)**

***Macro-Economic Risks***

Global supply chains constraints, labour unavailability and equipment shortages are material risks to our operations. Supply chain constraints continue to be exacerbated because of various regional conflicts throughout the world.

Hyperinflationary pressures in Argentina for appropriately skilled labour and capital items are being seen across many industries, including mining. Current domestic and international inflation is at historic levels, resulting in persisting elevated interest rates globally. These conditions could have material adverse impact to our cost of doing business and financial performance.

Lithium chemicals commodity pricing is a large concern to our business. Economic viability of the Kachi Project and the business as a whole depends in large part on stable and increased lithium chemicals commodity prices. Continued depressed pricing environments could lead to inability of the business to proceed with final investment decisions for the Kachi Project, inability to sell offtake at commercially-reasonable pricing levels or inability to raise capital necessary for continued operation of the business.

***Argentina Political Risk***

Our operations can be affected by changing political, regulatory and economic environments in the countries in which we operate. Our exploration activities are entirely focused in Argentina, which underwent elections in 2023, resulting in material changes to the business and financial climate of the country. While these changes have largely been positive, resulting in improved ability to conduct our business, it is possible that the many of the proposed changes may not be fully realised, which could impact our financial performance and ability to develop our projects.

***Argentina Financial Risks***

Argentina, the jurisdiction in which we focus our operations, maintains capital controls which have the effect of restricting our access to foreign exchange markets and repatriation of profits. These measures have been implemented and maintained sporadically in Argentina for multiple decades with the most recent implementation occurring in 2019. These controls restrict our ability to convert Argentinian Pesos into U.S. Dollars or other currency and may restrict our ability in the future to export from Argentina profits we earn from our operations. Argentina occasionally modifies its capital controls frameworks, any changes to which, could have a material negative impact on our future operations. For example, capital controls may impact our ability to pay for imports into Argentina in U.S. Dollars or other hard currency. Additionally, our lenders may restrict our ability to use a portion of debt funds for in-country operations. Argentina also maintains a robust import program which restricts importation of certain products we may need from the international market. Compliance with Argentina's import restrictions often results in delays and the need to attempt to source needed products locally, either of which could cause delays to our operations.

**Lake Resources NL**  
**Directors' report**  
**for the year ended 30 June 2024**

**Information on directors**

Name	Mr. Stuart Crow
Title	Non-Executive Chairman, Non-Executive Director
Experience and expertise	<p>Mr. Crow has 38 years experience in financial services, corporate finance, investor relations, international markets, stock broking and critical minerals supply chains.</p> <p>He is passionate about assisting emerging listed companies to attract investors and capital. He has owned and operated his own businesses in financial services and served on a number of company boards for over 16 years with mineral exploration companies operating in Australia, Africa and in North and South America.</p>
Other current Directorships	<p>Non-Executive Chairman, Ricca Resources Limited (unlisted) - appointed 19 August 2021</p> <p>Non-Executive Director, Todd River Resources Ltd (ASX:TRT) - appointed 24 June 2014</p> <p>Non-Executive Director, Pulsar Lithium (TSX.V)- appointed on 24 June 2014</p>
Former Directorships (last 3 years)	Senior Non-Executive Director, Atlantic Lithium Limited (AIM & ASX) - resigned 13 July 2023
Name	Mr. David Dickson
Title	Managing Director and CEO
Experience and expertise	<p>Mr. Dickson was appointed Managing Director and CEO of Lake Resources in September 2022. He is an industry leader with over 30 years experience in process technology, engineering, construction and EPC cost management, across the energy sector. He has a proven track record in delivering multi-billion-dollar resource projects. Mr. Dickson spent over seven years as CEO of global engineering and construction firm McDermott International, building a strong leadership team that steered the company into profitable new markets. He ultimately grew the business to over 30,000 employees across 54 international markets.</p> <p>Prior to McDermott he was President of Technip USA, overseeing marketing and operations in North, Central, and South America. Mr. Dickson also serves on the Advisory Board of private equity firm, Quantum Energy Partners, a leading global provider of private capital to the responsibly sourced energy, energy transition and decarbonisation sectors. Additionally, he has served as Executive Advisor to strategic investment firm, The Chatterjee Group and is a former Board member of the U.S. National Safety Council.</p>
Other current Directorships	None
Former Directorships (last 3 years)	None

**Lake Resources NL**  
**Directors' report**  
**for the year ended 30 June 2024**

**Information on directors (continued)**

Name	Dr. Robert Trzebski
Title	Non-Executive Director
Experience and expertise	<p>Dr. Trzebski is an international mining executive bringing substantial operational, commercial and technical experience in global mining markets to Lake Resources. He has over 35 years' leadership track record in mineral exploration, strategic advisory, project management and technology innovation.</p> <p>He is currently Director, International Business of Austmine and currently leads large-scale industry collaboration projects in the space of decarbonisation and electrification. In previous roles, he held executive positions with key mining industry players, such as Rio Tinto, WMC, Inco, Falconbridge, Schlumberger and Phelps Dodge, having worked across the globe with a long track professional record in Argentina. Dr. Trzebski holds a degree in Geology, PhD in Geophysics, Masters in Project Management and is a fellow of the Australian Institute of Mining and Metallurgy (AusIMM). He is fluent in English, Spanish, French and German.</p>
Other current Directorships	Austral Gold (ASX: AGD) - appointed 10 April 2007
Former Directorships (last 3 years)	None
Name	Dr. Cheemin Bo-Linn (resigned 25 July 2024)
Title	Non-Executive Director
Experience and expertise	<p>Dr. Bo-Linn is an accomplished CEO, former Fortune 100 global operations executive, and board director with over 20 years of governance expertise at public companies and private organisations, across the Americas and Europe. Her prior board leadership at public companies include Lead Independent Director and Chair (of Audit, Compensation, Nominations/Governance, Sustainability, and Tech/Cybersecurity).</p> <p>Her industry operational and board experience includes lithium-ion energy storage, energy, process, technology, manufacturing, and construction.</p>
Other current Directorships	None
Former Directorships (last 3 years)	None



**Lake Resources NL**  
**Directors' report**  
**for the year ended 30 June 2024**

**Information on directors (continued)**

Name	Mr. Howard Atkins (resigned 25 July 2024)
Title	Non-Executive Director
Experience and expertise	<p>Mr. Atkins brought deep financial management, capital markets, transaction, foreign exchange, and public company experience to the Lake Resources Board. He has over 30 years of financial leadership experience, including 20 years serving as a CFO for organisations including Wells Fargo, New York Life Insurance Company, and Midlantic Bank Corporation.</p> <p>He has served on the boards of Occidental Petroleum, whose markets included the US and South America; and Ingram Micro, a global technology and logistics company also with operations in the US and South America. He has served on the Human Resources, Audit, Finance, and Technology Committees during his public board service.</p>
Other current Directorships	Daktronics (Nasdaq:DAKT) - appointed 7 December 2022
Former Directorships (last 3 years)	None
Name	Ms. Ana Gomez Chapman (resigned 25 July 2024)
Title	Non-Executive Director
Experience and expertise	<p>Ms. Chapman is a financial services executive and board director with over 28 years of investment management, capital markets and business leadership experience. She has worked and lived across the U.S., Europe, Latin America and Asia Pacific.</p> <p>Ms. Chapman is a capital markets expert who has held senior roles at institutional investment firms including Hamilton Lane, where she currently serves as a Managing Director.</p>
Other current Directorships	None
Former Directorships (last 3 years)	None

**Note**

- 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.

**Lake Resources NL**  
**Directors' report**  
**for the year ended 30 June 2024**

**Company secretaries**

Mr. Mark Anning who was appointed on 9 January 2023 is a Chartered Secretary with over 30 years' experience in legal and corporate practice. He specialises in corporate and commercial law, dispute resolution, risk management, and corporate governance. He has practiced at Partner level in private practice, and in-house at CEO and Chair direct report level for several ASX and NASDAQ listed companies. He is a Fellow of the Governance Institute of Australia and is admitted to practice in all Commonwealth Courts and the Supreme Courts of Queensland and Victoria.

**Directors' Interests in the Consolidated entity**

At the date of this report or last date of employment, the interests of the Directors in the shares, options and performance rights of the Consolidated entity were:

	Ordinary Shares	Options	Performance Stock Unit	Restricted Stock Unit
S. Crow (Non-Executive Chairman)	10,000,000	-	-	-
D. Dickson (Managing Director and Chief Executive Officer)	155,475	4,000,000	11,688,462	21,195,454
C. Bo-Linn (Non-Executive Director)	232,500	-	-	-
H. Atkins (Non-Executive Director )	752,869	-	-	-
A. Gomez Chapman (Non-Executive Director )	238,500	-	-	-

**Meetings of Directors**

The number of meetings of the Consolidated entity's Board of Directors held during the year ended 30 June 2024, and the numbers of meetings attended by each Director were:

	Board Meeting		Audit & Risk Committee		Nomination & Governance Committee		Compensation Committee	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
S. Crow	7	7	7	7	5	4	8	5
D. Dickson <sup>1</sup>	7	7	7	7	5	4	8	4
R. Trzebski <sup>2</sup>	7	7	7	7	5	5	8	8
C. Bo-Linn <sup>3</sup>	7	7	7	7	5	5	8	8
H. Atkins <sup>4</sup>	7	7	7	7	5	3	8	8
A. Gomez Chapman	7	7	7	7	5	5	8	5

"Held" represents the number of meetings held during the time the Director held office and was eligible to attend.

<sup>1</sup> Managing Director and Chief Executive Officer.

<sup>2</sup> Chair of Compensation Committee.

<sup>3</sup> Chair of Nomination & Governance Committee.

<sup>4</sup> Chair of Audit & Risk Committee.

**Lake Resources NL  
Directors' report  
for the year ended 30 June 2024**

**Remuneration report (audited)**

**OVERVIEW OF THE REMUNERATION REPORT**

The following pages describing the Remuneration Framework have been prepared in accordance with the requirements of Section 300A of the Corporations Act 2001 and audited as required by Section 308(3C) of the Corporations Act 2001.

- 1 KMP covered by the Remuneration Report
- 2 Remuneration Governance
- 3 Executive Remuneration Framework
- 4 Non-Executive Director Remuneration
- 5 Statutory Remuneration Disclosures
- 6 Service Agreements
- 7 Share-Based Compensation
- 8 Additional Disclosures Relating to KMP
- 9 Related Party Transaction

**KMP COVERED BY THE REMUNERATION REPORT**

The Remuneration Report outlines the compensation paid to personnel who held Key Management Personnel ("KMP") positions during FY24 comprising its Non-Executive Directors ("NED"), Managing Director / CEO ("MD / CEO"), and Chief Financial Officer ("CFO"), a detailed list of which can be found in table 1 below.

**Table 1: FY24 Key Management Personnel\***

Name	Position	Term as KMP in FY24
<b>NON-EXECUTIVE DIRECTORS</b>		
<a href="#">Stuart Crow</a>	Chair of the Board	Full year
<a href="#">Dr. Robert Trzebski</a>	Director	Full year
<a href="#">Dr. Cheemin Bo-Linn</a>	Director	Full year
<a href="#">Howard Atkins</a>	Director	Full year
<a href="#">Ana Gomez Chapman</a>	Director	Full year
<b>EXECUTIVE KMP</b>		
<a href="#">David Dickson</a>	Managing Director & CEO	Full year
<a href="#">Peter Neilsen</a>	Chief Financial Officer	Ceased on 8 December 2023
<a href="#">Don Miller</a>	Chief Financial Officer	Commenced on 8 December 2023

- \* KMP are identified based on the definitions of paragraph 9 of Accounting Standard AASB 124 ("Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity").

**REMUNERATION GOVERNANCE**

Remuneration governance has been strengthened to support the effective design and delivery of the Remuneration Framework, to achieve alignment with shareholder interests. The below outlines the remuneration governance structure to determine the remuneration of KMP and employees.



**Lake Resources NL**  
**Directors' report**  
**for the year ended 30 June 2024**

**Remuneration report (audited) (continued)**

**REMUNERATION GOVERNANCE (continued)**

**Remuneration Strategy Principles**

The Board's policy is to remunerate KMP at reasonable and appropriate market rates for their time, commitment, responsibilities and overall performance. The Board determines payments to the KMP and reviews their remuneration annually. The review is based on an assessment of relevant market practice relative to the duties and accountabilities of each individual and refers to the guiding principles for KMP Remuneration as adopted by the Board. The Board recognises the need for market competitive KMP and executive remuneration strategies to remain a key consideration of the Board and Compensation Committee when reviewing and determining compensation structures that attract and retain exceptional talent at Lake Resources. The maximum total remuneration provided to executive KMP are reviewed on an annual basis with reference to the market practices of relevant market competitors for the applicable position and responsibilities. The Board continues to review market competitive total remuneration mix as part of enhancements to the existing remuneration framework.

**Link Between Remuneration and Performance**

During the year, the Consolidated entity has generated losses from its principal activity of exploring and developing its suite of lithium projects. As the Consolidated entity is growing the business in an exploratory phase, the link between remuneration, performance and shareholder wealth is difficult to define. Share prices are subject to the influence of fluctuation in the world market price for lithium and general market sentiment towards the sector, and, as such, increases or decreases may occur quite independently of Executive performance. Additionally, while share price performance has decreased in 2024 year-on-year, the Company's management is actively working towards achieving its production goals. As such, compensation has been set to ensure the Company can retain its key talent on its road to achieving its operational goals and enhance shareholder value. Given the nature of the Consolidated entity's activities and the consequential operating results, no dividends have been paid. There have been no returns of capital in the current or previous financial periods.

The earnings of the Consolidated entity for the five years to 30 June 2024 and share price as at each year end are summarised below:

<b>Name</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
	<b>AUD</b>	<b>AUD</b>	<b>AUD</b>	<b>AUD</b>	<b>AUD</b>
<b>Losses for the year attributable to owners of Lake Resources NL</b>	40,107,123	54,207,712	5,606,761	3,119,375	4,760,440
<b>Net Assets</b>	154,573,319	176,324,488	218,832,461	46,871,271	17,049,287
<b>Share Price at year end (cents)</b>	3.60	30.00	79.00	33.50	9.00

**Lake Resources NL  
Directors' report  
for the year ended 30 June 2024**

**Remuneration report (audited) (continued)**

**REMUNERATION GOVERNANCE (continued)**

**Response to Strike on Remuneration Report**

In response to the 49.40% vote against the Remuneration Report at the November 2023 Annual General Meeting of Shareholders, the Company has continued steps to address and mitigate shareholder concerns regarding the Remuneration Framework, which are summarised in the table below:

Feedback	Response
<b>Quantum of pay (Managing Director/Chief Operating Officer)</b>	<ul style="list-style-type: none"> <li>The Company has sought to provide a competitive remuneration package in the context of the alignment of operations to serve North American supply chains and to provide stronger access to the Kachi Project operations in Argentina. Accordingly, the Board believes that remuneration structures should align with respective US, Australia, Argentina structures and levels. The Board will continue to develop pay structures that strengthen the linkages between incentives and corporate and individual performance, while ensuring pay is appropriate and reasonable relative to competitors and peer companies.</li> </ul>
<b>Lack of performance hurdles</b>	<ul style="list-style-type: none"> <li>The Company's stock awards vest based on a mix of time, market, and performance components, including the changes in share price and strategic and operational goals of the Kachi Project. Stock awards are intended to align employees with the interests of shareholders.</li> <li>The incentive plans will continue to include linkage to the key performance milestones of the Kachi Project going forward.</li> <li>Details of the KPIs used to assess KMP performance and awards under the Company's Short-Term Variable Remuneration Plan for the 2023 and 2024 calendar years are outlined in Table 5 of the Remuneration Report.</li> </ul>
<b>Use of sign-on awards</b>	<ul style="list-style-type: none"> <li>The Board acknowledges concerns about the use of sign-on awards, particularly as they vest in annual tranches and do not have explicit performance conditions attached.</li> <li>As the sign-on awards were delivered entirely in equity (as either stock options or restricted stock units), there is alignment of awards value with the share price and shareholder outcomes. The Board believes these awards are needed to recruit the best talent, are aligned with relevant market practices, and encourage substantial and long-term ownership by executives while also serving the purpose of retaining key talent.</li> <li>The Board considers the use of sign-on awards appropriate due to the Company's business being in a critical exploratory phase, with the awards ultimate value being linked to the success of Lake's key development projects.</li> </ul>
<b>Remuneration Governance</b>	<ul style="list-style-type: none"> <li>The following improvements have been introduced to strengthen governance: <ul style="list-style-type: none"> <li>The Board have approved substantial share ownership guidelines for the Board, KMP and senior executives that took effect in January 2024;</li> <li>Introduction of malus/clawback policy to govern the deferral, cancellation or clawback of performance-based remuneration in the event of serious misconduct or a material misstatement in the Company's financial statements.</li> </ul> <p>In the coming year, the Board will consider further enhancements to the Remuneration Framework to better align with governance best practices and stakeholder expectations.</p> </li> <li>In 2023, an independent, third-party compensation consultant assisted in establishing pay governance best practices and updating Lake's remuneration practices and policies to better align with market practices, stakeholder expectations and shareholder outcomes.</li> </ul>

**Lake Resources NL**  
**Directors' report**  
**for the year ended 30 June 2024**

**Remuneration report (audited) (continued)**

**REMUNERATION GOVERNANCE (continued)**

**Response to Strike on Remuneration Report (continued)**

The Board has demonstrated improvements in shareholder communication and outreach. The Board and management team have met with hundreds of institutional and retail shareholders or shareholder representatives to discuss key strategic, operational, remuneration and governance matters. In preparation for the 2023 and 2024 annual general meetings of shareholders, we engaged with key proxy advisors in the Australian market to discuss remuneration matters, including remuneration strikes sustained at prior annual general meetings of shareholders, and the actions the Company is taking to address the issues cited by proxy advisors and investors.

**EXECUTIVE REMUNERATION FRAMEWORK**

**Remuneration Framework**

The Company aims to incentivise executives consistent with our Remuneration Strategy Principles with a specific focus on retaining executive level talent in addition to considering the relevant executive's position, responsibilities and performance. The components of the Remuneration Framework are shown in Table 2.

**Table 2: FY24 Remuneration Framework**

	Fixed Remuneration	Performance-based Variable Components	
	Fixed Annual Remuneration ("FAR")	Short-term Variable Remuneration ("STVR")	Long-term Incentive / Long-term Variable Remuneration ("LTI" / "LTVR")
<b>Description</b>	Base salary, post-employment benefits, superannuation for AUS executives and 401 (k) matching* contributions for US executives, and non-monetary benefits. * 401(k) matching contributions for US executives was suspended 1 April 2024.	Short-term incentive awards recognise both business and individual performance, taking into consideration each individual's contributions and behaviours over the year.	The conditional grant of Company shares.
<b>Purpose</b>	To provide basic remuneration for the services of executive KMP, consistent with each role's scope of responsibility and the individual's background, experience and performance in addition to retaining key talent that are in the best position to achieve strategic milestones.	Short-term incentives are discretionary and intended to incentivise the achievement of financial and operational goals relative to the annual business plan. A maximum award is set for each KMP, and payouts can range from nil to 200% of the maximum STVR based on performance.	To create clear alignment between executive pay and achievement of long-term business objectives, to retain critical talent, and to create a clear link between executive wealth and long-term shareholder returns.



Lake Resources NL  
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Remuneration report (audited) (continued)

EXECUTIVE REMUNERATION FRAMEWORK (continued)

Remuneration Framework (continued)

Table 2: FY24 Remuneration Framework (continued)

	Fixed Remuneration	Performance-based Variable Components	
	Fixed Annual Remuneration ("FAR")	Short-term Variable Remuneration ("STVR")	Long-term Incentive / Long-term Variable Remuneration ("LTI" / "LTVR")
<b>Our Approach</b>	FAR is generally reviewed by the Board annually and is intended to be market competitive. The Board believes it should be a portion of total pay combined with short-term variable performance remuneration and long-term incentive remuneration.	STVR is awarded through cash and/or shares as determined by the Board to incentivise performance toward pre-defined strategic targets. Targets may include operational targets, project targets, financial targets, safety targets, and individual targets that contribute to the achievement of the Company's strategic goals. Non-financial goals, including addressing sustainability, are reflected in the individual targets of the executive.	Depending on the specific terms of each LTI award, shares vest based on either achievement of Company share price targets or time-based vesting.

Other benefits to KMP are aligned with the broader employee population and are designed to meet local regulations and practices. Table 3 represents the base remuneration payable to executive KMP based on the remuneration elements set to align with compensation practices in relevant markets, including the US and to ensure retention of talent in critical functions required to achieve strategic and operational goals.

Base Remuneration Mix

Table 3: Base Remuneration Mix for Incumbent Executive KMP

CEO annual remuneration mix prior to 31 December 2023:

Fixed (50%) US\$1,000,000	STVR (25%) US\$400,000	LTI/LTVR (25%) US\$600,000
<b>At Risk (50%)</b>		

CEO annual remuneration mix beginning 1 January 2024:

Fixed (25%) US\$1,000,000	STVR (25%) US\$1,000,000	LTI/LTVR (50%) US\$2,000,000
<b>At Risk (75%)</b>		

**Lake Resources NL**  
**Directors' report**  
**for the year ended 30 June 2024**

**Remuneration report (audited) (continued)**

**EXECUTIVE REMUNERATION FRAMEWORK (continued)**

**Base Remuneration Mix (continued)**

**Table 3: Base Remuneration Mix for Incumbent Executive KMP (continued)**

CFO (Peter Neilsen) annual remuneration mix until employment ceased 8 December 2023:

Fixed (45%) US\$500,000	STVR (45%) US\$500,000	LTI/LTVR (10%) US\$100,000
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**At Risk (55%)**

CFO (Don Miller) annual remuneration mix from employment commencement of 11 December 2023:

Fixed (33.3%) US\$500,000	STVR (33.3%) US\$500,000	LTI/LTVR (33.3%) US\$500,000
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**At Risk (66.6%)**

In addition to the standard elements of remuneration for executive KMP, sign-on awards may be provided on a case-by-case basis and is not a guaranteed element of the Company's Remuneration Framework.

**Fixed Annual Remuneration ("FAR")**

In FY24, base salary (excluding statutory superannuation, fringe benefits, 401(k) matching contributions and non-monetary benefits) for Executive KMP during FY24 were set as follows:

**Table 4: Details of Base Salary**

KMP	Base salary	Other notes
<b>David Dickson</b>	USD 1,000,000	Mr. Dickson is eligible for employer matching 401(k) contributions of up to US\$46,000 per annum. Mr. Dickson did not make 401(k) contributions during FY24 therefore the company did not make matching 401k contributions.
<b>Peter Neilsen</b>	USD 500,000	Ceased employment on 8 December 2023.
<b>Don Miller</b>	USD 500,000	Commenced employment on 8 December 2023. Mr. Miller is eligible for employer matching 401(k) contributions of up to US\$46,000 per annum. Based on Mr. Miller's 401(k) contributions he received US\$6,250 in the form of 401(k) matching contributions from the Company.

**Short-term Variable Remuneration ("STVR") Plan**

In FY24, the STVR was on a performance cycle based on the calendar year. Subject to the terms of their service contract, executive KMP are eligible for participation in the STVR Plan which is awarded based on annual performance against defined performance objectives or other Board discretion. The Board has approved the below performance metrics for assessing the performance of executive KMP (CEO and CFO) during the 2024 calendar year.

**Lake Resources NL  
Directors' report  
for the year ended 30 June 2024**

**Remuneration report (audited) (continued)**

**EXECUTIVE REMUNERATION FRAMEWORK (continued)**

**Short-term Variable Remuneration ("STVR") Plan (continued)**

All incentive awards are subject to discretionary adjustments that are to be approved by the Board. Details of the STVR opportunity is set for each KMP as follows:

**Table 5: Details of STVR Award**

KMP	Unit type	Base award	Performance Metrics (Cash Component)	Performance metrics (Stock component)
D. Dickson	Cash (40%) RSUs (60%)	US\$400,000 8,756,992	For the calendar year 2023 performance cycle, an STVR award was approved by the Board for 100% of base compensation payout based on an evaluation of personal and company performance including safety, staff recruitment, finance and operating outcomes.	Restricted Stock Units are further subject to shareholder approval.
P. Neilsen	Cash (100%)	US\$500,000	Based on the December 2023 resignation, no STVR award was approved as P. Neilsen was not performing active service on the assessment date.	N/A
D. Dickson	Cash (100%)	US\$1,000,000	For the calendar year 2024 performance cycle, STVR and LTVR awards, ranging from nil to 200%, will be approved by the Board based on an evaluation of personal and company performance including safety, financial and operating outcomes.	N/A
D. Miller	Cash (100%)	US\$500,000		

**Long-term Variable Remuneration ("LTVR") Plan**

Subject to service contracts or employment agreements, executive KMP are eligible for the LTVR Plan as an incentive to participate in the Company's growth that is directly aligned with the creation of shareholder value.

The primary purpose of granting restricted-based and performance-based stock awards is to align the interests of management with the interests of shareholders while ensuring retention of KMP critical to the achievement of strategic goals.

**Calculation method for number of Restricted Stock Units and Performance Stock Units awarded under LTVR**

Consistent with the principles of the Board's remuneration strategy, levels and mix of restricted stock unit ("RSU") and performance stock unit ("PSU") distribution for KMP under the Employee Award Plan was based on relevant market practice relative to the duties and accountabilities of each individual. The calculation of the actual number of RSUs and PSUs to be distributed to KMP was based on a % of annual salary and was consistent with market remuneration practice.



**Lake Resources NL**  
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**Remuneration report (audited) (continued)**

**EXECUTIVE REMUNERATION FRAMEWORK (continued)**

**Long-term Variable Remuneration ("LTVR") Plan (continued)**

**Calculation method for number of Restricted Stock Units and Performance Stock Units awarded under LTVR (continued)**

Details of the LTVR opportunity is set for each KMP as follows:

**Table 6: Details of LTVR Award**

KMP	Unit type	Number of units	Vesting terms	Weight	Grant date	Expiry date
<b>D. Dickson</b>	Restricted Stock Units (RSUs)	11,688,462 Subject to shareholder approval September 2024	Continuous service goal: <b>Tranche 1:</b> 50% vests 3 years from the Grant Date subject to continued employment through the vesting date. <b>Tranche 2:</b> 50% vests 4 years from the Grant Date subject to continued employment through the vesting date.	50%	11 December 2023	11 December 2028 being 5 years from grant date
<b>D. Miller</b>	Restricted Stock Units (RSUs)	4,090,961		50%		
<b>D. Dickson</b>	Performance Stock Units (PSUs)	11,688,462 Subject to shareholder approval September 2024	Share Price Goal determined by the 10-day Volume-weighted Average Price (VWAP)  <b>Tranche 1:</b> Share price VWAP reaches AUD 0.33 <b>Tranche 2:</b> Share price VWAP reaches AUD 0.52 <b>Tranche 3:</b> Share price VWAP reaches AUD 0.65 <b>Tranche 4:</b> Share price VWAP reaches AUD 0.98	25% 25% 25% 25%	11 December 2023	11 December 2028 being 5 years from grant date
<b>D. Miller</b>	Performance Stock Units (PSUs)	3,506,538	While the Tranche vests upon achievement of the share price goal, shares are restricted from being converted to ordinary shares for three years from the grant date.			

**Table 7: LTVR Award expired during the year:**

Performance Shares	Max number of ordinary shares that Performance Shares can be converted to	Performance Measure	Max Weight	Grant Date	Measurement Period	Expiry Date
<b>P. Neilsen LTVR Tranche 3 (Class D)</b>	250,714	Delivery of the Kachi project into production with appropriate reporting mechanisms in place	45%	22 Feb 2022	12 Jul 2021 – 12 Jul 2024	12 Sep 2024

**Lake Resources NL  
Directors' report  
for the year ended 30 June 2024**

**Remuneration report (audited) (continued)**

**EXECUTIVE REMUNERATION FRAMEWORK (continued)**

**Use of Other Remuneration Elements**

To recruit top executive talent or to replace benefits or compensation forfeited when newly hired executives left their previous employer to join Lake Resources, some newly hired executives are provided sign-on bonuses. To ensure alignment with shareholders, these bonuses are typically made in the form of stock options or restricted stock units and are designed to comply with all relevant ASX listing rules. The primary purpose of granting stock-based awards is to provide an incentive to meet all critical project milestones and to ensure the value of the awards is based on the Company's share price in addition to ensuring retention of executives critical to the achievement of strategic goals. Where sign-on bonuses are not performance based, the intention is for KMP to hold a certain amount of Company stock to enhance interests with shareholders. Of the current executive KMP, the following stock compensation has been provided as sign-on awards:

**Table 8: Other Remuneration Elements**

KMP	Commencement date	Type of Grant	Number of units	Performance measure	Vesting	Expiry date
<b>D. Dickson</b>	15 September 2022	Stock Options	4,000,000	Continuous service of 4 years	Each of the Options will vest in 25% increments on the first four anniversaries of the commencement date, subject to employment through to the applicable vesting date.	15 September 2027
<b>D. Dickson</b>	15 September 2022	Restricted Stock Units (RSUs)	1,000,000	Continuous service of 4 years	Each RSU will vest in 25% increments on the first four anniversaries of the Commencement Date subject to continued employment through the vesting date.	N/A
<b>D. Miller</b>	11 December 2023	Restricted Stock Units (RSUs)	584,423	Continuous service of 4 years	Each RSU will vest in 25% increments on the first four anniversaries of the Offer Grant Date (11 December 2023) subject to continued employment through the vesting date.	N/A
<b>P. Neilsen</b>	12 July 2021	Stock Options	2,000,000	Continuous service of 4 years	Options are exercisable for up to three years from the commencement date, with each option exercisable into one ordinary share at an exercise price equal to a 50% premium to market price at Commencement Date (\$0.55). Mr. Nielsen ceased his position 8 December 2023.	12 July 2024. Forfeited on resignation

For details regarding the specific shareholdings and movements in the past year, please refer to pages 47 - 49 of this report.

**Lake Resources NL**  
**Directors' report**  
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**Remuneration report (audited) (continued)**

**EXECUTIVE REMUNERATION FRAMEWORK (continued)**

**Other remuneration considerations**

In addition to the elements outlined in the Remuneration Framework above, the Board and the Committee also consider the following elements when making remuneration decisions, including when establishing pay levels for KMP and other executives.

**Table 9: Other Considerations**

	Overview	Considerations
<b>Fringe Benefits and Allowances</b>	In addition to statutory benefits such as superannuation, reasonable benefits and allowances will be provided for expenses required for business purposes and to undertake the relevant executive's role. These may include reimbursement of home office costs, reasonable travel allowances and appropriate relocation allowances.	Benefits beyond statutory benefits such as superannuation, post-retirement benefits, and annual leave are provided within the limits of local laws and regulations and considers market practice and are only provided where they address business needs.
<b>Sustainability and Risk in Pay</b>	While Sustainability and Risk are not formulaically reflected in current incentive plans, these matters are considered by the Board when establishing the business plan, setting performance goals, and assessing corporate and executive performance for compensation purposes.	Lake Resources acknowledges the heightened environmental risk that the Company faces due to the nature of its business. As a part of Lake Resources' strategy, several Sustainability and Risk matters have been identified as particularly material to the business are which will be considered in the design of incentive plans and in remuneration decisions.
<b>Our view on KMP Share Ownership</b>	The Board expects that all Company directors, KMP and senior executives should have substantial ownership of Company stock. The Board has approved stock ownership guidelines (minimum shareholding requirement) that took effect in January 2024.	The share ownership guidelines will require the relevant KMP to accumulate a minimum shareholding level (as indicated below), over a maximum 5-year period (starting from January 2024 or the date of appointment as KMP): <ul style="list-style-type: none"> <li>• <b>MD/CEO:</b> 200% of base salary</li> <li>• <b>Executive KMP:</b> 100% of base salary</li> <li>• <b>NED:</b> 100% of base fees</li> </ul>
<b>Use of Discretion and clawback</b>	Where necessary, the Board may, in its absolute discretion, adjust pay outcomes of KMP and other executives, both downward or upward based on any material event or other considerations that the Board believes should be reflected in the assessment of performance for the Company, individual business units, or individual executives.  In the event of serious misconduct or a material misstatement in the Company's financial statements, the Board may in its discretion cancel or defer performance-based remuneration and may also clawback performance-based remuneration paid in previous financial years. These malus and clawback provisions apply to both cash and equity awards, vested or unvested equity and whether or not employment is ongoing.	As the Company remains in the developmental and exploration phase, there are significant challenges setting meaningful quantitative goals for the purposes of remuneration. As such, the Board retains the ability to apply discretion to the incentive awards when considering the performance of the Company or individual executives in any given performance period to recognise achievements that are not necessarily reflected in financial / quantitative metrics.



**Lake Resources NL  
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**Remuneration report (audited) (continued)**

**NON-EXECUTIVE DIRECTOR REMUNERATION**

**Remuneration Policy**

Fees and payments to Non-Executive Directors are set considering the demands, time commitment and responsibilities expected of their role. The Board reviews fees payable to Non-Executive Directors on an annual basis with consideration of market practice and any changes to the expectations of their respective roles.

Where considered necessary, the Board may engage external remuneration consultants that are independent of the Board, the Company, and management to procure market information regarding the pay levels of Non-Executive Directors and determine whether fees offered to Lake's Non-Executive Directors are in line with the market.

Non-Executive Directors are not provided with retirement or termination benefits other than statutory superannuation for Australia resident directors.

**FY24 Non-Executive Director Fee Pool**

In its review of Non-Executive Director fees, Lake may consider amending the maximum aggregate amount payable in fees to Non-Executive Directors. At the Company's November 2022 Annual General Meeting, the Board sought and gained shareholder approval to increase the maximum aggregate amount payable in fees (fee pool) to Non-Executive Directors to a maximum of AUD \$2.3 million per annum.

**Table 10: FY24 Board Fees (AUD'000)**

Fee	Description	FY24 Fee (per annum)	Change from FY23
<b>Board Fees</b>	Chair of the Board	259	The Board fee schedule for Non-executive Directors was increased beginning November 2023. No other changes were made.
	Other Non-Executive Directors	153	
	Audit Committee	31	
<b>Committee Chair Fees</b>	Compensation Committee	23	No changes to Committee Chair fees were made.
	Nomination & Governance Committee	23	
	Finance Committee	23	

**Restricted Stock Units for Non-Executive Directors**

The Company believes that Directors of the Company should hold stock in the Company to increase alignment with shareholder interests. Accordingly, in addition to fees, Non-Executive Directors were granted an equivalent of USD \$150,000 value of RSUs, further subject to shareholder approval. This was based on the closing price of the Company's shares on over-the-counter (OTC) on the day prior to the grant date. The RSUs vest one-year from the date of grant.

**Lake Resources NL**  
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**Remuneration report (audited) (continued)**

**NON-EXECUTIVE DIRECTOR REMUNERATION (continued)**

**FY24 Non-Executive Director Fee Pool (continued)**

**Restricted Stock Units for Non-Executive Directors (continued)**

Details of RSUs vested and converted to ordinary shares can be found in the Share-Based Payments section and Table 11 below:

**Table 11: Ordinary shares issued to Non-Executive Directors in FY24**

Name	Grant Date	Vesting Date	Converted to shares	Number of RSU's Allotted
C. Bo-Linn	5-Dec-22	5-Dec-23	232,500	232,500
H. Atkins	5-Dec-22	5-Dec-23	232,500	232,500
A. Gomez Chapman	1-Jan-23	1-Jan-24	238,500	238,500

**STATUTORY REMUNERATION DISCLOSURES**

The following tables set out the statutory disclosures for the KMP of the Company as required under the Corporations Act 2001 in accordance with the Australian Accounting Standards.

**FY24 KMP Remuneration**

**Table 12: Statutory remuneration of KMP in FY24 (AUD)**

Key Management Personnel	Directors' Fees and/or Salary	Annual leave	Long Service Leave	Post-Employment Benefits <sup>4</sup>	Short-term employee Benefits <sup>3</sup>	Termination payment	Share Based payments			Total
							Performance stock unit	Restricted Stock unit	Options	
<b>2024</b>										
<b>Non-Executive Directors</b>										
S. Crow	231,482	-	-	-	-	-	-	-	-	231,482
R. Trzebski	164,882	-	-	-	-	-	-	-	-	164,882
C. Bo-Linn	164,890	-	-	-	-	-	-	98,586	-	263,476
H. Atkins	172,496	-	-	-	-	-	-	101,695	-	274,191
A. Gomez Chapman	164,882	-	-	-	-	-	-	96,184	-	261,066
<b>Executive Directors</b>										
D. Dickson	1,522,997	(60,675)	-	92,807	1,071,758	-	226,203	547,297	934,759	4,335,146
<b>Executive Management</b>										
P. Neilsen <sup>1</sup>	383,468	17,591	(1,257)	13,699	-	158,260	-	-	-	571,761
D. Miller <sup>2</sup>	410,378	-	-	802,643	48,059	-	67,861	96,133	-	1,425,074
<b>Total</b>	<b>3,215,475</b>	<b>(43,084)</b>	<b>(1,257)</b>	<b>909,149</b>	<b>1,119,817</b>	<b>158,260</b>	<b>294,064</b>	<b>939,895</b>	<b>934,759</b>	<b>7,527,079</b>

<sup>1</sup> Mr. Peter Nielsen ceased his position as CFO on 8 December 2023.

<sup>2</sup> Mr. Don Miller was appointed CFO on 8 December 2023.

<sup>3</sup> "Short-term employee benefits" include bonus accruals during the financial year.

<sup>4</sup> "Post-employment benefits" includes severance accruals during the financial year.

**Lake Resources NL  
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**Remuneration report (audited) (continued)**

**STATUTORY REMUNERATION DISCLOSURES (continued)**

**FY23 KMP Remuneration**

**Table 13: Statutory remuneration of KMP in FY23 (AUD)**

Key Management Personnel	Directors' Fees and/or Salary	Consulting Fees	Annual leave	Long Service Leave	Post-Employment Benefits	Short-term Employment Benefits <sup>9</sup>	Share Based payments			Total
							Performance shares	RSU	Options	
<b>2023</b>										
<b>Non-Executive Directors</b>										
S. Crow <sup>1</sup>	177,035	-	-	-	-	-	-	-	-	177,035
R. Trzebski	114,826	-	-	-	4,410	-	-	-	-	119,236
C. Bo-Linn <sup>2</sup>	79,089	-	-	-	-	-	-	135,076	-	214,165
H. Atkins <sup>3</sup>	82,219	-	-	-	-	-	-	137,780	-	219,999
A. Gomez Chapman <sup>4</sup>	69,290	-	-	-	-	-	-	94,616	-	163,906
N. Lindsay <sup>5</sup>	12,000	-	-	-	-	-	-	-	-	12,000
A. Saenz <sup>6</sup>	24,000	142,312	-	-	-	-	-	-	-	166,312
<b>Executive Directors</b>										
S. Crow <sup>1</sup>	478,329	-	-	-	-	-	-	-	-	478,329
D. Dickson <sup>7</sup>	1,193,458	-	59,414	-	66,311	479,292	-	381,979	1,184,388	3,364,842
N. Lindsay <sup>5</sup>	90,716	-	-	-	8,135	-	(71,823)	-	-	27,028
<b>Executive Management</b>										
P. Neilsen	711,480	-	134,293	2,185	23,922	200,000	-	-	-	1,071,880
G. Parimoo <sup>8</sup>	190,586	-	48,463	-	-	-	-	-	-	239,049
<b>Total</b>	<b>3,223,028</b>	<b>142,312</b>	<b>242,170</b>	<b>2,185</b>	<b>102,778</b>	<b>679,292</b>	<b>(71,823)</b>	<b>749,451</b>	<b>1,184,388</b>	<b>6,253,781</b>

<sup>1</sup> Mr. Stuart Crow assumed the position of Non-executive Chair of the Board on 5 January 2023 having previously served as executive chair from 20 June 2022.

<sup>2</sup> Dr. Cheemin Bo-Linn was appointed as Non-Executive Director effective as of 5 December 2022.

<sup>3</sup> Mr. Howard Atkins was appointed as Non-Executive Director effective as of 5 December 2022.

<sup>4</sup> Ms. Ana Gomez Chapman was appointed as Non-Executive Director effective as of 1 January 2023.

<sup>5</sup> Dr. Nicholas Lindsay ceased the position as Non-Executive Director as of 28 November 2022 having previously served as Technical Director (executive KMP) until 3 October 2022.

<sup>6</sup> Ms. Amalia Saenz ceased the position as Non-Executive Director as of 1 February 2023.

<sup>7</sup> Mr. David Dickson assumed the position of Managing Director and Chief Executive Officer on 15 September 2022.

<sup>8</sup> Mr. Gautam Parimoo ceased their position as COO on 9 January 2023.

<sup>9</sup> "Other benefits" include bonus accruals and payouts during the financial year.



**Lake Resources NL**  
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**Remuneration report (audited) (continued)**

**STATUTORY REMUNERATION DISCLOSURES (continued)**

**Table 14: Percentages of Remuneration that are Performance Based**

	Fixed remuneration		At risk - STVR		At risk - LTVR	
	2024	2023	2024	2023	2024	2023
<b>Non-Executive Directors</b>						
S. Crow	100%	100%	0%	0%	0%	0%
R. Trzebski	100%	100%	0%	0%	0%	0%
C. Bo-Linn	100%	100%	0%	0%	0%	0%
H. Atkins	100%	100%	0%	0%	0%	0%
A. Gomez Chapman	100%	100%	0%	0%	0%	0%
A. Saenz	0%	100%	0%	0%	0%	0%
<b>Executive Directors</b>						
D. Dickson	25%	50%	25%	25%	50%	25%
<b>Executive Management</b>						
P. Neilsen	45%	80%	45%	10%	10%	10%
D. Miller	33.3%	0%	33.3%	0%	33.3%	0%

**SERVICE AGREEMENTS**

**Non-Executive KMP**

Non-Executive Directors' service to Lake is formalised through an appointment letter and appointments are subject to the provisions of the Company's constitution and ratification of appointments by shareholder vote at the Company's Annual General Meeting ("AGM") as required by the relevant ASX listing rules. Non-Executive Directors may terminate their directorship at any time through notifying the Board of the effective date for resignation. Directors are remunerated through a basic retainer for services to the Board in addition to Committee fees based on their service to the applicable committees. Fees are set by the Board to reflect the demands and responsibilities of their roles. In addition, Directors are granted Restricted Stock Units in the Company at the time of appointment with a view to increase alignment of interests with shareholders, further subject to shareholder approval. Please refer to the Non-Executive Directors' Remuneration section of this report (table 7) for details regarding the fees and other awards payable to non-executive KMPs.

**Executive KMP**

Remuneration of executive key management personnel referenced within the Remuneration Report are formalised through service or employment agreements. Key terms from the service or employment agreements as required in the Corporations Act of personnel that held executive KMP positions during FY24 are summarised below:

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**Remuneration report (audited) (continued)**

**SERVICE AGREEMENTS (continued)**

**Executive KMP (continued)**

**Table 15: Key Service Agreement Terms**

Executive KMP	Commencement date	Contract term	Executive Notice	Company Notice <sup>1</sup>
David Dickson <sup>2</sup>	15 September 2022	4-years from date of commencement <sup>3</sup>	30 days	30 days
Peter Neilsen <sup>4</sup>	12 July 2021	3-years from date of commencement	3 months	3 months
Don Miller <sup>5</sup>	8 December 2023	Until terminated	0 days	0 days

<sup>1</sup> Lake Resources may elect to terminate the contract immediately by making a payment calculated in proportion to the Executive KMP's base salary and benefits for any period of short notice in lieu of notice.

<sup>2</sup> Mr. Dickson's service agreement provides that, in the case of termination without cause or following resignation for good reason outside of a Change in Control, subject to him signing a release of claims provided by Company, the Executive is entitled (subject to any restrictions under applicable law and the requirements of the ASX Listing Rules) to the amount of the Annual Bonus for the previous calendar year to the extent such Annual Bonus is earned as set forth in the performance metrics, agreed to by the Board, and was not paid prior to such termination, in a lump sum payable at the time that annual bonuses for such calendar year are paid to actively employed Executives; and an amount in cash equal to eighteen (18) months base salary payable in equal instalments in accordance with the Company's standard payroll practices over an 18-month period.

In the case of termination without cause or resignation for good reason (in either case, other than a termination due to the executives death or disability) during the employment term during the Change in Control Protection Period subject to him signing a release of claims provided by Company, the executive is entitled (subject to any restrictions under applicable law and the requirements of the ASX Listing Rules), to the amount of the Annual Bonus for the previous calendar year to the extent such Annual Bonus is earned as set forth in the performance metrics, agreed to by the Board, and was not paid prior to such termination in a lump sum payable at the time that annual bonuses for such calendar year are paid to actively employed executives; a cash lump sum payment equal to two and one-half times (2.5X) the executives annual base salary; and the full vesting of all outstanding Options, PSU's and RSU's. Lake Resources acknowledges that such payments are subject to the requirements of the ASX Listing Rules and may be in excess of the limits prescribed by the Corporations Act 2001 (Cth), and would thereby seek shareholder approval for any termination benefit payable in excess of these limits.

<sup>3</sup> The initial term of Mr. Dickson's contract is four years, however beginning on the four-year anniversary of the commencement date, and on each subsequent anniversary of the commencement date, the term shall automatically be extended by an additional one-year period, unless the Company or Mr. Dickson provides no less than sixty days' notice in advance of the termination in contract date.

<sup>4</sup> Mr. Nielsen ceased his position as CFO on 8 December 2023

<sup>5</sup> Mr. Don Miller commenced his position as CFO on 8 December 2023. Mr. Miller's service agreement provides that if the Company terminates his employment without Cause, subject to him signing a release of claims provided by Company, he will continue to receive one (1) times his annual base salary, payable over 12 months pursuant to the Company's standard payroll procedures.

KMP have no entitlement to termination benefit payments in the event of removal for misconduct.

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Remuneration report (audited) (continued)

SERVICE AGREEMENTS (continued)

Executive KMP (continued)

Service agreements for incumbent executive KMP

<b>Name</b>	D. Dickson
<b>Position</b>	Managing Director/Chief Executive Officer
<b>Agreement commenced</b>	15 September 2022
<b>Terms of agreement</b>	<b>Term:</b> 4 years from date of appointment
	<p><b>Base Salary:</b> As compensation for Mr. Dickson's services and in consideration of the Executive's employment agreement, during the Employment Term, the Company shall pay the Executive a base salary, payable in equal instalments in accordance with Company payroll procedures, an annual rate of US\$1,000,000. The Executive's annual base salary is subject to possible increase in its sole discretion as approved by the Board, from time to time.</p> <p><b>Sign-on bonus:</b> Effective on the Commencement Date, the Executive shall be granted 1,000,000 restricted stock units ("RSUs") and 4,000,000 stock options ("Options") with respect to the common shares of Lake Resources. Each of the RSUs and the Options shall vest in 25% increments on each of the first four anniversaries of the Commencement Date, subject to the Executive's employment through the applicable vesting date.</p> <p><b>STVR (Short-term variable remuneration):</b> Through the calendar year ending 31 December 2023, the annual incentive for STVR under the Executive's employment agreement was 40% of US\$1,000,000 payable in cash and 60% in a long-term incentive opportunity explained in the LTVR section of this table. Through the calendar year ending 31 December 2024, the annual incentive for STVR was adjusted to a base of US\$1,000,000 payable in cash.</p> <p><b>LTVR (Long-term variable remuneration):</b> Through the calendar year ending 31 December 2023, the annual incentive for LTVR under the Executive's employment agreement was 60% of US\$1,000,000 incentive consisting of restricted stock units that will vest in equal instalments over three (3) years and 40% in an annual STVR opportunity as explained in the STVR section of this table. Through the calendar year ending 31 December 2024, the annual incentive for LTVR was adjusted to US\$2,000,000, payment in RSUs or PSUs.</p> <p><b>Termination:</b> Table 15 Key Service Agreement Terms on page 44.</p>

Lake Resources NL  
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 for the year ended 30 June 2024

Remuneration report (audited) (continued)

SERVICE AGREEMENTS (continued)

Executive KMP (continued)

Service agreements for incumbent executive KMP (continued)

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<b>Name</b>	Don Miller
<b>Position</b>	Chief Financial Officer
<b>Agreement commenced</b>	8 December 2023 (commenced as KMP on 8 December 2023)
<b>Terms of agreement</b>	<b>Term:</b> Until terminated

**Base Salary:** As compensation for Mr. Miller's services and in consideration of the Executive's employment agreement, during the Employment Term, the Company shall pay the Executive a base salary, payable in equal instalments in accordance with Company payroll procedures, an annual rate of US\$500,000. The Executive's annual base salary is subject to possible increase in its sole discretion as approved by the Board, from time to time.

**Sign-on Bonus:** Granted US\$50,000 in the form of RSUs. The grant was awarded using the share price listed on the Australian Securities Exchange the day prior to the Commencement Date which in this case will be December 8, 2023. Each of the RSUs shall vest in 25% increments on each of the first four anniversaries of the Commencement Date, subject to the Executives employment through the applicable vesting date.

**STVR (Short-term variable remuneration):** The target STVR for the Executive is 100% of base pay. STVR payments made for the calendar year 2023 performance year was pro-rated based on the Executive's Commencement Date.

**LTVR (Long-term variable remuneration):** The Executive's LTVR incentives will follow the same award cycle as the Executive team. The value and long-term incentive mix will be determined and in line with Executive team participants. Incentives are subject to the terms of the Lake Resources Long-term Incentive program and the Executive's execution of grant agreements for each long-term incentive provided by the Company.

**Termination:** Refer to table 15 on page 44.

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**Lake Resources NL**  
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**Remuneration report (audited) (continued)**

**SHARE-BASED COMPENSATION**

The establishment of the Employee Award Plan was approved by shareholders at the 2022 Annual General Meeting. The Employee Award Plan is designed to provide long-term incentives for senior managers and above (including executive directors) to deliver long-term shareholders returns.

**Terms and Conditions of the Share-Based Payment Arrangements**

**Options**

6,000,000 options over ordinary shares have historically been issued to key management personnel. The terms and conditions of each grant of options over ordinary shares affecting remuneration executives in this financial year or future reporting years are as follows:

Name	Number of Options granted	Grant date	Vesting and exercise date	Expiry date	Exercise price	Fair value at grant date	% vested
P. Neilsen	2,000,000	12-July-2021	12-July-2021	12-July-2024	\$0.55	\$0.231	100%
D. Dickson	4,000,000	15-Sep-2022	15-Sep-2023	15-Sep-2027	\$1.00	\$1.095	25%
<b>Total</b>	<b>6,000,000</b>						

The options will be recognised over the relevant vesting period for all KMP. Of the options granted, none have been exercised and 2,000,000 have expired in July 2024.

**Performance Rights**

On 15 August 2019, 15,000,000 Performance rights were issued to Directors following approval at the shareholder meeting of 15 August 2019. The historical activity regarding these performance rights are shown below:

Name	Number of Rights granted	Grant date	Expiry date	Fair value at grant date	Vested and exercised in a prior year	Forfeited in prior year	Vested and exercised during the year	Unvested as at 30 June 2024
S. Crow	5,000,000	15-Aug-19	15-Aug-24	\$0.0575	-	-	-	5,000,000
S. Promnitz	5,000,000	15-Aug-19	15-Aug-24	\$0.0575	2,500,000	2,500,000	-	-
N. Lindsay	5,000,000	15-Aug-19	15-Aug-24	\$0.0575	2,500,000	-	2,500,000	-
<b>Total</b>	<b>15,000,000</b>				<b>5,000,000</b>	<b>2,500,000</b>	<b>2,500,000</b>	<b>5,000,000</b>

These performance rights expired in August 2024.

**Lake Resources NL**  
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**Remuneration report (audited) (continued)**

**SHARE-BASED COMPENSATION (continued)**

**Terms and Conditions of the Share-Based Payment Arrangements (continued)**

**Performance Rights (continued)**

**Performance rights outcomes are as follows:**

The Kachi Pre-Feasibility Study ("PFS") completion resulted in 2.5 million for Dr. Lindsay and 2.5 million for S. Promnitz vesting in the 2021 fiscal year, which were converted into ordinary shares in 2022.

An additional 2.5 million in performance rights granted to Dr. Lindsay, vested on 31 April 2022 and were converted to ordinary shares on 31 August 2020.

Dr. Lindsay remaining 2.5 million rights vested on 2 November 2022, and shares were issued on 27 March 2023. As at 30 June 2023, Dr. Lindsay's remaining 2.5 million performance rights are fully vested and have been converted into ordinary shares.

As at 30 June 2024 Mr. Crow's 5 million performance rights are yet to vest as the performance hurdle have not been met.

**Performance Shares**

Name	Number of performance shares granted	Grant date	Expiry date	Converted to Shares	Expired	Fair value at grant date (AUD)	Total performance shares at 30 June 2024	Forfeit 2024
P. Neilsen	123,809	22-Feb-2022	12-Dec-2022	-	123,809	\$0.9000	-	-
	139,285	22-Feb-2022	12-Mar-2023	-	139,285	\$0.9000	-	-
	167,142	22-Feb-2022	12-Sep-2023	-	167,142	\$0.9000	-	-
	250,714	22-Feb-2022	12-Sep-2024	-	-	\$0.9000	-	250,714
<b>Total</b>	<b>680,950</b>			-	<b>430,236</b>		-	<b>250,714</b>

These performance shares as at 30 June 2024 are summarised below and in Table 6 were forfeited on resignation:

Name	Number of Performance shares granted	Performance measure	Measurement date	Directors judgement at 30 June 2024
P. Neilsen (Former Chief Financial officer)	167,142	Maintain and deliver accurate reporting across all facets of the business incorporating cash flows, pre-production and budgeting. Preparation of financial documents to the satisfaction of financiers, project banking syndicates and export credit agencies. Implementation and maintenance of acceptable budgetary and cash flow measures across Australia and Argentina.	12-Jul-23	This tranche was forfeited during the year. Nil expense recorded.
	250,714	Delivery of the Kachi Project into production with appropriate reporting mechanisms in place.	12-Jul-24	This tranche was forfeited during the year. Nil expense recorded. Nil expenses recorded in prior year.

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**Remuneration report (audited) (continued)**

**SHARE-BASED COMPENSATION (continued)**

**Terms and Conditions of the Share-Based Payment Arrangements (continued)**

**Performance Stock Units**

PSUs granted under the plan are for no consideration and carry no dividend or voting rights.

PSU terms and conditions of the share-based payment arrangements on issue as of 30 June 2024 affecting remuneration of Directors and other KMP in this financial period or reporting period are as follows and disclosed in table 6:

Name	Number of performance stocks granted	Grant date	Expiry date	Converted to Shares	Expired	Fair value at grant date (AUD)
D. Dickson	2,922,116	11-Dec-2023	11-Dec-2028	-	-	\$0.1230
	2,922,116	11-Dec-2023	11-Dec-2028	-	-	\$0.1140
	2,922,116	11-Dec-2023	11-Dec-2028	-	-	\$0.1120
	2,922,116	11-Dec-2023	11-Dec-2028	-	-	\$0.0990
D. Miller	876,635	11-Dec-2023	11-Dec-2028	-	-	\$0.1230
	876,635	11-Dec-2023	11-Dec-2028	-	-	\$0.1140
	876,635	11-Dec-2023	11-Dec-2028	-	-	\$0.1120
	876,635	11-Dec-2023	11-Dec-2028	-	-	\$0.0990
<b>Total</b>	<b>15,195,004</b>			-	-	

**Restricted Stock Unit**

RSUs granted under the plan are for no consideration and carry no dividend or voting rights.

RSU terms and conditions of the share-based payment arrangements on issue as of 30 June 2024 affecting remuneration of Directors and other KMP in this financial period or reporting period are as follows and disclosed in table 6:

Name	Grant date	Vesting date	Number of units allotted	Fair value price
David Dickson	11-Dec-23	11-Dec-26	5,844,231	\$0.130
		11-Dec-27	5,844,231	\$0.130
Don Miller	11-Dec-23	11-Dec-24	146,106	\$0.130
		11-Dec-25	146,106	\$0.130
Don Miller	11-Dec-23	11-Dec-26	1,899,375	\$0.130
		11-Dec-27	1,899,375	\$0.130

Where a change in control occurs while still employed by the company, any then un-vested RSU's shall immediately vest. Settlement of a Share may be settled in the form of a Share or cash at the sole discretion of the Board.

**Lake Resources NL**  
**Directors' report**  
**for the year ended 30 June 2024**

**Remuneration report (audited) (continued)**

**ADDITIONAL DISCLOSURES RELATING TO KMP**

**2024 Ordinary Share Holdings**

Movements in the number of ordinary shares in the Consolidated entity held during the financial year by each Director and other KMPs, including their personally related parties, are set out below:

Name	Balance at the start of the year	Received as part of remuneration	Additions	Conversion of RSU's to Ordinary shares	Disposal/ Other*	Balance at the end of the year
<b>S. Crow</b>	10,000,000	-	-	-	-	10,000,000
<b>D. Dickson</b>	-	-	-	155,475	-	155,475
<b>H. Atkins</b>	-	-	520,369	232,500	-	752,869
<b>A. Gomez Chapman</b>	-	-	-	238,500	-	238,500
<b>C. Bo-Linn</b>	-	-	-	232,500	-	232,500
<b>P. Neilsen</b>	37,850	-	-	-	(37,850)	-
<b>Total</b>	<b>10,037,850</b>	<b>-</b>	<b>520,369</b>	<b>858,975</b>	<b>(37,850)</b>	<b>11,379,344</b>

\* "Other" represents those held on resignation

**Options**

Movements in the number of options over ordinary shares in the Consolidated entity held during the financial year by each Director and KMP of the Consolidated entity, including their personally related parties, are set out below:

Name	Balance at the start of the year	Granted as remuneration	Exercised	Listed options received	Other*	Balance at the end of the year
<b>D. Dickson</b>	4,000,000	-	-	-	-	4,000,000
<b>P. Neilsen</b>	2,000,000	-	-	-	(2,000,000)	-
<b>Total</b>	<b>6,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,000,000)</b>	<b>4,000,000</b>

\* "Other" represents those held on resignation

**Performance rights**

Movements in the number of performance rights over ordinary shares in the Consolidated entity held during the financial year by each Director and KMP of the Consolidated entity, including their personally related parties, are set out below:

Name	Balance at the start of the year	Granted as remuneration	Converted to shares	Expired	Balance at the end of the year
<b>S. Crow</b>	5,000,000	-	-	-	5,000,000
<b>Total</b>	<b>5,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,000,000</b>



**Lake Resources NL**  
**Directors' report**  
**for the year ended 30 June 2024**

**Remuneration report (audited) (continued)**

**ADDITIONAL DISCLOSURES RELATING TO KMP (continued)**

**Performance Stock Units**

Movements in the number of performance stock units over ordinary shares in the Consolidated entity held during the financial year by each Director and KMP of the Consolidated entity, including their personally related parties, are set out below:

Name	Balance at the start of the year	Granted as remuneration	Converted to shares	Expired	Balance at the end of the year
<b>D. Dickson</b>	-	11,688,462	-	-	11,688,462
<b>D. Miller</b>	-	3,506,538	-	-	3,506,538
<b>Total</b>	-	<b>15,195,000</b>	-	-	<b>15,195,000</b>

**Performance Shares**

Movements in the number of performance shares over ordinary shares in the Consolidated entity held during the financial year by each Director and other members of KMP of the Consolidated entity, including their personally related parties, are set out below:

Name	Balance at the start of the year	Granted as remuneration	Expired	Forfeited	Balance at the end of the year
<b>P. Neilsen</b>	417,856	-	(167,142)	(250,714)	-
<b>Total</b>	<b>417,856</b>	-	<b>(167,142)</b>	<b>(250,714)</b>	-

**Restricted Stock Units**

Movements in the number of restricted stock unit over ordinary shares in the Consolidated entity held during the financial year by each Director and KMP of the Consolidated entity, including their personally related parties, are set out below:

Name	Balance at start of the year	Granted as remuneration	Converted to shares	Expired	Balance at end of the year
<b>D. Dickson</b>	1,000,000	11,688,462	(250,000)	-	12,438,462
<b>H. Atkins</b>	232,500	-	(232,500)	-	-
<b>C. Bo-Linn</b>	232,500	-	(232,500)	-	-
<b>A. Gomez Chapman</b>	238,500	-	(238,500)	-	-
<b>D. Miller</b>	-	4,090,961	-	-	4,090,961
<b>Total</b>	<b>1,703,500</b>	<b>15,779,423</b>	<b>(953,500)</b>	-	<b>16,529,423</b>

**Lake Resources NL**  
**Directors' report**  
**for the year ended 30 June 2024**

**Remuneration report (audited) (continued)**

**RELATED PARTY TRANSACTIONS**

The following transactions occurred with related parties:

	<b>2024</b> \$	<b>2023</b> \$
<i>Payment for services</i>		
Consultancy services provided by an entity associated with Amalia Saenz (Director resigned 1 Feb 2023)	-	142,312
<i>Receivable from and (payable to) related parties</i>		
Net advances to Mr Stephen Promnitz	-	200,000
During the year, outstanding balance was cash settled during the year		

**End of Audited Remuneration Report**

**Shares under option**

**Unlisted securities**

Unlisted securities of Lake Resources NL under option at the date of this report are as follows:

<b>Grant Date</b>	<b>Expiry date</b>	<b>Exercise price</b>	<b>Number under option</b>
19-Jan-22	19-Jan-25	\$1.48	1,000,000
14-Oct-21	25-Oct-24	\$0.57	2,000,000
26-Apr-22	26-Apr-25	\$1.42	1,036,122
26-Apr-22	26-Apr-25	\$1.42	1,036,122
26-Aug-22	26-Aug-25	\$1.50	1,000,000
12-Sep-22	15-Jun-25	\$0.75	5,550,000
10-Oct-22	15-Sep-25	\$1.13	4,000,000
24-Oct-22	24-Oct-25	\$1.00	1,500,000
24-Oct-22	24-Oct-24	\$1.00	1,500,000
20-Jul-22 - 20-Jun-23	20-Jan-25 - 20-Jun-28	\$0.30 - \$1.50	6,106,189
<b>Total</b>			<b>24,728,433</b>

Each option is convertible to one ordinary share. Option holders do not have the right to participate in any other share issue of the Consolidated entity or of any other entity. For details of options issued to Directors and other key management personnel as remuneration, refer to the Remuneration Report.

**Shares issued on the exercise of options**

During or since the end of the financial year, no ordinary shares of the Consolidated entity were issued as a result of the exercise of options.

**Lake Resources NL**  
**Directors' report**  
**for the year ended 30 June 2024**

**Performance Rights**

At the date of this report there were 5,000,000 unlisted securities of the Consolidated entity under performance rights. During the financial year ended 30 June 2024, no performance rights have expired in relation to Directors. No performance rights have been issued or converted to shares since 30 June 2024. All Performance Rights expired on 15 August 2024. Information on the issue of performance rights to Directors is provided in the Remuneration Report.

**Performance Stock Units**

At the date of this report there were 19,760,625 unlisted securities of the Consolidated entity under performance stocks. During the financial year ended 30 June 2024, no performance stocks have expired in relation to Directors. No performance stocks have been issued or converted to shares since 30 June 2024. Information on the issue of performance stocks to Directors is provided in the Remuneration Report.

**Performance Shares**

At the date of this report there were nil unlisted securities of the Consolidated entity under performance shares. During the financial year ended 30 June 2024, 417,856 performance shares have expired in relation to Directors. No performance shares have been issued since 30 June 2024. Information on the issue of performance shares to Directors is provided in the Remuneration Report.

**Restricted Stock Units**

At the date of this report there were 21,321,671 unlisted securities of the Consolidated entity under restricted stock unit. During the financial year ended 30 June 2024, no restricted stocks have expired in relation to Directors. No restricted stock have been issued since 30 June 2024. Information on the issue of restricted stock to Directors is provided in the Remuneration Report and 953,500 was converted to ordinary shares during the year.

**Indemnity and insurance of officers**

The Consolidated entity has given an indemnity or entered into an agreement to indemnify Directors and officers of the Consolidated entity against liabilities for costs and expenses incurred in defending legal proceedings arising from conduct while acting in the capacity as a Director or officer of the Consolidated Entity, other than conduct involving a wilful breach.

During the financial year, the Consolidated entity paid a premium in respect of a contract to insure the Directors and Officers of the Consolidated entity 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 Consolidated entity has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Consolidated entity or any related entity against a liability incurred by the auditor.

During the financial year, the Consolidated entity has not paid a premium in respect of a contract to insure the auditor of the Consolidated entity 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 Consolidated entity, or to intervene in any proceedings to which the Consolidated entity is a party, for the purpose of taking responsibility on behalf of the Consolidated entity for all or part of those proceedings.

**Lake Resources NL  
Directors' report  
for the year ended 30 June 2024**

**Non-audit services**

BDO provided non-audit services of \$166,974 during the financial year ended 30 June 2024. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services did not compromise the auditor independence requirements of the Corporations Act 2001 because none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

**Officers of the Consolidated entity who are former partners of BDO Audit Pty Ltd**

There are no officers of the Consolidated entity who are former partners of BDO Audit Pty Ltd.

**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 on page 55.

**Auditor**

BDO Audit Pty Ltd continues in office in accordance with section 327 of the *Corporations Act 2001*.

**Rounding of amounts**

The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the Director's report. Amounts in the Director's report have been rounded off in accordance with the instrument to the nearest dollar.

This report is made in accordance with a resolution of Directors.



S. Crow  
Non-Executive Chairman  
25 September 2024





Tel: +61 7 3237 5999  
Fax: +61 7 3221 9227  
[www.bdo.com.au](http://www.bdo.com.au)

Level 10, 12 Creek Street  
Brisbane QLD 4000  
GPO Box 457 Brisbane QLD 4001  
Australia

#### DECLARATION OF INDEPENDENCE BY R M SWABY TO THE DIRECTORS OF LAKE RESOURCES NL

As lead auditor of Lake Resources NL for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

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

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

A handwritten signature in black ink, appearing to read 'R M Swaby', is written over a light blue horizontal line.

**R M Swaby**

Director

**BDO Audit Pty Ltd**

Brisbane, 25 Septemeber 2024

**Lake Resources NL**  
**Consolidated statement of profit or loss and other comprehensive income**  
**for the year ended 30 June 2024**

	Note	2024 \$	2023 \$
<b>Other Income</b>			
Gain on Electronic Payment Market (MEP Dollar)	5(g)	21,720,572	43,696,631
Interest income		1,497,028	2,890,335
Rental and Sub-lease rental income		122,890	-
<b>Expenses</b>			
Administrative expenses	5(a)	(2,922,575)	(2,973,268)
Consultancy and legal costs	5(e)	(10,174,557)	(15,404,527)
Corporate expenses	5(b)	(7,765,225)	(9,445,706)
Employee benefits expense	5(c)	(23,243,713)	(13,977,944)
Depreciation and amortisation expense		(700,923)	(207,433)
Share-based payments expense	5(d)	(6,899,930)	(13,018,995)
Foreign exchange losses	4	(22,492,860)	(25,577,700)
Impairment of assets		-	(1,929,446)
Loss on remeasurement of VAT receivable	8(b)	(2,998,623)	(10,661,443)
Finance costs, net	5(f)	(148,670)	(196,908)
<b>Loss before income tax expense</b>		<u>(54,006,586)</u>	<u>(46,806,404)</u>
Income tax expense	6	(16,010)	(446,639)
<b>Loss after income tax expense for the year</b>		<u>(54,022,596)</u>	<u>(47,253,043)</u>
<b>Other comprehensive income/(loss) for the year, net of tax</b>			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations	17(g)	10,260,372	(10,343,798)
<b>Total other comprehensive income/(loss) for the year</b>		<u>10,260,372</u>	<u>(10,343,798)</u>
<b>Profit/(Loss) after income tax expense for the year attributable to:</b>			
Owners of Lake Resources NL		(52,455,552)	(45,754,115)
Non-controlling interests	27	<u>(1,567,044)</u>	<u>(1,498,928)</u>
		<u>(54,022,596)</u>	<u>(47,253,043)</u>
<b>Total comprehensive (loss)/ income for the period is attributable to:</b>			
Owners of Lake Resources NL		(40,107,123)	(54,207,712)
Non-controlling interests	27	<u>(3,655,101)</u>	<u>(3,389,129)</u>
		<u>(43,762,224)</u>	<u>(57,596,841)</u>
		Cents	Cents
Basic loss per share	18	(3.52)	(3.26)
Diluted loss per share	18	(3.52)	(3.26)

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

**Lake Resources NL**  
**Consolidated statement of Financial Position**  
**as at 30 June 2024**

	Note	30 June 2024 \$	30 June 2023 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	7	22,902,013	89,217,466
Trade and other receivables	8	1,882,128	1,935,223
Other current assets	9	776,815	1,420,335
<b>Total current assets</b>		<u>25,560,956</u>	<u>92,573,024</u>
<b>Non-current assets</b>			
Property, plant and equipment	12	3,556,977	1,541,620
Right-of-use assets	11	1,212,662	80,806
Other financial assets	8(b)	1,706,598	1,046,001
Exploration and evaluation	10	145,597,788	98,175,863
<b>Total non-current assets</b>		<u>152,074,025</u>	<u>100,844,290</u>
<b>Total assets</b>		<u>177,634,981</u>	<u>193,417,314</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	13	3,450,841	11,247,825
Lease liabilities	11	904,345	348,354
Employee benefits	14	14,494,480	4,170,663
<b>Total current liabilities</b>		<u>18,849,666</u>	<u>15,766,842</u>
<b>Non-current liabilities</b>			
Lease liabilities	11	1,475,187	1,324,490
Employee benefits	14	828	1,494
Provision for rehabilitation and restoration	15	2,735,981	-
<b>Total non-current liabilities</b>		<u>4,211,996</u>	<u>1,325,984</u>
<b>Total liabilities</b>		<u>23,061,662</u>	<u>17,092,826</u>
<b>Net assets</b>		<u>154,573,319</u>	<u>176,324,488</u>
<b>Equity</b>			
Issued capital	16(a)	243,371,941	229,703,796
Reserves	17(g)	23,216,316	6,513,767
Accumulated losses		(113,434,842)	(64,968,080)
<b>Total equity attributable to owners of the parent</b>		<u>153,153,415</u>	<u>171,249,483</u>
Non-controlling interests	27	1,419,904	5,075,005
<b>Total equity</b>		<u>154,573,319</u>	<u>176,324,488</u>

*The above Consolidated statement of Financial Position should be read in conjunction with the accompanying notes.*

**Lake Resources NL**  
**Consolidated statement of changes in equity**  
**for the year ended 30 June 2024**

Attributable to owners of Lake Resources NL						
Note	Issued capital \$	Reserves \$	Accumulated Losses \$	Total equity attributable to owners of the parent \$	Non- controlling interests \$	Total equity \$
<b>Balance at 1 July 2022</b>	231,179,318	9,508,419	(21,855,276)	218,832,461	-	218,832,461
Loss for the year	-	-	(45,754,115)	(45,754,115)	(1,498,928)	(47,253,043)
Other comprehensive income	-	(8,453,597)	-	(8,453,597)	(1,890,201)	(10,343,798)
<b>Total comprehensive income for the year</b>	-	<b>(8,453,597)</b>	<b>(45,754,115)</b>	<b>(54,207,712)</b>	<b>(3,389,129)</b>	<b>(57,596,841)</b>
<b>Transactions with owners in their capacity as owners:</b>						
Contributions of equity, net of transaction costs	16(a)	2,348,232	-	2,348,232	-	2,348,232
Share issue costs	16(a)	(3,823,754)	-	(3,823,754)	-	(3,823,754)
Issue of unlisted options to brokers	16	-	3,489,695	3,489,695	-	3,489,695
Transfer from equity instrument reserve to accumulated losses on equity instruments expired/exercised		-	(2,641,311)	2,641,311	-	-
Transactions with non-controlling interests		-	(8,464,134)	(8,464,134)	8,464,134	-
Issue of unlisted options to brokers and KMPs and other employees		-	11,959,835	11,959,835	-	11,959,835
Issue of restricted stock units to employees		-	1,172,327	1,172,327	-	1,172,327
Unwinding of performance rights to Directors		-	(57,467)	(57,467)	-	(57,467)
		(1,475,522)	5,458,945	6,624,734	8,464,134	15,088,868
<b>Balance at 30 June 2023</b>		<b>229,703,796</b>	<b>6,513,767</b>	<b>(64,968,080)</b>	<b>171,249,483</b>	<b>5,075,005</b>
				<b>171,249,483</b>	<b>5,075,005</b>	<b>176,324,488</b>

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

**Lake Resources NL**  
**Consolidated statement of changes in equity**  
**for the year ended 30 June 2024**

Attributable to owners of Lake Resources NL						
Note	Issued capital \$	Reserves \$	Accumulated Losses \$	Total equity attributable to owners of the parent \$	Non- controlling interests \$	Total equity \$
<b>Balance at 1 July 2023</b>	229,703,796	6,513,767	(64,968,080)	171,249,483	5,075,005	176,324,488
Loss for the year	-	-	(52,455,552)	(52,455,552)	(1,567,044)	(54,022,596)
Other comprehensive income	-	12,348,429	-	12,348,429	(2,088,057)	10,260,372
<b>Total comprehensive income for the year</b>	-	<b>12,348,429</b>	<b>(52,455,552)</b>	<b>(40,107,123)</b>	<b>(3,655,101)</b>	<b>(43,762,224)</b>
<b>Transactions with owners in their capacity as owners:</b>						
Contributed equity	16(b) 16,461,241	-	-	16,461,241	-	16,461,241
Share issue costs	16(b) (2,793,096)	-	-	(2,793,096)	-	(2,793,096)
Issue of unlisted options to employee	-	3,508,866	-	3,508,866	-	3,508,866
Transfer from equity instrument reserve to accumulated losses on equity instruments expired/exercised	-	(3,988,790)	3,988,790	-	-	-
Share based payment expenses - RSU	-	3,249,925	-	3,249,925	-	3,249,925
Share base payment expenses - PSU	-	1,584,119	-	1,584,119	-	1,584,119
	13,668,145	4,354,120	3,988,790	22,011,055	-	22,011,055
<b>Balance at 30 June 2024</b>	<b>243,371,941</b>	<b>23,216,316</b>	<b>(113,434,842)</b>	<b>153,153,415</b>	<b>1,419,904</b>	<b>154,573,319</b>

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



**Lake Resources NL**  
**Consolidated statement of cash flows**  
**for the year ended 30 June 2024**

	Note	2024 \$	2023 \$
<b>Cash flows from operating activities</b>			
Payments to suppliers (Inclusive of GST)		(41,252,661)	(29,981,156)
Interest received		1,497,028	2,890,335
Interest paid		(148,670)	(196,908)
Income taxes paid		(16,010)	(446,639)
Rental income		122,889	-
<b>Net cash (outflow) from operating activities</b>	30	<u>(39,797,424)</u>	<u>(27,734,368)</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(739,824)	(1,236,656)
Payments for exploration and evaluation	10	(39,179,276)	(66,522,685)
Net or gross receipt from Electronic Payment Market (MEP) transactions		21,720,572	43,696,631
Proceeds from related party loans		200,000	-
<b>Net cash (outflow) from investing activities</b>		<u>(17,998,528)</u>	<u>(24,062,710)</u>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares, net of transaction costs	16(b)	16,461,240	2,014,175
Share issue cost	16(b)	(1,569,932)	-
Principal payments of lease liabilities		(860,393)	(244,767)
<b>Net cash inflow from financing activities</b>		<u>14,030,915</u>	<u>1,769,408</u>
<b>Net (decrease) in cash and cash equivalents</b>		(43,765,037)	(50,027,670)
Cash and cash equivalents at the beginning of the financial year		89,217,466	175,444,065
Effects of exchange rate changes on cash and cash equivalents		(22,550,416)	(36,198,929)
Cash and cash equivalents at end of year	7	<u>22,902,013</u>	<u>89,217,466</u>

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
**30 June 2024**

## **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.

### **(a) Basis of preparation**

These general purpose consolidated financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. Lake is a for-profit entity for the purpose of preparing the consolidated financial statements.

#### **(i) Compliance with IFRS**

The consolidated financial statements of the Consolidated entity also comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

#### **(ii) Historical cost convention**

The consolidated financial statements have been prepared under the historical cost convention.

#### **(iii) Critical accounting estimates**

The preparation of consolidated 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 consolidated financial statements, are disclosed in note 2.

### **(b) New or amended Accounting Standards and Interpretations**

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.

Certain new accounting amendments to accounting standards and interpretations have been published that are not mandatory for 30 June 2024 reporting years and have not been early adopted by the Consolidated entity. These standards, amendments or interpretations are not expected to have a material impact on the Consolidated entity in the current or future reporting years and on foreseeable future transactions.

### **(c) 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 \$54,022,596 and net cash outflows from operating and investing activities of \$57,795,952 for the year ended 30 June 2024. At 30 June 2024, the Company had net current assets of \$6,711,290.

Based upon the Consolidated entity's existing cash resources, the Directors consider there are reasonable grounds to believe that the Consolidated entity will be able to continue as a going concern after consideration of the following factors:

- The Consolidated entity has cash reserves of \$22,902,013 at 30 June 2024;
- The Consolidated entity has no loans or borrowings;
- The Consolidated entity has the ability to adjust its expenditure outlays subject to results of its exploration activities and the Consolidated entity's funding position;

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
**30 June 2024**

**1 Significant accounting policies (continued)**

**(c) Going concern (continued)**

- Lake has implemented further cost saving measures all through the year reducing global headcount by approximately 70% across its non-core operational and administrative workforce and additional streamlining of general and administrative expenditures; and there are various cost cutting measures still being explored; and
- The Consolidated entity is in the process of exploring the sale of non-core assets to provide additional liquidity.

The Directors believe that the above indicators demonstrate that the Consolidated entity will be able to pay its debts as and when they fall due and continue as a going concern. Therefore, the Directors believe it is appropriate to adopt the going concern basis for the preparation of the Consolidated entity's 2024 annual financial report.

The ability of the Consolidated entity to continue as a going concern is principally dependent upon the ability of the Consolidated entity to secure funds by raising additional capital and managing cashflow in line with available funds. These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Consolidated entity to continue as a going concern. In the event the above matters are not achieved, the Consolidated entity will be required to raise funds for working capital from debt or other equity sources.

The Directors expect that the current funds would be sufficient to meet operational expenditure requirements, including minimum exploration commitments across its tenements portfolio.

As announced on 29 November 2023, Lake and Lilac engaged Goldman Sachs as financial adviser to explore a strategic partnership for the Kachi project. Discussions with potential partners remain ongoing and if successful, may provide additional capital to fund activities prior to FID and ultimately project development. In addition, Lake is also considering all other financing alternatives, consistent with its capital management policies, which may include future equity offerings as required to fund costs whilst strategic discussions remain ongoing.

The Consolidated entity has utilised an At-the-market subscription agreement ("ATM") with Acuity Capital in which 65,000,000 ordinary shares were issued and proceeds of \$2,500,000 were received on 25 July 2024.

Should the Consolidated entity be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial report. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Consolidated entity be unable to continue as a going concern.

**(d) 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 26.

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
**30 June 2024**

## **1 Significant accounting policies (continued)**

### **(e) 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 28.

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.

#### **(i) Subsidiaries**

Subsidiaries are all entities (including structured entities) over which the Consolidated entity has control. The Consolidated entity controls an entity where the Consolidated entity 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 to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated entity. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between subsidiaries of the Consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Consolidated entity.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, statement of comprehensive income, statement of changes in equity and statement of financial position, respectively.

#### **(ii) Changes in ownership interests**

The Consolidated entity treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Consolidated entity. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Lake Resources NL.

### **(f) Operating segment**

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.

### **(g) Foreign currency translation**

#### **(i) Functional and presentation currency**

The consolidated financial statements are presented in Australian dollars.

The functional currency of each of the entities in the Consolidated entity is measured using the currency of the primary economic environment in which the entity operates. The Consolidated entity's financial statements are presented in Australian dollars which is the functional and presentation currency of Lake Resources NL (the parent and reporting entity).

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
**30 June 2024**

**1 Significant accounting policies (continued)**

**(g) Foreign currency translation (continued)**

**(ii) Transactions 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 profit or loss and other 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 profit or loss and other comprehensive income.

**(iii) Foreign operations**

The functional currency of the Consolidated entity's foreign operations in Argentina is US Dollars ("USD"). From 1 July 2018, Argentina was declared a hyperinflationary economy due to the significant devaluation of the Argentine Peso ("ARS"). However, as the functional currency of the Argentine subsidiaries is USD, there was no material impact arising from the hyperinflationary effects of the ARS to the Consolidated entity's consolidated financial report.

The assets and liabilities of foreign operations are translated into Australian dollars (the presentation currency) using the exchange rates at the reporting date and all resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity. Also, 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.

**(h) MEP contract settlement – Argentina cash calls: USD conversion to ARS**

**(i) Overview**

USD cash calls are transferred from Lake Resources NL to Argentina subsidiary company bank accounts, to cover working capital in relation to the Kachi project costs. USD is subsequently converted, by the subsidiary companies, to ARS Peso. To maximise the value of local purchasing power in a hyperinflationary economy, the USD is regularly converted to ARS Peso via a MEP Dollar trading mechanism with a local bank/broker in Argentina.

**(ii) Accounting treatment for MEP contract settlements**

FX gains/losses on settlement: Settled FX contract bonds to sell USD and buy ARS are recorded initially in subsidiary ledger (ARS base currency) and then restated to AUD at month end for presentation and reporting purposes. The MEP Dollar are financial instruments in line with AASB 9 (the sale of the bonds) characterised as gain/loss on the sale of the bond. The gain or loss associated with the trading of these financial instruments are treated as other income or other expenses in the Consolidated statement of profit or loss.



**Lake Resources NL**  
**Notes to the consolidated financial statements**  
**30 June 2024**

## **1 Significant accounting policies (continued)**

### **(i) 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.

#### ***(i) Financial assets at amortised cost***

Financial assets at amortised cost are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. 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.

#### ***(ii) Financial assets at fair value through profit or 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.

#### ***(iii) 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.

#### ***(iv) 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.

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
**30 June 2024**

## **1 Significant accounting policies (continued)**

### **(j) Income tax**

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting year in the countries where the Company and its subsidiaries operate and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Consolidated entity measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The Deferred tax liability in relation to investment property that is measured at fair value is determined assuming the property will be recovered entirely through sale.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### **(k) 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.

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
**30 June 2024**

## **1 Significant accounting policies (continued)**

### **(l) Leases**

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Entity-specific details about the Consolidated entity's leasing policy are provided in Note 11.

### **(m) Cash and cash equivalents**

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

### **(n) Other receivables**

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

### **(o) 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.

### **(p) 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.

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
**30 June 2024**

## **1 Significant accounting policies (continued)**

### **(p) Exploration and development expenditure (continued)**

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.

### **(q) Impairment of non-financial assets**

At each reporting date, the Consolidated entity assesses whether there is any indication that assets 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.

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

### **(r) Property, plant and equipment**

The Consolidated entity's accounting policy for land and buildings is explained in Note 12. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Consolidated entity and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting year in which they are incurred.

The depreciation methods and years used by the Consolidated entity are disclosed in Note 12.

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting year.

An assets carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount (Note 1(q)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is the Consolidated entity's policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

### **(s) 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 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.

### **(t) 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.

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
**30 June 2024**

## **1 Significant accounting policies (continued)**

### **(u) 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.

Other borrowing costs are expensed in the year in which they are incurred.

### **(v) Employee benefits**

#### **(i) 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.

#### **(ii) Defined contribution superannuation expense**

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

#### **(iii) Other long-term employee benefit obligations**

The Consolidated entity also has liabilities for long service leave and annual leave that are not expected to be settled wholly within 12 months after the end of the year in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting year using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and years of service. Expected future payments are discounted using market yields at the end of the reporting year of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting year, regardless of when the actual settlement is expected to occur.

#### **(iv) Share-based payments**

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

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees and consultants 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 determined using either the Binomial, Black-Scholes or Monte Carlo 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.



**Lake Resources NL**  
**Notes to the consolidated financial statements**  
**30 June 2024**

## **1 Significant accounting policies (continued)**

### **(v) Employee benefits (continued)**

#### **(iv) Share-based payments (continued)**

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.

### **(w) Fair value of assets and liabilities**

The Consolidated entity 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.

Fair value is the price the Consolidated entity would receive to see an asset or would have to pay to transfer a liability in an orderly (i.e., 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 valuation 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.

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
**30 June 2024**

## **1 Significant accounting policies (continued)**

### **(w) Fair value of assets and liabilities (continued)**

Assets and liabilities measured at fair value are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3: Unobservable inputs for the asset or liability.

Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Refer to Note 8 for the disclosures on inputs used in the fair value measurement fair valuing of financial instruments as at 30 June 2024.

### **(x) Provisions**

The Consolidated entity records the present value of the estimated cost of legal and constructive obligations to rehabilitate locations where activities have occurred which have led to a future obligation. The nature of rehabilitation activities includes dismantling and removing structures, rehabilitating mine sites, dismantling operating facilities, closure of plant and waste sites and restoration, reclamation and re-vegetation of affected areas.

This obligation arises when the asset is installed, or the environment is disturbed at the development location. The provision excludes the impact of future disturbance that is planned to occur during the life of mine, so that it represents only existing disturbance as at 30 June 2024.

When the liability is initially recorded, the present value of the estimated cost is capitalised by increasing the carrying amount of the related mining assets. The initial close-down and restoration provision is capitalised within "Exploration and Evaluation asset". Subsequent movements in the close-down and restoration provisions for ongoing operations are treated as an adjustment to cost within "Exploration and Evaluation asset".

Over time, the discounted liability is increased for the change in the present value based on the discount rates that reflect the current market assessments and the risks specific to the liability, changes to the estimated lives of operations, or changes to the timing of closure activities. Additional disturbances or changes in decommissioning costs, will be recognised as additions or changes to the corresponding asset and rehabilitation liability when incurred.

Although the ultimate cost to be incurred is uncertain, the Consolidated entity has estimated its costs based on feasibility and engineering studies using current restoration standards and techniques.

The unwinding of the effect of discounting the provision is recorded as a finance cost in the Income Statement. The carrying amount capitalised as a part of mining assets is amortised over the life of the related asset.

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
**30 June 2024**

**1 Significant accounting policies (continued)**

**(y) 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.

**(z) Earnings per share**

**(i) 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.

**(ii) 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.

**(aa) 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 ("ATO").

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.

Value Added Tax ("VAT") in Argentina is assessable on the sale value of goods and services. To the extent that VAT credits on purchased goods and services cannot be claimed as refunds, the amount is recognised in Exploration & Evaluation asset. In FY 2024, VAT receivable is classified as non-current and carried at amortised cost which is measured based on a discounted cashflow model.

**(ab) Comparative figures**

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

**Lake Resources NL**  
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## **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, that 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.

### **(a) 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 a valuation model deemed appropriate taking into account the terms and conditions upon which the instruments were granted, including Binomial, Black-Scholes, or Monte Carlo models.

The fair value of the options, performance rights and performance units granted are adjusted to reflect market vesting conditions but excludes the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of restricted stock unit and performance shares that are expected to vest and become exercisable. 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.

Refer to Note 20 for the disclosures on inputs used in the fair value measurement of share-based payments granted during the year.

### **(b) 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 accordance with AASB 6. 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, and future legal changes and changes in commodity prices.

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## **2 Critical accounting judgements, estimates and assumptions (continued)**

### **(b) Exploration and evaluation costs (continued)**

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. For the basis of determination the following was considered:

(i) the period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;

(ii) substantive expenditure on further exploration and evaluation of mineral resources in the specific area is neither budgeted nor planned;

(iii) exploration and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and

(iv) sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from the successful development or by sale.

A Final Investment Decision ("FID") to develop the Project is expected to be made after considering the following key factors: required permits are in place, engineering has reached construction ready status, adequate offtake agreements have been signed to underwrite any debt requirements, and the Project is funded through a mix of equity and debt. In order to attract funding, the Project will need to demonstrate technical feasibility and commercial viability.

Once FID has been taken, all past and future exploration and evaluation assets in respect of the area of interest are tested for impairment and transferred to the cost of development. To date, no development decision has been made.

### **(c) Provision for rehabilitation and restoration**

The Consolidated entity assesses its mine restoration and rehabilitation provision annually in accordance with the accounting policy. Significant judgement is required in determining the provision for mine restoration and rehabilitation as there are many transactions and other factors that will affect the ultimate liability payable to rehabilitate and restore the mine sites. The estimate of future costs therefore requires management to make assessment of the future restoration and rehabilitation date, future environmental legislation, changes in regulations, price increases, changes in discount rates, the extent of restoration activities and future removal and rehabilitation technologies.

These future cost estimates are discounted to their present value. The discount rate used in the calculation of the provision as at 30 June 2024 is 13.25%. The expected cashflow outflow have been discounted over a 60 year period.

When these factors change or become known in the future, such differences will impact the restoration and rehabilitation provision in the period in which they change or become known. Estimated costs are recognised immediately in the Consolidated Statement of Comprehensive Income.

## **3 Operating segments**

### **Segment information**

The Consolidated entity currently operates entirely in the mineral exploration industry, with interests in Argentina and corporate operations in Australia and United States of America. Accordingly, the information provided to the Board of Directors is prepared using the same measures used in preparing the financial statements.



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### 3 Operating segments (continued)

Segment information (continued)  
*Geographical information*

	Argentina		Australia		United States of America		Total	
	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2024	2023	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Statement of Profit or Loss and Other Comprehensive Income</b>								
<b>Loss after income tax expense for the year</b>	<b>(10,566,936)</b>	<b>21,784,877</b>	<b>(22,930,973)</b>	<b>(60,083,254)</b>	<b>(20,524,687)</b>	<b>(8,954,666)</b>	<b>(54,022,596)</b>	<b>(47,253,043)</b>
<b>Asset additions</b>								
Exploration expenditure	37,565,268	66,522,685	-	-	-	-	37,565,268	66,522,685
Property, plant and equipment	184,774	1,292,310	-	26,584	555,050	-	739,824	1,318,894
Right-of-Use Lease Asset	-	129,437	-	-	1,760,931	1,386,775	1,760,931	1,516,212
<b>Total segment assets</b>	<b>50,733,756</b>	<b>79,596,736</b>	<b>60,336,557</b>	<b>102,734,625</b>	<b>66,564,669</b>	<b>11,085,953</b>	<b>177,634,982</b>	<b>193,417,314</b>
<b>Total segment liabilities</b>	<b>(100,540,744)</b>	<b>(84,710,418)</b>	<b>173,282,884</b>	<b>87,708,068</b>	<b>(95,803,802)</b>	<b>(20,090,478)</b>	<b>(23,061,662)</b>	<b>(17,092,828)</b>

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**4 Foreign exchange losses**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Realised loss	(681,628)	(506,379)
Unrealised loss	(21,811,232)	(25,071,321)
	<u>(22,492,860)</u>	<u>(25,577,700)</u>

**5 Loss before income tax**

Loss before income tax includes the following specific expenses:

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>(a) Administrative expenses</b>		
Office expenses	266,530	398,887
Short-term lease expenses	293,560	211,693
Other expenses <sup>1</sup>	1,680,376	1,636,218
Computer/Software licence fees	682,109	726,470
	<u>2,922,575</u>	<u>2,973,268</u>
<b>(b) Corporate expenses</b>		
Travel	1,575,724	3,276,135
Insurance	3,555,181	3,692,857
Auditors fees	40,634	539,610
Investor relations	835,007	808,548
IT support service costs	1,118,642	507,289
Share registry maintenance	480,234	399,733
Marketing expenses - advertising	159,803	221,534
	<u>7,765,225</u>	<u>9,445,706</u>
<b>(c) Employee benefit expense</b>		
Superannuation	115,701	185,583
Wages, salary and other benefits <sup>2</sup>	23,128,012	13,792,361
	<u>23,243,713</u>	<u>13,977,944</u>
<b>(d) Share based payment</b>		
Share-Based Payments - Options	2,334,938	11,959,835
Share-Based Payments - Performance Stock Units	1,296,115	-
Share-Based Payments - Performance Shares	-	(57,467)
Share-Based payments - Restricted Stock Units	3,268,877	1,116,627
	<u>6,899,930</u>	<u>13,018,995</u>

**Lake Resources NL**  
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**5 Loss before income tax (continued)**

**(e) Consultancy and legal costs**

Directors fees	911,185	1,288,722
Other	1,237,938	1,003,753
Consulting Fee	3,450,233	10,494,681
Legal expenses <sup>3</sup>	4,575,201	2,617,371
	<u>10,174,557</u>	<u>15,404,527</u>

**(f) Finance (income) and expenses**

Interest and finance charges payable for lease liabilities	137,012	182,834
Interest expense	11,658	14,074
	<u>148,670</u>	<u>196,908</u>

- (1) Other expenses includes Argentina local tax payments and statutory obligations incidental to the exploration activities in the region.
- (2) In 2024, approximately \$7,923,942 was recognised for severance and termination payments, approximately \$1,338,083 was recognised for short-term incentives and the remaining balance is employee wages.
- (3) In 2024, increased legal services were provided by external providers for Corporate, regulatory and advisory matters.

**(g) Gain on Electronic Payment Market (MEP Dollar)**

The Argentine government has instituted exchange controls restricting the purchase of foreign currencies. As a result of these exchange controls, the Group use a legal trading mechanism commonly known as the MEP Dollar in which the Argentinian subsidiaries, Morena Del Valle SA and Minerales Australes SA buy Argentinian bonds in USD, and then sell the bonds, via local banking broker in Argentina, for Argentinian Peso. This is to enable the Group to fund working capital and exploration activities in its Argentinian operations. The MEP Dollar exchange rate has diverged significantly from Argentina's official exchange rate resulting in the Group recognising a gain from MEP Dollar bond transactions.

MEP Dollar mechanism requires 24 hours holding period on the US Dollar denominated security that is purchased, therefore exposes the Company to substantive market risk during the holding period and the exact amount of US Dollars cannot be reliably obtained until the holding period has expired.

The MEP Dollar bonds are classified as financial assets at fair value through profit and loss, where the gain or loss associated with the trading of these financial instruments are treated as other income or other expenses. A gain of \$21,720,572 was recognised in the year (2023: \$43,696,631). The Group held no unsettled MEP Dollar bonds at 30 June 2024 (30 June 2023: \$Nil).

Argentina pesos to other country conversions changed approximately by 80% due to peso devaluation in June 2024.

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**6 Income tax expense**

**(a) Reconciliation**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Current tax on profits for the year	(5,950,320)	(7,696,875)
Deferred income tax benefit	5,966,330	8,143,514
<b>Aggregated Income tax (benefit)/expense</b>	<u>16,010</u>	<u>446,639</u>

**(b) Numerical reconciliation of income tax expense**

The prima facie income tax on the loss is reconciled to the income tax expense as follows:	(54,006,586)	(23,504,571)
Prima facie tax benefit 30% (2023 - 30%) on loss before income tax	(16,201,976)	(7,051,371)
Add tax effect of:		
Tax rate differential	1,605,120	-
Non deductible expenses	8,586,151	3,400,791
Deferred tax asset not recognised	5,966,330	8,143,514
Argentinian tax inflation adjustment	60,385	(4,046,295)
<b>Income tax expense</b>	<u>16,010</u>	<u>446,639</u>

The Consolidated entity has unrecouped, unconfirmed carry forward tax losses of approximately \$104,041,099 (2023: \$81,380,323).

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 Consolidated entity 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 Consolidated entity continues to comply with the conditions for deductibility imposed by the law; and
- (c) no changes in tax legislation adversely affect the Consolidated entity in realising the benefit from the losses.

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**6 Income tax expense (continued)**

**(c) Deferred tax assets**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>The balance comprises temporary differences attributable to:</b>		
Accrued expenses	353,048	677,686
Employee provisions	16,402	95,176
Business related costs (s 40-880)	19,404	41,861
Unrealised foreign exchange losses	229,279	54,343
Carry forward losses	31,728,567	24,414,097
	<u>32,346,700</u>	<u>25,283,163</u>
 <i>Deferred tax assets not recognised in equity:</i>		
Capital Raising Expenses	642,940	689,861
<b>Total Deferred tax assets</b>	<u>32,989,640</u>	<u>25,973,024</u>
 Set-off of deferred tax liabilities pursuant to set-off provisions	(11,485,190)	(8,757,238)
Deferred tax assets not recognised	<u>(21,504,450)</u>	<u>(17,215,786)</u>
<b>Net Deferred tax assets</b>	<u>-</u>	<u>-</u>

**(d) Deferred tax liabilities**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>The balance comprises temporary differences attributable to:</b>		
Exploration Expenditure	(11,485,190)	(8,757,238)
<b>Total Deferred tax liabilities</b>	<u>(11,485,190)</u>	<u>(8,757,238)</u>
 Set-off of deferred tax liabilities pursuant to set-off provisions	11,485,190	8,757,238
<b>Net Deferred tax liabilities</b>	<u>-</u>	<u>-</u>

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**7 Cash and cash equivalents**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Current assets</b>		
Cash at bank	12,567,026	26,362,624
Deposits at call	10,334,987	62,854,842
	<u>22,902,013</u>	<u>89,217,466</u>

**8 Trade receivables**

**(a) Current assets**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Current assets</b>		
Other receivables	965,176	582,449
Related party receivable	-	200,000
Interest receivable	-	291,899
Security deposit	916,952	860,875
	<u>1,882,128</u>	<u>1,935,223</u>

As at 30 June 2023, a net related party receivable balance of \$200,000 represents cash advances to Mr. Promnitz. During the year, the expense demands and the disputed amounts have been resolved to the satisfaction of all parties and final settlement amount was received during the 2024 financial year.

Security deposit balances relates to corporate credit cards and payroll administration service organisation.

**(b) VAT Receivable**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Non current</b>		
Other financial assets	<u>1,706,598</u>	<u>1,046,001</u>



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## **8 Trade receivables (continued)**

### **(b) VAT Receivable (continued)**

#### **Movement in VAT receivable**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Opening balance	1,046,001	4,147,682
Additions	2,963,727	7,301,424
Gain or (loss) on remeasurement	(2,998,623)	(10,661,443)
Exchange differences	695,493	258,338
<b>Closing balance</b>	<b>1,706,598</b>	<b>1,046,001</b>

The Consolidated entity has a total of \$1,706,598 (2023: \$1,046,001) of non-current Value Added Tax ("VAT") recoveries due from the Argentina Revenue Authority. The Consolidated entity records VAT at fair value due to the hyperinflationary economy in Argentina and the highly devaluing local currency. Fair value has been determined using a discounted cash flow valuation technique based on the forecast timing of recovery.

Loss on re-measurement during the year was \$2,998,623 (2023: \$10,661,443).

## **9 Other current assets**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Prepayments	732,899	1,412,238
Deposits	-	324
Payroll tax asset	37,469	-
Current Tax Asset	6,447	7,773
	<b>776,815</b>	<b>1,420,335</b>

## **10 Exploration and evaluation, development and mine properties**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Exploration and evaluation asset</b>		
Opening net book amount	98,175,863	41,549,942
Additions - direct exploration cost	37,565,268	66,522,685
Effect of foreign currency translation	7,120,676	(9,896,764)
	<b>142,861,807</b>	<b>98,175,863</b>
<b>Provision for Rehabilitation and Restoration</b>		
Cost	2,735,981	-
	<b>145,597,788</b>	<b>98,175,863</b>

The provision for rehabilitation and restoration will continue to be revalued every financial year. Refer to Note 15 for provision for rehabilitation and restoration.

**Lake Resources NL**  
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## **10 Exploration and evaluation, development and mine properties (continued)**

The ultimate recoupment of exploration and evaluation expenditure in respect of an area of interest carried forward is dependent upon the discovery of commercially viable reserves and the successful development and exploitation of the respective areas, or alternatively, sale of the underlying areas of interest for at least their carrying value. Amortisation, in respect of the relevant area of interest, is not charged until a mining operation has commenced.

The Consolidated entity determined no indicators of impairment were identified during the period, hence no provision for impairment was recorded in the financial statements for the year ended 30 June 2024. The recoverability of exploration project acquisition costs is dependent upon the successful development and commercial exploitation, or alternatively the sale of areas of interest.

## **11 Right-of-use asset and lease liabilities**

### **(a) Amounts recognised in the statement of financial position**

The statement of financial position shows the following amounts relating to leases:

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Right-of-use assets</b>		
Opening balance	80,806	229,692
Additions	1,760,931	1,516,212
Accumulated depreciation	(624,546)	(71,400)
Exchange differences	22,457	(257,778)
Asset write off	(26,986)	(1,335,920)
<b>Net book amount</b>	<b>1,212,662</b>	<b>80,806</b>
 <b>Lease liabilities</b>		
Current	904,345	348,354
Non-current	1,475,187	1,324,490
	<b>2,379,532</b>	<b>1,672,844</b>

In September 2023, Lake Corporate Inc. a subsidiary of Lake Resources NL entered into a 32- month lease for an office space in Texas with commencement date 15 September 2023, with no option to renew.

As at 30 June 2023, the office space in Florida was completely impaired on the basis that there had been no indicators that the property will be used or sub-leased.

As at 1 December 2023, the office space in Florida has been successfully sub-leased for 51- month effective from 1 December 2023 to 29 February 2028 with no option to renew. Cash inflow from sub-lease has been recognised as rental income in Consolidated statement of profit or loss and other comprehensive income.

Lake continues to have the obligation to make lease payments. The outstanding lease liability on the Florida property as at 30 June 2024 is \$1,124,172 (30 June 2023: \$1,406,222).

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**11 Right-of-use asset and lease liabilities (continued)**

**(b) Amounts recognised in the statement of profit or loss and other comprehensive income**

	2024	2023
	\$	\$
Depreciation charge of right of use assets	557,310	59,951
Interest expenses	137,012	182,834

**(c) The Consolidated entity's leasing activities and how these are accounted for**

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Consolidated entity, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Consolidated entity uses that rate as a starting point to determine the incremental borrowing rate of 125.55% for leases held in Argentina.

The Consolidated entity is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Consolidated entity is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option. Low-value assets comprise IT equipment and small items of office furniture.

**(d) Extension and termination options**

Extension and termination options are included in a number of property and equipment leases across the Consolidated entity. These are used to maximise operational flexibility in terms of managing the assets used in the Consolidated entity's operations. The majority of extension and termination options held are exercisable only by the Consolidated entity and not by the respective lessor.

**(e) Critical judgements in determining the lease term**

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

**Lake Resources NL**  
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**11 Right-of-use asset and lease liabilities (continued)**

**(f) The Group as a lessor**

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

**12 Property, plant and equipment**

	<b>Consolidated</b>	
	<b>30 June 2024</b>	<b>30 June 2023</b>
	<b>\$</b>	<b>\$</b>
<b>Plant and Equipment</b>		
Cost	1,694,193	1,036,243
Accumulated depreciation	(8,718)	(9,157)
<b>Total plant and equipment</b>	<b>1,685,475</b>	<b>1,027,086</b>
<b>Furniture, fittings and equipment</b>		
Cost	159,658	38,038
Accumulated depreciation	(8,510)	(7,154)
<b>Total furniture, fittings and equipment</b>	<b>151,148</b>	<b>30,884</b>
<b>Machinery and vehicles</b>		
Cost	504,567	205,658
Accumulated depreciation	(28,854)	(64,361)
<b>Total machinery and vehicles</b>	<b>475,713</b>	<b>141,297</b>
<b>Building improvement</b>		
Cost	88,763	36,571
Accumulated depreciation	(1,526)	(3,655)
<b>Total building improvement</b>	<b>87,237</b>	<b>32,916</b>
<b>Other property, plant and equipment</b>		
Cost	1,243,185	375,754
Accumulated depreciation	(85,781)	(66,317)
<b>Total other property, plant and equipment</b>	<b>1,157,404</b>	<b>309,437</b>
<b>Total property, plant and equipment</b>	<b>3,556,977</b>	<b>1,541,620</b>

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**12 Property, plant and equipment (continued)**

	Plant and equipment \$	Furniture, fittings and equipment \$	Machinery and vehicles \$	Building improvements \$	Other property, plant and equipment \$	Total \$
<b>30 June 2024</b>						
Carrying amount at 1 July 2023	1,027,086	30,884	141,297	32,916	309,437	1,541,620
Exchange differences	571,261	91,246	355,207	55,282	327,614	1,400,610
Additions	94,964	35,953	-	-	608,907	739,824
Depreciation charge	(7,836)	(6,935)	(20,791)	(961)	(88,554)	(125,077)
Carrying amount at 30 June 2024	1,685,475	151,148	475,713	87,237	1,157,404	3,556,977
<b>30 June 2023</b>						
Carrying amount at 1 July 2022	48,729	61,547	358,428	69,112	102,807	640,623
Exchange differences	(22,141)	(30,352)	(176,753)	(33,738)	(59,153)	(322,137)
Additions	1,008,808	3,925	-	-	306,161	1,318,894
Depreciation charge	(8,310)	(4,236)	(40,378)	(2,458)	(40,378)	(95,760)
Carrying amount at 30 June 2023	1,027,086	30,884	141,297	32,916	309,437	1,541,620

**(a) Revaluation, depreciation methods and useful lives**

Depreciation is calculated using the straight-line method to allocate the cost or revalued amounts of the assets, net of their residual values, over their estimated useful lives as follows:

- Building improvements 25 - 40 years
- Plant and equipment 10 - 20 years
- Machinery and Vehicles 3 - 5 years
- Furniture, fittings and equipment 3 - 8 years
- Other property, plant and equipment 3 - 8 years

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

All other property, plant and equipment is recognised at historical cost, less depreciation.

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**Notes to the consolidated financial statements**  
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**13 Trade and other payables**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Current liabilities</b>		
Trade payables	709,708	3,653,301
Accrued expenses (Refer to note 13 (a))	2,507,352	7,529,576
Payroll tax and other statutory liabilities	56,549	64,948
Other payables	177,232	-
	<u>3,450,841</u>	<u>11,247,825</u>

**(a) Accrued expenses**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Operating Accruals	1,644,291	2,876,643
Drilling and well design cost	363,876	2,369,688
Camp construction & maintenance cost	499,185	2,283,245
	<u>2,507,352</u>	<u>7,529,576</u>

**14 Employee benefit obligations**

	<b>2024</b>		<b>2023</b>	
	<b>Current</b>	<b>Non-current</b>	<b>Current</b>	<b>Non-current</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Annual leave	227,193	-	1,026,847	-
Provision for Short-term Incentive	6,165,786	-	2,830,467	-
Employee Benefits: Leave and other benefits payable	142,218	828	313,349	1,494
Severance payable	7,959,283	-	-	-
Closing balance at 30 June	<u>14,494,480</u>	<u>828</u>	<u>4,170,663</u>	<u>1,494</u>

**Short-term incentive**

Short-term incentive awards were recognised for certain employees taking into consideration each individuals contributions and Lake's overall business activities. \$4,619,534 is related to unpaid entitlements earned through the calendar year ending 31 December 2023. \$1,546,252 is related to accrual estimates for the calendar year ending 31 December 2024.

**Severance payable**

Severance payable reflects separation costs associated with termination of certain executives. \$5,508,101 reflects cash severance payable over 12 months and \$2,451,182 reflects contingent amounts payable upon the achievement of a change in control event, a final investment decision in respect of the Kachi Project, or a significant liquidity event.



**Lake Resources NL**  
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## **15 Provision for rehabilitation and restoration**

Provisions are made for the estimated cost of rehabilitation, restoration and dismantling relating to areas disturbed during operations up to the reporting date, but not yet rehabilitated. Provision has been made in full for all the disturbed areas at the reporting date on current estimates of costs to rehabilitate such areas, discounted to their present value, based on expected future cashflows.

Movements in the rehabilitation and restoration provision during the financial year are set out below:

	<b>Total</b>
	<b>\$</b>
<b>2024</b>	
Carrying amount at start of year	-
Movements in economic assumptions and timing of cashflows	2,735,981
Carrying amount at end of year	<u>2,735,981</u>

## **16 Equity**

### **(a) Issued capital**

	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>Shares</b>	<b>Shares</b>	<b>\$</b>	<b>\$</b>
Ordinary shares - fully paid	1,663,125,143	1,422,444,707	243,371,941	229,703,796

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
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**16 Equity (continued)**

**(b) Movements in share capital**

Details	Notes	Number of shares	Issue price \$	\$
<b>Opening balance 1 July 2022</b>		1,389,709,907	-	231,179,318
Issue of shares - Exercise of RSUs (Employee Award Plan)		1,000,000	0.300	300,000
Exercise of option		2,274,157	0.300	682,061
Share issue - Acuity Capital		25,000,000	-	-
Share issue- Conversion of Performance rights		2,500,003	-	-
Exercise of options		26,000	0.490	12,740
Exercise of options		43,000	0.490	21,070
Exercise of options		64,300	0.300	19,290
Exercise of options		37,503	0.300	11,250
Exercise of options		93,000	0.490	45,570
Exercise of options		225,000	0.750	168,750
Exercise of options		700,000	0.750	525,000
Exercise of options		350,000	0.750	262,500
Exercise of options		400,000	0.750	300,000
Exercise of options		21,837	-	-
Less: Transaction costs arising on share issue - as cash		-	-	(334,057)
Less: Transaction cost arising on options issued - to brokers		-	-	(3,489,696)
<b>Balance 30 June 2023</b>		1,422,444,707	-	229,703,796
Issue of shares - Exercise of RSUs (Employee Award Plan)		1,449,091	-	-
Issue of shares - Exercise of RSUs (Employee Award Plan)		176,708	-	-
Share issue		213,610,575	0.070	14,952,741
Shares issued under SPP		37,500	-	-
Shares issued under SPP		21,549,799	0.070	1,508,500
Issue of shares - Exercise of RSUs (Employee Award Plan)		3,738,116	-	-
Issue of shares - Exercise of RSUs (Employee Award Plan)		118,647	-	-
Less: Transaction costs arising on share issue - as cash		-	-	(1,569,932)
Less: Transaction cost arising on options issued - to brokers	20(b)	-	-	(1,223,164)
<b>Balance 30 June 2024</b>		1,663,125,143	-	243,371,941

**(c) Ordinary shares**

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

**(d) Share-based payment transactions in share capital movements**

Issues of share capital and certain share issue cost during the year included the equity-settled share-based payment transactions for the payment for fees and of services as detailed in Note 20.

**Lake Resources NL**  
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## 16 Equity (continued)

### (e) Performance rights

Movements in performance rights were as follows:

Name	Number of Rights granted	Grant date	Expiry date	Fair value at grant date	Vested and exercised in a prior year	Forfeited in prior year	Vested and exercised during the year	Unvested as at 30 June 2024
S. Crow	5,000,000	15-Aug-19	15-Aug-24	\$0.0575	-	-	-	5,000,000

The terms and conditions of performance rights on issue at 30 June 2024 affecting remuneration of Directors and other KMP in this financial year or future reporting years are as follows:

Grant date	Expiry date	Value at Grant	No. of Rights Granted	Performance Hurdle	Performance achieved	No. vested and exercised	No. of unvested performance rights	No. expired during the period
15-Aug-19	15-Aug-24	\$0.0575	2,500,000	Pilot plants	100%	2,500,000	-	-
15-Aug-19	15-Aug-24	\$0.0575	7,500,000	Investor	100%	2,500,000	5,000,000	-

Mr. Crow's 5 million performance rights expired on 15 August 2024.

**Lake Resources NL**  
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**16 Equity (continued)**

**(f) Options**

Movements in options were as follows:

	Grant / Vest date	Expiry date	Exercise price	Balance at 1 July 2023	Issued	Forfeit	Adjustment	Balance at 30 June 2024
Option issued to Staff	13-Jul-21	12-Jul-24	\$0.55	2,000,000	-	-	-	2,000,000
Option issued to Brokers/ Consultants	1-Aug-22	1-Aug-24	\$0.50	5,601,000	-	-	-	5,601,000
Option issued to Staff	14-Oct-21	25-Oct-25	\$0.57	2,000,000	-	-	-	2,000,000
Option issued to Staff	19-Jan-22	19-Jan-25	\$1.48	1,000,000	-	-	-	1,000,000
Option issued to Staff	19-Jan-22	19-Jan-25	\$0.70	1,000,000	-	-	-	1,000,000
Option issued to Brokers/ Consultants	26-Apr-22	26-Apr-25	\$1.42	1,036,122	-	-	-	1,036,122
Option issued to Brokers/ Consultants	26-Apr-22	26-Apr-25	\$1.42	1,036,122	-	-	-	1,036,122
Option issued to Brokers/ Consultants	26-Aug-22	26-Aug-25	\$1.42	1,000,000	-	-	-	1,000,000
Option issued to Staff	12-Sep-22	15-Jun-25	\$0.75	280,000	-	-	-	280,000
Option issued to Brokers/ Consultants	12-Sep-22	15-Jun-25	\$0.75	1,260,000	-	-	-	1,260,000
Option issued to Brokers/ Consultants	15-Sep-22	15-Sep-27	\$1.13	4,000,000	-	-	-	4,000,000
Option issued to Brokers/ Consultants	24-Oct-22	24-Oct-25	\$1.00	1,500,000	-	-	-	1,500,000
Option issued to Brokers/ Consultants	24-Oct-22	24-Oct-25	\$1.00	1,500,000	-	-	-	1,500,000
Option issued to Staff	10-Oct-22	10-Oct-27	\$0.99	500,000	-	(375,000)	-	125,000
Option issued to KMP	12-Sep-22	15-Jun-25	\$0.75	4,010,000	-	-	-	4,010,000
Option issued to Staff	14-Nov-22	14-Nov-27	\$1.17	75,000	-	(56,250)	-	18,750
Option issued to Staff	11-Oct-22	11-Oct-27	\$0.99	300,000	-	(225,000)	-	75,000
Option issued to Staff	11-Nov-22	21-Nov-27	\$1.06	50,000	-	(37,500)	-	12,500
Option issued to Staff	1-Jan-23	1-Jan-27	\$0.83	851,700	-	(56,250)	(41,950)	753,500
Option issued to Staff	9-Jan-23	9-Jan-27	\$0.80	1,000,000	-	-	-	1,000,000
Option issued to Staff	11-Jan-23	11-Jan-27	\$0.84	75,000	-	(56,250)	-	18,750
Option issued to Staff	16-Jan-23	16-Jan-27	\$0.99	100,000	-	-	-	100,000
Option issued to Staff	1-Feb-23	1-Feb-27	\$0.82	1,145,692	-	-	192,964	1,338,656
Option issued to Staff	1-April-23	1-April-27	\$0.45	150,000	-	(56,250)	-	93,750
Option issued to Staff	20-Jun-23	20-Jun-27	\$0.31	882,352	-	-	(249,569)	632,783
Option issued to Staff	11-Aug-23	11-Aug-27	\$0.21	-	75,000	-	-	75,000
				32,352,988	75,000	(862,500)	(98,555)	31,466,933

Adjustment relates true-up of options issued in the prior year to fixed monetary value to align with employee grant agreement issued during the year. This is reflective of changes in share price between employee employment offer date and grant date on the Grant letter.

**Lake Resources NL**  
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**16 Equity (continued)**

**(f) Options (continued)**

(i) The status of the outstanding options balance at 30 June 2024 is as follows:

	Grant/ Vest date	Expiry date	Exercise Price	Balance at 30 June 2024	Options Vested	Options Exercisable	Options unvested	Options Unexercisable
Option issued to Staff	13-Jul-21	12-Jul-24	\$0.55	2,000,000	2,000,000	2,000,000	-	-
Option issued to Brokers/ Consultants	1-Aug-22	1-Aug-24	\$0.50	5,601,000	5,601,000	5,601,000	-	-
Option issued to Brokers/ Consultants	19-Jan-22	19-Jan-25	\$1.48	1,000,000	1,000,000	1,000,000	-	-
Option issued to Brokers/ Consultants	14-Oct-21	25-Oct-24	\$0.57	2,000,000	2,000,000	2,000,000	-	-
Option issued to Staff	26-Apr-22	26-Apr-25	\$1.42	1,036,122	1,036,122	1,036,122	-	-
Option issued to Brokers/ Consultants	26-Apr-22	26-Apr-25	\$1.42	1,036,122	1,036,122	1,036,122	-	-
Option issued to Staff	20-Jul-22	20-Jul-25	\$0.70	1,000,000	1,000,000	1,000,000	-	-
Option issued to Staff	26-Aug-22	26-Aug-25	\$1.42	1,000,000	1,000,000	1,000,000	-	-
Option issued to Staff	12-Sep-22	15-Jun-25	\$0.75	280,000	-	-	280,000	280,000
Option issued to Brokers/ Consultants	12-Sep-22	15-Jun-25	\$0.75	1,260,000	-	-	1,260,000	1,260,000
Option issued to Director	15-Sep-22	15-Sep-27	\$1.13	4,000,000	1,000,000	1,000,000	3,000,000	3,000,000
Option issued to Brokers/ Consultants	24-Oct-22	24-Oct-25	\$1.00	1,500,000	-	-	1,500,000	1,500,000
Option issued to Brokers/ Consultants	24-Oct-22	24-Oct-25	\$1.00	1,500,000	-	-	1,500,000	1,500,000
Option issued to Staff	10-Oct-22	10-Oct-27	\$0.99	125,000	125,000	125,000	-	-
Option issued to Director	12-Sep-22	15-Jun-25	\$0.75	4,010,000	-	-	4,010,000	4,010,000
Option issued to Staff	14-Nov-22	14-Nov-27	\$1.17	18,750	18,750	18,750	-	-
Option issued to Staff	11-Oct-22	11-Oct-27	\$0.99	75,000	75,000	75,000	-	-
Option issued to Staff	11-Nov-22	21-Nov-27	\$1.06	12,500	12,500	12,500	-	-
Option issued to Staff	1-Jan-23	1-Jan-27	\$0.80	753,500	202,437	202,437	551,063	551,063
Option issued to Staff	9-Jan-23	9-Jan-27	\$0.83	1,000,000	1,000,000	1,000,000	-	-
Option issued to Staff	11-Jan-23	11-Jan-27	\$0.84	18,750	18,750	18,750	-	-
Option issued to Staff	16-Jan-23	16-Jan-27	\$0.83	100,000	25,000	25,000	75,000	75,000
Option issued to Staff	1-Feb-23	1-Feb-27	\$0.82	1,338,656	-	-	1,338,656	1,338,656
Option issued to Staff	1-Apr-23	1-Apr-27	\$0.45	93,750	18,750	18,750	75,000	75,000
Option issued to Staff	20-Jun-23	20-Jun-27	\$0.31	632,783	-	-	632,783	632,783
Option issued to Staff	11-Aug-23	11-Aug-27	\$0.21	75,000	-	-	75,000	75,000
				<b>31,466,933</b>	<b>17,169,431</b>	<b>17,169,431</b>	<b>14,297,502</b>	<b>14,297,502</b>

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
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**16 Equity (continued)**

**(g) Restricted stock unit**

Movements in restricted stock units were as follows:

Grant date	Expiry/ Vest date	Exercise Price	Balance at 1 July 2023	Issued	Exercised	Vested	Adjustment*	Forfeited	Balance at 30 June 2024
15-Sep-22	15-Sep-26	\$0.93	1,000,000	-	(250,000)	-	-	-	750,000
11-Oct-22	11-Oct-27	\$0.99	-	-	-	-	-	-	-
10-Oct-22	10-Oct-27	\$1.00	150,000	-	(37,500)	-	-	(112,500)	-
4-Nov-22	4-Nov-26	\$1.07	50,000	-	-	-	(50,000)	-	-
7-Nov-22	10-Oct-27	\$0.99	100,000	-	(25,000)	-	-	(75,000)	-
14-Nov-22	14-Nov-27	\$1.18	75,000	-	(18,750)	(56,250)	-	-	-
1-Dec-22	1-Dec-23	\$1.01	232,500	-	(232,500)	-	-	-	-
2-Dec-22	2-Dec-23	\$1.03	232,500	-	(232,500)	-	-	-	-
1-Jan-23	1-Jan-28	\$0.80	701,852	-	(349,092)	(56,250)	(20,984)	-	275,526
11-Jan-23	11-Jan-28	\$0.84	75,000	-	(75,000)	-	-	-	-
16-Jan-23	16-Jan-28	\$0.83	50,000	-	(12,500)	-	-	-	37,500
1-Feb-23	1-Feb-28	\$0.81	881,896	-	(176,707)	-	(175,068)	-	530,121
1-Apr-23	1-Apr-28	\$0.45	150,000	-	(37,500)	(56,250)	-	-	56,250
20-Jun-23	20-Jun-27	\$0.46	441,176	-	(118,647)	-	33,411	-	355,940
1-Jul-23	1-Jul-23	\$0.30	-	272,499	(272,499)	-	-	-	-
11-Aug-23	11-Aug-27	\$0.21	-	150,000	-	-	-	-	150,000
11-Dec-23	11-Dec-27	\$0.13	-	52,952,718	(3,681,866)	(5,226,935)	-	(6,954,635)	37,089,282
			<b>4,139,924</b>	<b>53,375,217</b>	<b>(5,520,061)</b>	<b>(5,395,685)</b>	<b>(212,641)</b>	<b>(7,142,135)</b>	<b>39,244,619</b>

\*Adjustment relates true-up of RSU's issued in the prior year to fixed monetary value to align with employee signed grant agreement issued during the year. This is reflective of change in share price between employee employment offer date and grant date on the Grant letter

**(h) Performance shares**

The movements in performance shares were as follows:

Grant date	Expiry date	Balance at the start of the year	Granted	Converted to Shares	Expired	Forfeited	Balance at the end of the year
24-Feb-22	12-Sep-23	167,142	-	-	(167,142)	-	-
24-Feb-22	12-Sep-24	250,714	-	-	-	(250,714)	-
12-Sept-22	22-Jan-24	33,058	-	-	(33,058)	-	-
12-Sept-22	22-Jan-24	39,669	-	-	(39,669)	-	-
12-Sept-22	22-Nov-24	92,563	-	-	-	(92,563)	-
		<b>583,146</b>	-	-	<b>(239,869)</b>	<b>(343,277)</b>	-

**(i) Performance stock units**

The movements in performance stocks were as follows:

Grant date	Expiry date	Balance at the start of the year	Granted	Vested	Expired	Forfeited	Balance at the end of the year
11-Dec-23	11-Dec-26	-	36,683,617	(2,454,578)	-	(712,616)	34,229,039
		-	<b>36,683,617</b>	<b>(2,454,578)</b>	-	<b>(712,616)</b>	<b>34,229,039</b>



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## **16 Equity (continued)**

### **(j) Capital risk management**

Exploration companies such as Lake Resources NL are funded primarily by share capital. The Consolidated entity's capital comprises share capital supported by financial assets and financial liabilities.

Management controls the capital of the Consolidated entity 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 Consolidated entity is in its exploration stage. There are no externally imposed capital requirements.

## **17 Equity - reserves**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Change in proportionate interest reserve	(8,464,134)	(8,464,134)
Capital profits reserve	4,997	4,997
Performance stock reserve	1,442,950	912,663
Restricted stock units reserve	1,487,395	1,172,327
Foreign currency translation reserve	4,359,985	(7,988,445)
Option reserve	24,385,123	20,876,359
Total equity reserves	<u>23,216,316</u>	<u>6,513,767</u>

### **(a) Change in proportionate interest reserve**

The change in proportionate interest reserve is used to recognise differences between the amount by which non-controlling interests are adjusted and any consideration paid or received which may arise as a result of transactions with non-controlling interests that do not result in a loss of control.

### **(b) Capital profits reserve**

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

### **(c) 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. Once options in a series have all been exercised or have expired, the reserve related to those options is transferred to accumulated losses.

### **(d) Performance stock reserve**

The performance stock reserve is to recognise the fair value of performance stock issued for share based payment to employees and service providers in relation to the supply of goods or services. Once performance stock in a series have all been exercised or have expired, the reserve related to those performance stocks is transferred to accumulated losses.

### **(e) Restricted stock unit reserve**

The restricted stock unit reserve is to recognise the fair value of restricted stock unit issued for share based payment to employees and service providers in relation to the supply of goods or services. Once restricted stock unit in a series have all been exercised or have expired, the reserve related to those restricted stock unit is transferred to accumulated losses.

### **(f) Foreign currency translation reserve**

The foreign currency translation reserve recognises exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

**Lake Resources NL**  
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**17 Equity - reserves (continued)**

**(g) Movements in reserves**

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

	Capital profit reserve \$	Option reserve \$	Performance rights and restricted stock units reserve \$	Change in proportionate interest reserve \$	Foreign currency translation reserve \$	Total other reserves \$
<b>At 1 July 2022</b>	<b>4,997</b>	<b>8,068,140</b>	<b>970,130</b>	<b>-</b>	<b>465,152</b>	<b>9,508,419</b>
Issue of unlisted options	-	3,489,696	-	-	-	3,489,696
Transfer from option/PSU/RSU reserve to accumulated losses on equity instrument expiry/exercise	-	(2,641,312)	-	-	-	(2,641,312)
Other comprehensive income	-	-	-	-	(8,453,597)	(8,453,597)
Share-based payment - fee for service	-	11,959,835	1,172,327	-	-	13,132,162
Unwinding performance rights to Directors	-	-	(57,467)	-	-	(57,467)
Change in proportionate interest reserve	-	-	-	(8,464,134)	-	(8,464,134)
<b>At 30 June 2023</b>	<b>4,997</b>	<b>20,876,359</b>	<b>2,084,990</b>	<b>(8,464,134)</b>	<b>(7,988,445)</b>	<b>6,513,767</b>
	Capital profit reserve \$	Option reserve \$	Performance rights and restricted stock units reserve \$	Change in proportionate interest reserve \$	Foreign currency translation reserve \$	Total other reserves \$
<b>At 1 July 2023</b>	<b>4,997</b>	<b>20,876,359</b>	<b>2,084,990</b>	<b>(8,464,134)</b>	<b>(7,988,445)</b>	<b>6,513,767</b>
Issue of unlisted options	-	1,223,065	-	-	-	1,223,065
Transfer from option/PSU/RSU reserve to accumulated losses on equity instrument expiry/exercise	-	-	(3,988,790)	-	-	(3,988,790)
Other comprehensive income	-	-	-	-	12,348,430	12,348,430
Share-based payment - fee for service	-	2,285,699	4,834,145	-	-	7,119,844
<b>At 30 June 2024</b>	<b>4,997</b>	<b>24,385,123</b>	<b>2,930,345</b>	<b>(8,464,134)</b>	<b>4,359,985</b>	<b>23,216,316</b>

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
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## 18 Earnings per share

	2024 \$	2023 \$
Loss after income tax attributable to the owners of Lake Resources NL	(52,455,552)	(45,754,115)
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share	1,489,373,660	1,403,395,825
Weighted average number of ordinary shares used in calculating diluted earnings per share	1,489,373,660	1,403,395,825
	<b>Cents</b>	<b>Cents</b>
Basic loss per share	(3.52)	(3.26)
Diluted loss per share	(3.52)	(3.26)

Options, PSU's, RSU's, Performance shares and Performance rights over ordinary shares are considered potential ordinary shares. For the year ended 30 June 2024, their conversion to ordinary shares would have had the effect of reducing the loss per share. Accordingly, the options were not included in the determination of diluted earnings per share for the period. Details relating to equity instruments are set out at Notes 20 and 21. Earnings per share for the year is not adjusted for transactions occurring after the end of the year as the transactions do not affect the amount of capital used to produce profit or loss for the year.

## 19 Dividends

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

## 20 Share-based payments

	2024 \$	2023 \$
Expensed to profit or loss - options (Note 20 (a)(i))	2,334,938	11,959,835
Expensed to profit or loss - performance stock unit (Note 20 (a)(ii))	1,296,115	-
Capitalised as equity transaction cost (Note 20 (b))	1,223,164	3,489,696
Expensed to profit or loss - RSU (Note 20 (a)(iii))	3,268,877	1,116,628
Expensed to profit or loss - performance shares (Note 20 (a)(ii))	-	(57,467)
Total	8,123,094	16,508,692
<b>Adjusted to equity</b>		
Reserve	8,123,094	16,508,692

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
**30 June 2024**

**20 Share-based payments (continued)**

**(a) (i) Expensed to Profit or Loss**

During the year equity-settled share-based payment transactions for the payment for fees and services, expensed through profit or loss, occurred as follows:

	2024 \$	2023 \$
Options issued to brokers and consultants	-	8,768,375
Options issued to executives and employees	2,334,938	3,191,460
	<u>2,334,938</u>	<u>11,959,835</u>

The options issued to KMP and senior management as part of Lake's Employee Award Program approved during the period are detailed in Note 21.

**(ii) Performance shares issued to Employees and Key Management Personnel**

Directors exercised judgement in assessing that the likelihood of the remaining hurdles for the vesting of the performance shares has materially changed since the prior year. Accordingly for the year ended 30 June 2024, nil (2023: (\$57,467)) was expensed in the profit or loss. 167,142 performances shares expired and 250,714 were forfeited during the year.

**(iii) Performance stock units issued to Employees and Key Management Personnel**

	2024 \$	2023 \$
Performance Stock Unit issued under employee award plan (expensed)	1,584,119	-
Performance Stock Unit issued under employee award plan (capitalised in exploration)	(288,004)	-
	<u>1,296,115</u>	<u>-</u>

Market based conditions were factored into the grant date fair value valuation and are not reassessed. Accordingly for the year ended 30 June 2024, \$1,296,115 was expensed in the profit or loss, while \$288,004 was capitalised during the year. During the year, the Board approved immediate vesting of the performance stock units for employee staff involuntary separation from the Company through a reduction in workforce during the year.

Details of performance stock issued during the year are detailed in Note 21(c).

Position	Number of rights granted	Performance measure	Measurement date	Expenses recognised at 30 June 2024
Senior Management Position	36,683,617	250% of current share price. 400% of current share price. 500% of current share price. 750% of current share price.	11-Dec-23	\$1,296,115 were recognised during the period.

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
**30 June 2024**

**20 Share-based payments (continued)**

**(iv) Restricted stock unit issued as part of employee benefit**

	2024 \$	2023 \$
Restricted stock unit issued under employee award plan (expensed)	3,268,899	1,116,628
Restricted stock unit issued under employee award plan (capitalised in exploration and evaluation assets)	(18,950)	55,699
	<u>3,249,949</u>	<u>1,172,327</u>

Refer to details of Restricted stock unit issued to Note 21(a).

**(b) Capitalised as equity transaction cost**

Shares under option granted to brokers and investor relations consultants in the prior period and continued to vest following these vesting conditions:

	Grant date	Expiry date	Exercise price	Granted	Charged to Equity
Canacord Tranch 1	16-Jul-21	31-Dec-24	\$0.55	10,000,000	-
Canacord Tranch 2	16-Jul-21	31-Dec-24	\$0.55	10,000,000	271,703
Canacord Tranch 3	16-Jul-21	31-Dec-24	\$0.55	10,000,000	545,699
Canacord Tranch 4	16-Jul-21	31-Dec-24	\$0.55	5,000,000	405,762
<b>Total</b>				<b>35,000,000</b>	<b>1,223,164</b>

- (a) **Tranche 1** - 10 million options which vest on the date the Company achieves a 5-day VWAP prior to the Expiry Date of A\$0.55 or above.
- (b) **Tranche 2** - 10 million options which vest on the date the Company achieves a 5-day VWAP prior to the Expiry Date of A\$0.70 or above.
- (c) **Tranche 3** - 10 million options which vest on the date the Company achieves a 5-day VWAP prior to the Expiry Date of A\$0.85 or above.
- (d) **Tranche 4** - 5 million options which vest on the date the Company achieves a 5-day VWAP prior to the Expiry Date of A\$1.25 or above.

	Tranche 1	Tranche 2	Tranche 3	Tranche 4
Grant date	16-July-21	16-July-21	16-July-21	16-July-21
Vesting date	14-Mar-23	28-Sep-23	21-Jan-24	22-Jun-24
Share Price at grant date	\$0.385	\$0.385	\$0.385	\$0.385
Exercise (Strike) Price	\$0.55	\$0.55	\$0.55	\$0.55
Time to Maturity (in years)	3	3	3	3
Annual Risk-Free Rate	0.15%	0.15%	0.15%	0.15%
Annualised Volatility	109.817%	109.817%	109.817%	109.817%

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
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## **21 Employee Option, Restricted Stock Unit and Performance Stock Plan**

Employee Award Scheme was approved by shareholders at the 2022 Annual General Meeting. The Employee Award Plan is designed to provide long-term incentives for senior management to deliver long-term shareholders returns.

Under the plan participants were granted options, performance units and restricted stock units which have various tranche vesting terms including vesting at 25% increments on each of the first four anniversaries of the commencement date, or a 50% vest at 3 years and a 50% vest at 4 years, or vesting in 25% increments dependant on share price goals.

### **(a) Restricted stock units**

Restricted stock units granted under the plan for are no consideration and carry no dividend or voting rights.

The terms and conditions of restricted stock units on issue at 30 June 2024 affecting remuneration of Directors and other KMP in this financial period or reporting period are as follows:

#### **Vesting conditions typically include:**

- Participants continuing as an employee of Lake through the applicable vesting date, where a change in control occurs while still employed by the Company, any then un-vested RSU's shall immediately vest. Settlement of a share may be settled in the form of a share or cash at the sole discretion of the Board.
- Restricted stock units granted under the plan are for no consideration and carry no dividend or voting rights.



**Lake Resources NL**  
**Notes to the consolidated financial statements**  
**30 June 2024**

**21 Employee Option, Restricted Stock Unit and Performance Stock Plan (continued)**

**(a) Restricted stock units (continued)**

Grant date	Vesting date	Number of units allotted	Fair value price
15-Sep-22	15-Sep-23	250,000	\$0.930
	15-Sep-24	250,000	\$0.930
	15-Sep-25	250,000	\$0.930
	15-Sep-26	250,000	\$0.930
7-Nov-22	7-Nov-23	25,000	\$1.070
	7-Nov-24	25,000	\$1.070
	7-Nov-25	25,000	\$1.070
	7-Nov-26	25,000	\$1.070
10-Oct-22	10-Oct-23	37,500	\$1.010
	10-Oct-24	37,500	\$1.010
	10-Oct-25	37,500	\$1.010
	10-Oct-26	37,500	\$1.010
1-Dec-22	1-Dec-23	232,500	\$1.005
2-Dec-22	2-Dec-23	232,500	\$1.030
14-Nov-22	14-Nov-23	18,750	\$1.070
	14-Nov-24	18,750	\$1.070
	14-Nov-25	18,750	\$1.070
	14-Nov-26	18,750	\$1.070
1-Jan-23	1-Jan-24	349,092	\$0.800
	1-Jan-25	110,592	\$0.800
	1-Jan-26	110,592	\$0.800
	1-Jan-27	110,592	\$0.800
11-Jan-23	11-Jan-24	18,750	\$0.840
	11-Jan-25	18,750	\$0.840
	11-Jan-26	18,750	\$0.840
	11-Jan-27	18,750	\$0.840
16-Jan-23	16-Jan-24	12,500	\$0.825
	16-Jan-25	12,500	\$0.825
	16-Jan-26	12,500	\$0.825
	16-Jan-27	12,500	\$0.825
1-Feb-23	1-Feb-24	176,707	\$0.815
	1-Feb-25	176,707	\$0.815
	1-Feb-26	176,707	\$0.815
	1-Feb-27	176,707	\$0.815
1-April-23	1-April-24	37,500	\$0.445
	1-April-25	37,500	\$0.445
	1-April-26	37,500	\$0.445
	1-April-27	37,500	\$0.445
20-Jun-23	20-Jun-24	118,647	\$0.460
	20-Jun-25	118,647	\$0.460
	20-Jun-26	118,647	\$0.460
	20-Jun-27	118,647	\$0.460
30-Jun-23	30-Jun-23	272,499	\$0.300
11-Aug-23	11-Aug-24	37,500	\$0.210
	11-Aug-25	37,500	\$0.210
	11-Aug-26	37,500	\$0.210
	11-Aug-27	37,500	\$0.210

Lake Resources NL  
Notes to the consolidated financial statements  
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## 21 Employee Option, Restricted Stock Unit and Performance Stock Plan (continued)

### (a) Restricted stock units (continued)

Grant date	Vesting date	Number of units allotted	Fair value price
11-Dec-23	11-Dec-24	146,106	\$0.125
	11-Dec-25	146,106	\$0.125
	11-Dec-26	146,106	\$0.125
	11-Dec-27	146,106	\$0.125
11-Dec-23	11-Dec-26	26,184,148	\$0.130
	11-Dec-27	26,184,148	\$0.130
		<b>57,302,500</b>	

Several restricted stock units issued during the year vested immediately and during the year. Expenses recognised during the year include:

Grant date	Number of RSUs granted	Expiry date	Exercise price	Fair value at grant date	Expensed \$
15-Sept-22	1,000,000	15-Sep-26	-	\$0.930	302,298
10-Oct-22	150,000	10-Oct-27	-	\$0.995	-
11-Oct-22	100,000	11-Oct-27	-	\$0.990	(13,231)
14-Nov-22	75,000	14-Nov-27	-	\$1.180	54,156
1-Dec-22	232,500	1-Dec-23	-	\$1.030	98,586
2-Dec-22	232,500	2-Dec-23	-	\$1.030	101,695
1-Jan-23	680,868	1-Jan-27	-	\$0.800	258,656
11-Jan-23	75,000	11-Jan-27	-	\$0.835	47,442
16-Jan-23	50,000	16-Jan-27	-	\$0.825	16,841
1-Feb-23	706,828	1-Feb-27	-	\$0.815	241,116
1-April-23	150,000	1-April-27	-	\$0.445	44,443
20-Jun-23	474,587	20-Jun-27	-	\$0.305	74,467
30-Jun-23	272,499	30-Jun-23	-	\$0.30	81,750
11-Aug-23	150,000	11-Aug-27	-	\$0.21	15,030
11-Dec-23	52,952,718	11-Dec-27	-	\$0.13	1,945,629
	<b>57,302,500</b>				<b>3,268,877</b>

### (b) Options

Options granted under the plan for are no consideration and carry no dividend or voting rights.

The terms and conditions of options on issue at 30 June 2024 affecting remuneration of Directors and other KMP (Note 20 (a)(i)) and employees in this financial period or reporting period are as follows:

#### Vesting conditions typically include:

- Participants continuing an employee of Lake through the applicable vesting date, where a change in control occurs while still employed by the company, any then un-vested options shall immediately vest. Settlement of a share may be settled in the form of a share or cash at the sole discretion of the Board.
- Options granted under the plan are for no consideration and carry no dividend or voting rights.

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
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**21 Employee Option, Restricted Stock Unit and Performance Stock Plan (continued)**

**(b) Options (continued)**

Under the plan, participants are granted options which vest in 25% increments on each of the first four anniversaries of the commencement date. These options have been valued using the Black-Scholes model with the following assumptions:

- The exercise price is based on fair value of share price at grant date;
- The exercise price of options is based on fair value of share price on the last open day of the stock market prior to the Commencement Date; and
- The options have varying grant dates being the dates on which the employee commenced employment with the Company. The offer price for each grant date has been taken as the closing price on the ASX prior to the Commencement Date.

Expenses recognised during the year include:

Grant date	Number of options granted	Expiry date	Exercise price	Fair value	Expensed \$
20-Jul-22	1,000,000	20-Jul-25	\$0.700	\$0.700	-
22-Aug-22	1,000,000	22-Aug-25	\$1.500	\$1.500	-
15-Sept-22	4,000,000	15-Sep-27	\$1.130	\$1.130	934,759
10-Oct-22	500,000	10-Oct-27	\$0.995	\$0.995	(49,240)
11-Oct-22	300,000	11-Oct-27	\$0.990	\$0.990	(29,086)
14-Nov-22	75,000	14-Nov-27	\$1.175	\$1.175	(5,236)
21-Nov-22	50,000	21-Nov-27	\$1.060	\$1.060	(2,730)
1-Jan-23	809,750	1-Jan-28	\$0.800	\$0.800	194,491
9-Jan-23	1,000,000	9-Jan-28	\$0.830	\$0.840	721,874
11-Jan-23	75,000	11-Jan-28	\$0.835	\$0.835	371
16-Jan-23	100,000	16-Jan-28	\$0.825	\$0.810	26,462
1-Feb-23	1,338,656	1-Feb-28	\$0.815	\$0.815	307,170
1-April-23	150,000	1-April-28	\$0.445	\$0.445	14,941
16-Jun-23	632,762	16-Jun-28	\$0.460	\$0.460	163,900
11-Aug-23	75,000	16-Jun-28	\$0.460	\$0.460	8,023
	<b>11,106,168</b>				<b>2,285,699</b>

Grant date	20-Jul-22	22-Aug-22	15-Sep-22	11-Oct-22	10-Oct-22	14-Nov-22
Vesting Date	20-Jul-22	22-Aug-22	15-Sep-26	11-Oct-26	10-Oct-27	14-Nov-26
Share Price at grant date	\$0.700	\$1.210	\$0.925	\$0.990	\$0.995	\$1.175
Exercise (Strike) Price	\$0.700	\$1.500	\$1.130	\$0.990	\$0.995	\$1.175
Time to Maturity (in years)	5	3	5	5	5	5
Annual Risk-Free Rate	3.21%	3.6%	3.79%	3.70%	3.57%	3.44%
Annualised Volatility	108.18%	109.949%	109.949%	107.70%	107.70%	107.7%

Grant date	21-Nov-22	1-Jan-23	9-Jan-23	11-Jan-23	16-Jan-23	1-Feb-23	20-Jun-23
Vesting Date	21-Nov-22	1-Jan-27	9-Jan-27	11-Jan-27	16-Jan-27	1-Feb-27	20-Jun-27
Share Price at grant date	\$1.060	\$0.800	\$0.830	\$0.835	\$0.825	\$0.815	\$0.305
Exercise (Strike) Price	\$1.060	\$0.800	\$0.830	\$0.835	\$0.825	\$0.815	\$0.305
Time to Maturity (in years)	5	5	5	5	5	5	5
Annual Risk-Free Rate	3.34%	3.7%	3.46%	3.46%	3.32%	3.30%	3.95%
Annualised Volatility	107.7%	106.622%	106.622%	106.622%	106.622%	106.41%	106.62%

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
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**21 Employee Option, Restricted Stock Unit and Performance Stock Plan (continued)**

**(b) Options (continued)**

Grant date	1-April-23	20-Jun-23	11-Aug-23
Vesting Date	1-April-27	20-Jun-27	11-Aug-27
Share Price at grant date	\$0.445	\$0.305	\$0.21
Exercise (Strike) Price	\$0.445	\$0.305	\$0.21
Time to Maturity (in years)	5	5	5
Annual Risk-Free Rate	3.03%	3.95%	4.01%
Annualised Volatility	103.16%	106.62%	100.068%

**(c) Performance stock units**

Under the plan, participants are granted performance shares which vest in tranches based on achievement of share price targets. These Market Based Awards Vest in 25% increments when the share price increases from \$0.13 by 250%, 400%, 500%, 750%.

These Performance units have been valued using Monte Carlo simulation with the following assumptions:

1. Share price at the grant date was \$0.13; and
2. While each tranche vests upon achievement of the share price target, PSU awards are subject to a minimum three (3) year lock from the date of grant and participants will not be able to convert units into awards until completion of the three (3) year lock.

Grant date	Expiry date	Balance at the start of the year	No of PSUs Granted	Converted to Shares	No of PSUs Forfeited	Balance at the end of the year	Expensed 2024 \$
11-Dec-23	11-Dec-26	-	36,683,617	(2,454,578)	(712,616)	33,516,423	1,296,115
		-	<b>36,683,617</b>	<b>(2,454,578)</b>	<b>(712,616)</b>	<b>33,516,423</b>	<b>1,296,115</b>

Grant date	11-Dec-23
Vesting Date	11-Dec-26
Share Price at grant date	\$0.13
Exercise (Strike) Price	\$0.000
Time to Maturity (in years)	5
Annual Risk-Free Rate	4.01%
Annualised Volatility	100.068%

**22 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. These policies include identification and analysis of the risk exposure of the Consolidated entity and appropriate procedures, controls and risk limits.

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
**30 June 2024**

**22 Financial instruments (continued)**

**(a) 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 Consolidated entity's functional currency.

The Consolidated entity use a legal trading mechanism commonly known as the Gain on Electronic Payment Market (MEP Dollar) in which the Argentinian subsidiary, Morena Del Valle SA and Minerales Australes SA buy Argentinian bonds in USD, and then sell the bonds, via local banking broker in Argentina, for ARG Peso on the same day. This is to enable the Consolidated entity to fund working capital and exploration activities in its Argentinian operations. See Note 5 for further information.

The carrying amount of the Consolidated entity's foreign currency denominated financial instruments at the reporting date were as follows, expressed in AUD:

	<b>Assets</b>		<b>Liabilities</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
US Dollars	427,958	15,846,866	432,237	1,625,224
Pound Sterling	-	-	-	48,712
Argentina Pesos	117,624	3,058,278	118,780	1,293,078
Total	545,582	18,905,144	551,017	2,967,014

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
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**22 Financial instruments (continued)**

**(a) Foreign currency risk (continued)**

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

	AUD strengthen by 1%		AUD weaken by 1%	
	Impact on		Impact on	
	Profit before tax	Equity	Profit before tax	Equity
	\$	\$	\$	\$
<b>2024</b>				
USD assets	(8,790)	164,290	8,967	(161,037)
USD liabilities	(4,280)	(164,290)	4,366	161,037
GBP liabilities	-	(102,966)	-	100,927
ARS liabilities	(1,176)	(50)	1,200	50
ARS assets	(7,252)	50	7,399	(50)
Total	(21,498)	(102,966)	21,932	100,927
<b>2023</b>				
USD assets	(156,900)	257,803	160,069	(252,698)
USD liabilities	(16,091)	(257,803)	16,416	252,698
GBP liabilities	(48,712)	(161,651)	492	158,450
ARS liabilities	(12,803)	(20)	13,061	20
ARS assets	(30,280)	20	30,891	(20)
Total	(264,786)	(161,651)	220,929	158,450

**(b) Price risk**

The Consolidated entity is not exposed to any significant price risk.

**(c) Interest rate risk**

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

**(d) Credit risk**

Generally, other 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 with credit risk ratings of Aa3 (Moody's) and AA- (Standard and Poors). The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the Statement of Financial Position and Notes to the financial statements. The Consolidated entity does not hold any collateral.



**Lake Resources NL**  
**Notes to the consolidated financial statements**  
**30 June 2024**

## 22 Financial instruments (continued)

### (e) Liquidity risk

Vigilant liquidity risk management requires the Consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available liabilities 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.

### (i) 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.

Contractual maturities of financial liabilities	Weighted average interest rate	<1 year	1 - 2 years	2 - 5 years	> 5 years	Remaining contractual maturities
30 June 2024	%	\$	\$	\$	\$	\$
<b>Non-derivatives</b>						
Trade and Other payables	-	3,158,267	-	-	-	3,158,267
Lease liabilities	4.65	967,837	654,639	850,045	-	2,472,521
<b>Total non-derivatives</b>	4.65	4,126,104	654,639	850,045	-	5,630,788
<b>30 June 2023</b>						
<b>Non-derivatives</b>						
Trade and Other payables	-	10,773,518	-	-	-	10,773,518
Lease liabilities	4.65	922,131	1,314,637	856,129	-	3,092,897
<b>Total non-derivatives</b>	4.65	11,695,649	1,314,637	856,129	-	13,866,415

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.

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
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**23 Key Management Personnel disclosures**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Directors fees and/or salary	3,215,475	3,223,029
Consulting fees	-	142,312
Annual leave	(43,083)	242,170
Short-term benefits	1,119,817	679,292
Other benefits - termination benefit	158,260	-
<b>Total Short-term Benefits</b>	<b>4,450,469</b>	<b>4,286,803</b>
Post-employment benefits (superannuation/severance)	909,149	102,778
Long service leave	(1,257)	2,185
Share-based payments	2,168,718	1,862,016
<b>Total Long-term Benefits</b>	<b>3,076,610</b>	<b>1,966,979</b>
<b>Total Remuneration</b>	<b>7,527,079</b>	<b>6,253,782</b>

**24 Remuneration of auditors**

During the financial year the following fees were paid or payable for services provided by BDO Audit Pty Ltd, the auditor of the Consolidated entity.

**(a) Audit services**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Audit and review of financial statements		
BDO Audit Pty Ltd	180,365	603,677
BDO Argentina	33,411	-
Total audit and review of financial reports	<b>213,776</b>	<b>603,677</b>
Other services		
Tax compliance services	166,974	112,670

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
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## **25 Related party transactions**

**(a) Parent entities**

Lake Resources NL is the parent entity.

**(b) Subsidiaries**

Interests in subsidiaries are set out in Note 28.

**(c) Key Management Personnel**

Disclosures relating to Key Management Personnel are set out in Note 23 and the remuneration report included in the Directors' report.

**(d) Transactions with other related parties**

The following transactions occurred with related parties:

	2024 \$	2023 \$
<i>Payment for services</i>		
Consultancy services provided by an entity associated with Amalia Saenz (Director resigned 1 Feb 2023)	-	142,312
	<hr/>	<hr/>
<i>Receivable from and (payable to) related parties</i>		
Net advances to Mr Stephen Promnitz	-	200,000
	<hr/>	<hr/>

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
**30 June 2024**

**26 Parent entity financial information**

**(a) Summary financial information**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Statement of financial position		
Current assets	151,396,109	167,445,592
Total assets	220,398,932	180,408,601
Current liabilities	1,878,012	4,157,106
Total liabilities	1,878,839	4,158,600
<i>Shareholders' equity</i>		
Issued capital	243,870,140	229,703,797
Reserves		
Options reserve	24,385,123	20,876,359
Capital profits reserve	4,997	4,997
Performance rights reserve	1,442,950	912,663
Employee Award Program reserve( Restricted Stock Units)	1,487,395	1,172,327
Accumulated losses	(117,109,044)	(76,420,142)
	<u>154,081,561</u>	<u>176,250,001</u>
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Profit or loss for the year</b>	<u>(40,688,902)</u>	<u>(53,666,765)</u>
<b>Total comprehensive income</b>	<u>(40,688,902)</u>	<u>(53,666,765)</u>

**(b) 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 2024 and 30 June 2023.

**(c) Contingent liabilities**

The parent entity had no contingent liabilities as at 30 June 2024 and 30 June 2023.

**(d) Capital commitments - Property, plant and equipment**

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2024 and 30 June 2023.

**(e) 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; and
- Dividends received from subsidiaries are recognised as other income by the parent entity.

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
**30 June 2024**

**27 Non-controlling interests**

					2024	2023
					\$	\$
Interest in:						
Reserves					1,419,904	5,075,005
	Proportion of ownership interest and voting rights held by the NCI		Total comprehensive income allocated to NCI		Accumulated NCI	
Name	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023
Kachi Lithium Pty Ltd	20%	20%	(3,655,101)	(3,389,129)	1,419,904	5,075,005

As at 30 June 2023, Lilac earned additional 10% interest in Kachi Lithium Pty (KLPL) upon completion of a key milestone relating to Lilac test work on-site, taking the interest earned at 30 June 2023 to 20%. There have been no changes as at 30 June 2024. Details of the relevant phases and KPI are detailed below which entitles Lilac to Class B shares.

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
**30 June 2024**

**27 Non-controlling interests (continued)**

Details of the key milestones are highlighted below:

	Event	KPI	Status
1	Commitment to provide fund	Phase 1 will commence on the "Effective Date" under the Shareholders Agreement and end the day prior to the day on which Phase 2 commences	Achieved earned 10% stake in Kachi Lithium Pty Ltd commitment to provide fund
2	Preparation of the Oakland Chloride Product	The Oakland Chloride Product will be a "Lithium Carbonate Feed," meaning that, in each case as reported by Lilac and confirmed via sample analysis by SGS S.A., ALS Limited, or a similar high quality Third Party analytical lab selected by Lilac (an "Independent Lab"), it will have: 1. lithium content above 1 g/L; 2. total sodium, magnesium, calcium, and potassium ("Other Metal Cations") content less than 3x higher than lithium content (e.g., if lithium at 2 g/L, total Other Metal Cations must be less than 6 g/L); and 3. iron and boron content each less than 1/10th the lithium content (e.g. if lithium at 2 g/L, iron and boron must each be below 0.2 g/L).	Achieved KPI for production of 2,500 kg LCE in April 2023. Lilac ownership moved from 10% to 20% of KLP at that time (See press release from 17 April 2023).
	Lilac Test-Work in Oakland to Support DFS	An Oakland Pilot Work test must demonstrate, in each case as reported by Lilac and confirmed via sample analysis by an Independent Lab: 1. lithium recovery above 80% for a brine containing at least 250 mg_Li/L (if test is done on a brine provided by Lake with less than 250 mg_Li/L, the required lithium recovery for this KPI shall be reduced by 0.5% for every 1 mg_Li/L below 250 mg_Li/L of the brine); and 2. production of a lithium chloride solution that is a Lithium Carbonate Feed, as defined in the specifications in 1 above.	
	Lilac Test-Work On-Site	1. Lilac completes at least 1,000 hours of operations (including uptime, maintenance, monitoring, and other work that constitutes operations as determined by Lilac in its reasonable discretion) of the Lilac Pilot Unit onsite at Kachi provided, however that this will be deemed achieved if Lake fails to facilitate operation of the Pilot Unit pursuant to clause 8.4; and 2. produces a Lithium Carbonate Feed (as defined in the specifications in KPI 1 above) totalling at least 2,500 kg of lithium carbonate equivalents from onsite operations (storage of this product will be Lake's sole responsibility and at Lake's sole cost).	
3	Product Qualification	Phase 3 will commence on the date on which the Class B Shareholder satisfies the Phase 3 (obtain Tier 1 Product Qualification) and ends on the date of conversion of the Class A Shares into Class A-1 Shares	The demonstration plant test program has been completed at Kachi. Acceptance of the Tier 1 Product Qualification is ongoing. This KPI may be met in 2024 as the strategic partner process advances. In the event of confirmation of Tier 1 Product Qualification Lilac would earn a further 5% ownership stake in KLP.



**Lake Resources NL**  
**Notes to the consolidated financial statements**  
**30 June 2024**

**27 Non-controlling interests (continued)**

Summarised financial information for Kachi Lithium Pty Ltd, before intra-group eliminations, is set out below:

	2024 \$	2023 \$
Current asset	1,169,530	7,995,496
Non-current assets	159,058,155	114,597,171
<b>Total assets</b>	<u>160,227,685</u>	<u>122,592,667</u>
Current liabilities	(85,105,208)	71,875,092
Non-current liabilities	(2,735,981)	151,461
<b>Total liabilities</b>	<u>(87,841,189)</u>	<u>72,026,553</u>
Equity attributable to owners of the parent	72,386,496	50,566,113
Non-controlling interest	<u>(5,398,162)</u>	<u>6,965,205</u>
Profit for the period attributable to owners of the parent	(22,322,934)	1,044,655
Loss for the period attributable to NCI	(1,567,044)	(1,498,928)
<b>Profit for the year</b>	<u>(23,889,978)</u>	<u>(454,273)</u>
Total comprehensive income for the period attributable to the owners of the parent	(32,763,222)	(8,340,036)
Total comprehensive income for the period attributable to NCI	(3,655,101)	(3,389,129)
<b>Profit for the year</b>	<u>(36,418,323)</u>	<u>(11,729,165)</u>

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
**30 June 2024**

## **28 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 of entity	Principal place of business/ Country of incorporation	Ownership interest held by the group	
		2024 %	2023 %
Lith NRG Pty Ltd	Australia	100	100
Minerales Australes SA	Argentina	100	100
Morena del Valle Minerals SA*	Argentina	80	80
Lake Resources CRN Pty Ltd	Australia	100	100
Kachi Lithium Pty Ltd*	Australia	80	80
Lake Corporate FL LLC**	USA	100	100
Lake Corporate Inc**	USA	100	100

\* Refer to Note 27 for details on the non-controlling interest on Kachi Lithium Pty Ltd which owns Morena del Valle Minerals SA.

\*\* Lake Corporate FL LLC and Lake Corporate Inc. were incorporated on 31 August 2022 as a wholly owned subsidiaries of Lake Resources NL.

Kachi Lithium Pty Ltd ("KLPL") was incorporated on 26 August 2021 as a wholly owned subsidiary of Lith NRG Pty Ltd. KLPL will be the vehicle through which the Kachi Project will operate and will be the owner of the shares of Morena del Valle Minerals. Under the agreement with Lilac Solutions Inc, Lilac has the ability to earn up to 25% of the ownership of KLPL.

## **29 Events after the reporting period**

On 25 July 2024, the Company announced that it has utilised its ATM to raise \$2,500,000 (inclusive of costs) by agreeing to issue 65,000,000 fully paid ordinary shares to Acuity Capital.

On 26 July 2024, the Company announced the resignation of its non-executive directors (Mr. Atkins, Dr. Bo-Linn, and Ms. Chapman) as additional measures to right-size and reduce expenditure level of the company.

In September 2024, the lease for office space in Texas has been sub-leased for the remainder of the term.

Subsequent to 30 June 2024, the Company implemented cost reduction initiatives to right-size its headcount and expenditure level with a reduction of approximately 50% of global headcount, including six members of the Company's executive team, and decrease of general and administrative expenses (refer to ASX announcement 1 July 2024). These actions are in addition to the approximate 50% reduction in non-core operational and administrative workforce announced in March 2024 (refer to ASX announcement 4 March 2024). These initiatives are not expected to impact ongoing strategic priorities for Kachi.

No other matter or circumstance has arisen since 30 June 2024 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.

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
**30 June 2024**

**30 Cash flow information**

**(a) Reconciliation of loss after income tax to net cash used in operating activities**

	Note	2024 \$	2023 \$
<b>Loss for the year</b>		(54,022,596)	(47,253,042)
Adjustments for:			
Depreciation and amortisation		700,922	207,433
Share-based payments (non cash)		6,899,930	13,018,996
Net proceeds from foreign exchange		(21,720,572)	(43,696,631)
Impairment of assets		-	1,929,446
Remeasurement of other financial asset		2,998,623	10,661,443
Unrealised gain or loss		21,811,229	25,071,320
Realised gain or loss		681,631	506,379
Change in operating assets and liabilities:			
(Increase)/decrease in trade and other receivables		53,095	2,309,343
Increase in other current assets		(17,077)	(1,134,068)
Increase/(decrease) in trade and other payables		(7,505,760)	6,732,672
Increase in employee benefits		10,323,151	3,912,341
Net cash outflow from operating activities		<u>(39,797,424)</u>	<u>(27,734,368)</u>

**(b) Non-cash investing and financing activities**

(i) During the year the Consolidated entity recognised the following non-cash investing and financing transactions:

	2024 \$	2023 \$
Options issued to brokers	<u>(1,223,164)</u>	<u>(3,489,696)</u>

(ii) Reconciliation of net debt:

	2024 \$	2023 \$
Opening balance	1,672,844	277,857
Repayments - cash	(1,258,288)	(244,767)
Lease liability on inception	1,760,931	1,456,920
Interest and finance cost	204,045	182,834
Closing balance	<u>2,379,532</u>	<u>1,672,844</u>

**Lake Resources NL**  
**Notes to the consolidated financial statements**  
**30 June 2024**

**31 Commitments**

**(a) Tenement Expenditure Commitments**

The Consolidated entity has no annual spending commitments required by Government or other bodies in order to maintain the standing of our Argentinian tenements. However, the Consolidated entity is required to pay annual mining fees to keep the tenement rights in good standing, the approximate annual cost is AUD\$103,000.

**32 Contingencies**

The Consolidated entity had no contingent liabilities at 30 June 2024 (2023: nil).

**Lake Resources NL**  
**Consolidated Entity Disclosure Statement**  
**as at 30 June 2024**

Name of entity	Type of entity	Trustee, partner or participant in JV	AS AT 30 JUNE 2024		Australian resident or foreign resident	Foreign jurisdiction(s) of foreign residents
			% of share capital	Place of incorporation		
Kachi Lithium Pty Ltd	Body Corporate	-	80%	Australia	Australian	N/A
Lake Resources NL	Body Corporate	-	N/A	Australia	Australian	N/A
Lith NRG Pty Ltd	Body Corporate	-	100%	Australia	Australian	N/A
Minerales Australes SA	Body Corporate	-	100%	Argentina	Australian	N/A
Morena del Valle Minerals SA*	Body Corporate	-	80%	Argentina	Australian	N/A
Lake Resources CRN Pty Ltd	Body Corporate	-	100%	Australia	Australian	N/A
Lake Corporate FL LLC	Body Corporate	-	100%	USA	Foreign	USA
Lake Corporate Inc	Body Corporate	-	100%	USA	Foreign	USA
Lake Mining Pakistan (Pvt) Limited	Body Corporate	-	100%	Pakistan	Foreign	Pakistan

\* MVM is 100% owned by KLP, however, as Lake owns 80% of KLP, Lake NL economic interest is reflected.

**Basis of preparation**

This Consolidated Entity Disclosure Statement ("CEDS") has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with *AASB 10 Consolidated Financial Statement*.

**Determination of tax residency**

Section 295 (3A)(vi) of the Corporation Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the Consolidated entity has applied the following interpretations:

**Australian tax residency**

The Consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

**Foreign tax residency**

Where necessary, the Consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the Corporations Act 2001).

**Partnerships and trusts**

Australian tax law generally does not contain corresponding residency tests for partnerships and trusts and these entities are typically taxed on a flow-through basis. Additional disclosures on the tax status of partnerships and trusts have been provided where relevant.

**Lake Resources NL**  
**Directors' declaration**  
**30 June 2024**

**In the Directors' opinion:**

- (a) the consolidated financial statements and notes set out on pages 56 to 114 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
  - (ii) giving a true and fair view of the Consolidated entity's financial position as at 30 June 2024 and of its performance for the financial year ended on that date.
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable, and
- (c) the Consolidated entity disclosure statement on page 115 is true and correct.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.



S. Crow  
Director  
25 September 2024

## INDEPENDENT AUDITOR'S REPORT

To the members of Lake Resources NL

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Lake Resources NL (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, 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 report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2024 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 Group in accordance with 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 (including Independence Standards)* (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 describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.



## 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. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

### Carrying value of exploration and evaluation assets

Key audit matter	How the matter was addressed in our audit
<p>Refer to note 10 in the annual report. The Group carries exploration and evaluation assets as at 30 June 2024 in accordance with the Group's accounting policy for exploration and evaluation assets.</p> <p>The recoverability of exploration and evaluation assets is a key audit matter due to the significance of the total balance and the level of procedures undertaken to evaluate management's application of the requirements of AASB 6 Exploration for and Evaluation of Mineral Resources ('AASB 6') in light of any indicators of impairment that may be present.</p>	<p>Our procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> <li>• Obtaining an understanding of the current status of the tenements/project including key activities undertaken during the period;</li> <li>• Making enquiries of management with respect to whether any impairment indicators in accordance with AASB 6 have been identified across the Group's exploration project;</li> <li>• Assessing management's determination that exploration activities have not yet progressed to the point where the existence or otherwise of an economically recoverable mineral resource may be determined through discussions with management and review of ASX announcements and other relevant documentation;</li> <li>• Reviewing capitalised exploration expenditure during the period to ensure it meets the recognition criteria under AASB 6; and</li> <li>• Ensuring that the group has the rights to tenure and maintains the tenements in good standing.</li> </ul>

## **Other information**

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

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 that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of the directors for the Financial Report**

The directors of the Company are responsible for the preparation of:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group 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 Group or to cease operations, or has 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

[https://www.auasb.gov.au/admin/file/content102/c3/ar1\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf)

This description forms part of our auditor's report.

## **Report on the Remuneration Report**

### **Opinion on the Remuneration Report**

We have audited the Remuneration Report included in pages 30 to 52 of the directors' report for the year ended 30 June 2024

In our opinion, the Remuneration Report of Lake Resources NL, for the year ended 30 June 2024 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.

**BDO Audit Pty Ltd**



**R M Swaby**  
Director

Brisbane, 25 September 2024

## 2024 Corporate Governance Statement

This corporate governance statement sets out the corporate governance policies and practices in place throughout the reporting period and/or which are current in accordance with 4th edition of the ASX Principles of Good Corporate Governance and Best Practice Recommendations.

This corporate governance statement is current as at 25 September 2024 and has been approved by the Board. It is available on the Company's website at [www.lakeresources.com.au](http://www.lakeresources.com.au).

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
<b>1. Lay solid foundations for management and oversight</b>		
1.1. A listed entity should have and disclose a board charter setting out:	Yes	<p>The Company has adopted a Board Charter which sets out the roles and responsibilities of the Board, the Chairman, senior management (including the Managing Director and Chief Executive officer), and the Company Secretary. The Board Charter also sets out the matters expressly reserved to the Board and those delegated to management.</p> <p>The Board is responsible for the performance and overall corporate governance of the Company including the strategic direction, selection of executive directors, establishing goals for management and monitoring the achievement of those goals and approval of budgets.</p> <p>Day to day management of the Company's affairs and implementation of the corporate strategy are delegated by the Board to the Managing Director and Chief Executive Officer and senior management; however, the Board continues to be responsible for ensuring that management's objective and activities are aligned with the Company's values and risk appetite, as set by the Board from time to time.</p> <p>A copy of the Board Charter is available in the 'Investor Hub' section of the Company's website at <a href="http://www.lakeresources.com.au">http://www.lakeresources.com.au</a>.</p>
(a) the respective roles and responsibilities of its board and management; and		
(b) those matters expressly reserved to the board and those delegated to management.		

**2024 Corporate Governance Statement (continued)**

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
<b>1. Lay solid foundations for management and oversight</b>		
1.2. A listed entity should:	Yes	<p>The Board has constituted a Nomination and Governance Committee to support and advise the Board in, amongst other things, undertaking appropriate checks before appointing a candidate as a director or a senior executive, or putting forward to security holders a candidate for election as a director, including checks in respect of character, experience, education, criminal record and bankruptcy history. The Nomination and Governance Committee is also responsible for ensuring the Board has an appropriate mix of skills and experience to be an effective decision-making body, and that the Board is comprised of directors who contribute to the successful management of the Company and discharge their duties having regard to the law and the highest standards of corporate governance.</p> <p>The Nomination and Governance Committee is also responsible for ensuring all material information relevant to a decision on whether or not to elect or re-elect a director is provided to security holders. Therefore, the Notice of Meeting each year dispatched to all security holders prior for the AGM includes all such material information obtained by the Company to enable security holders to make an informed decision in respect of the re-election of directors at the AGM.</p> <p>A copy of the Nomination and Governance Committee Charter is available in the 'Investor Hub' section of the Company's website at <a href="http://www.lakeresources.com.au">http://www.lakeresources.com.au</a>.</p> <p>Due to the reduction in Board size from six to three members announced to ASX on 26 July 2024, the Company will be considering whether to dissolve the Nomination and Governance Committee for the remainder of the 2024-2025 fiscal year, in which case all duties of the Nomination and Governance Committee would be assumed by the full constituted Board of Directors.</p>
1.3. A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes	The Company has written agreements in place with all directors and senior executives setting out the terms of their appointment.
1.4. The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Yes	The Board Charter provides for the Company Secretary to be accountable directly to the Board through the Chair, on all matters to do with the proper functioning of the Board.

## 2024 Corporate Governance Statement (continued)

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
<b>1. Lay solid foundations for management and oversight (Continued)</b>		
1.5. A listed entity should:	No	<p>The Company has adopted a Diversity Policy which is available in the 'Investor Hub' section of the Company's website at <a href="http://www.lakeresources.com.au">http://www.lakeresources.com.au</a>.</p> <p>In this reporting period and during the reporting period 2022-2023, the Company had two female board members representing 33% of the Board membership and three female senior executives, representing 37.5% of senior executives (3 of 8). As of the end of the reporting period, the Company had 30 female employees representing 40% of the total number of employees.</p> <p>The Board notes that it has made substantial progress over the last year to actively manage diversity as a means of enhancing the Company's performance by recognising and utilising the contribution of diverse skills and talent from its directors, senior management, and employees. While the Board remains committed to the goal of gender diversity at all levels, given the size and stage of development of the Company, it has not yet set "measurable objectives" for achieving gender diversity in the composition of its board, senior executive or workforce generally. However, the Board will continually monitor this position pursuant to the Company's Diversity Policy and will implement measurable objectives as and when it deems the Company to require them. The future implementation of any measurable objectives will be disclosed to security holders via the Company's website and outcomes following the implementation of measurable objectives will be disclosed in its annual report.</p>
<p>(a) Have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executive and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set for that period to achieve gender diversity</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equity Indicators", as defined in and published under that Act.</p> <p>If the entity was in the S &amp; P/ASX 300 index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>		

**2024 Corporate Governance Statement (continued)**

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
<b>1. Lay solid foundations for management and oversight (Continued)</b>		
1.6. A listed entity should:	Yes	
(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and		<p>The Company has a Compensation Committee which is responsible for overseeing the annual evaluations of the Board, its committees and individual directors, as appropriate.</p> <p>A copy of the Company's Compensation Committee Charter and Performance Evaluation Policy is available in the 'Investor Hub' section of the Company's website at <a href="http://www.lakeresources.com.au">http://www.lakeresources.com.au</a>.</p> <p>Each committee of the Board is also responsible for annually performing an evaluation of the performance of that committee.</p> <p>Performance evaluations of the Board, its committees and individual directors did take place during the reporting period.</p> <p>Due to the reduction in Board size from six to three members announced to ASX on 26 July 2024, the Company will be considering whether to dissolve the Compensation Committee for the remainder of the 2024-2025 fiscal year, in which case all duties of the Compensation Committee would be assumed by the full constituted Board of Directors.</p>
(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.		



## 2024 Corporate Governance Statement (continued)

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
<p>1.7. A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	Yes	<p>The Company has a Nomination and Governance Committee which is responsible for overseeing the annual evaluations of its senior executives, including the Managing Director and Chief Executive Officer, as appropriate.</p> <p>As above, a copy of the Company's Compensation Committee Charter and Performance Evaluation Policy is available in the 'Investor Hub' section of the Company's website at <a href="http://www.lakeresources.com.au">http://www.lakeresources.com.au</a>.</p> <p>The Chairman is responsible for undertaking the evaluation of the MD/CEO, and this evaluation is based on specific criteria, including the business performance of the Company and its subsidiaries, whether strategic objectives are being achieved and the development of management and personnel.</p> <p>The MD/CEO is responsible for evaluating the performance of the senior executives in each reporting period.</p> <p>Performance evaluations did take place during this reporting period in accordance with the process disclosed in the Company's Performance Evaluation Policy.</p> <p>Due to the reduction in Board size from six to three members announced to ASX on 26 July 2024, the Company will be considering whether to dissolve the Compensation Committee for the remainder of the 2024-2025 fiscal year, in which case all duties of the Compensation Committee would be assumed by the full constituted Board of Directors.</p>

**2024 Corporate Governance Statement (continued)**

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
<b>2. Structure the board to be effective and add value</b>		
2.1. The board of a listed entity should:	Yes	The Company has constituted a Nomination and Governance Committee which, during the reporting period, had three members who were all independent directors, and was chaired also by an independent director. The committee was comprised during the reporting period of the following directors:
(a) have a nomination committee which:		<ul style="list-style-type: none"> <li>• Cheemin Bo Linn - Chair</li> <li>• Robert Trzebski</li> <li>• Ana Gomez Chapman</li> </ul>
(1) has at least three members, a majority of whom are independent directors; and		The number of times the Committee met throughout the reporting period and the individual attendances at those meetings, are recorded in the Company's Annual Financial Statements.
(2) is chaired by an independent director,		The Charter of the Nomination and Governance Committee is available in the 'Investor Hub' section of the Company's website at <a href="http://www.lakeresources.com.au">http://www.lakeresources.com.au</a> .
and disclose:		
(3) the charter of the committee;		Due to the reduction in Board size from six to three members announced to ASX on 26 July 2024, the Company will be considering whether to dissolve the Compensation Committee for the remainder of the 2024-2025 fiscal year, in which case all duties of the Compensation Committee would be assumed by the full constituted Board of Directors.
(4) the members of the committee; and		
(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or		
(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.		

## 2024 Corporate Governance Statement (continued)

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
<b>2. Structure the board to be effective and add value (Continued)</b>		
2.2. A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.	Yes	<p>During the reporting period the Company did disclose a Board Skills Matrix. A copy of the Board Skills Matrix is available in the 'Investor Hub' section of the Company's website at <a href="http://www.lakeresources.com.au">http://www.lakeresources.com.au</a>.</p> <p>On a collective basis, the Board considers that it currently has the right mix of forward-looking perspective, and relevant skills, experience and expertise necessary, to successfully further the development of the Company. The board skills matrix reflects the Board's objective to have an appropriate mix of recent and meaningful and specific industry and professional experience, including relevant skills, experience and expertise in key focus areas such as mineral exploration, project development leadership, governance, strategy, finance, risk management, Government and community engagement and international business operations.</p>
2.3. A listed entity should disclose:	Yes	<p>During the reporting period, the following is a list of directors considered by the Board to be independent and their length of service:</p> <ul style="list-style-type: none"> <li>• Howard Atkins (1 year);</li> <li>• Cheemin Bo-Linn (1 year);</li> <li>• Ana Chapman (1 year);</li> <li>• Robert Trzebski (4 years).</li> </ul> <p>The Board has not been informed by any of the directors of any conflicts of interest that may compromise the independence of that director.</p>
(a) the names of the directors considered by the board to be independent directors;		
(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and		
(c) the length of service of each director.		
2.4. A majority of the board of a listed entity should be independent directors.	Yes	<p>During the reporting period, the Board had 4 independent directors on the Board, which constitutes 66% (4/6) of the Board being independent directors.</p>

**2024 Corporate Governance Statement (continued)**

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
<b>2. Structure the board to be effective and add value (Continued)</b>		
2.5. The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	No	<p>The Chairman, Mr Stuart Crow, is not considered at the date of this report to be an independent director, given his tenure during a prior reporting period as Executive Chairman. The Company appointed Mr Stuart Crow as Executive Chairman on 20 June 2022 and he held that role until 5 January 2023. This appointment was to facilitate the transition from the former MD/CEO to Mr David Dickson, who was appointed MD/CEO with effect from 15 September 2022.</p> <p>Prior to his appointment as Executive Chairman, the Board considered Mr Crow to be an independent Director.</p> <p>The Chairman and the MD/CEO are no longer, since 15 September 2022, the same person.</p>
2.6. A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	Yes	<p>Upon appointment to the Board, the Company requires new Directors to be provided with access to Company policies and procedures and have access to senior executives and other members of the Board to discuss and gain an understanding of the Company's operations and activities. Site visits to the Company's operations are also made available where appropriate. Directors are encouraged to attend seminars and industry conferences which enable them to maintain their understanding of relevant industry matters and technical advancements effecting the Company's operations.</p> <p>The Company's Nomination and Governance Committee is responsible for approving and reviewing induction and continuing professional development programs and procedures for directors to ensure that they can effectively discharge their responsibilities.</p> <p>Due to the reduction in Board size from six to three members announced to ASX on 26 July 2024, the Company will be considering whether to dissolve the Compensation Committee for the remainder of the 2024-2025 fiscal year, in which case all duties of the Compensation Committee would be assumed by the full constituted Board of Directors.</p>

## 2024 Corporate Governance Statement (continued)

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
<b>3. Instill a culture of acting lawfully, ethically and responsibly</b>		
3.1. A listed entity should articulate and disclose its values.	Yes	<p>The Company's Corporate Code of Conduct applies to all Directors, officers, contractors, senior executives, and employees ("Staff").</p> <p>The Code of Conduct contains a set of general principles that each member of Staff must adhere to. Staff are expected to act with integrity and objectively, always striving to enhance the reputation and performance of the Company.</p> <p>Staff are under the obligation to ensure that the Code of Conduct is not breached. If any member of Staff notice any violations or material breaches of the Code of Conduct, they must report such violation in accordance with the Company's Whistleblower Policy. The Company views breaches of the Code of Conduct as serious misconduct, and any breach of the Code of Conduct will be thoroughly investigated and appropriate action will be taken by the Company.</p> <p>A copy of the Company's Code of Conduct and Whistleblower Policy are available in the 'Investor Hub' section of the Company's website at <a href="http://www.lakeresources.com.au">http://www.lakeresources.com.au</a>.</p>
3.2. A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and  (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	Yes	<p>As outlined above, the Company has a Code of Conduct for its directors, senior executives and employees, which is published in the 'Investor Hub' section of the Company's website at <a href="http://www.lakeresources.com.au">http://www.lakeresources.com.au</a>.</p> <p>Pursuant to the Code of Conduct, employees must report breaches of the Code of Conduct and/or any suspected corrupt conduct in accordance with the Company's Whistleblower Policy.</p>
3.3. A listed entity should: (a) have and disclose a whistleblower policy; and  (b) ensure that the board or a committee of the board is informed of any material incident reported under that policy.	Yes	<p>The Company has a formal Whistleblower Policy which is published in the 'Investor Hub' section of the Company's website at <a href="http://www.lakeresources.com.au">http://www.lakeresources.com.au</a>.</p> <p>The Whistleblower Policy provides a procedure for the Board to be informed of any material incident reported under the policy.</p>
3.4. A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and  (b) ensure that the board or a committee of the board is informed of any material breaches of that policy.	Yes	<p>The Company has a formal Anti-bribery and Corruption Policy which is published in the 'Investor Hub' section of the Company's website at <a href="http://www.lakeresources.com.au">http://www.lakeresources.com.au</a>.</p> <p>The Anti-bribery and Corruption Policy provides a procedure for the Board to be informed of any material incident reported under the policy.</p>

**2024 Corporate Governance Statement (continued)**

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
<b>4. Safeguard the integrity of corporate reports</b>		
4.1. The board of a listed entity should:	Yes	
(a) have an audit committee which:		The Company has an Audit and Risk Committee which during the reporting period had three members who were all independent. The committee was comprised during the reporting period of the following directors:
(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and		<ul style="list-style-type: none"> <li>• Howard Atkins - Chair</li> <li>• Cheemin Bo Linn</li> <li>• Ana Gomez Chapman</li> </ul>
(2) is chaired by an independent director, who is not the chair of the board,		The relevant qualifications and experience of the directors listed above can be found in their biographies located in the Directors' Report section of the annual report.
and disclose:		The number of times the Committee met throughout the reporting period and the individual attendances at those meetings are recorded in the Annual Financial Statements.
(3) the charter of the committee;		
(4) the relevant qualifications and experience of the members of the committee; and		The Charter of the Audit and Risk Committee is available in the 'Investor Hub' section of the Company's website at <a href="http://www.lakeresources.com.au">http://www.lakeresources.com.au</a> .
(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or		Due to the reduction in Board size from six to three members announced to ASX on 26 July 2024, the Company will be considering whether to dissolve the Audit and Risk Committee for the remainder of the 2024-2025 fiscal year, in which case all duties of the Audit and Risk Committee would be assumed by the full constituted Board of Directors.
(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.		

## 2024 Corporate Governance Statement (continued)

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
<b>4. Safeguard the integrity of corporate reports (Continued)</b>		
4.2. The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	Yes	<p>Before the Board approved the Company's financial statements for the year ended 30 June 2024, it received declarations from the Chief Executive Officer and Chief Financial Officer that, in their opinion, the financial statements comply with the relevant accounting standards, give a true and fair view of the Company's financial position as at 30 June 2024, 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.</p> <p>The declarations are available in the 'Directors' Declaration' section in the Company's annual report.</p>
4.3. A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	Yes	<p>Periodic corporate reports that are not audited or reviewed by an external auditor are circulated to all directors and reviewed by the Board before release. Reports on exploration and drilling activities are also signed by a competent person, as required by the JORC Code 2012.</p> <p>The Company's Continuous Disclosure Policy is available in the 'Investor Hub' section of the Company's website at <a href="http://www.lakeresources.com.au">http://www.lakeresources.com.au</a>.</p>
<b>5. Make timely and balanced disclosure</b>		
5.1. A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	Yes	<p>The Company has a Continuous Disclosure Policy which is available in the 'Investor Hub' section of the Company's website at <a href="http://www.lakeresources.com.au">http://www.lakeresources.com.au</a>.</p>
5.2. A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Yes	<p>The Company has processes in place to ensure that copies of all market announcements are circulated promptly to the Board either before or after they have been made.</p> <p>The Company Secretary must also maintain a copy of all announcements released.</p>
5.3. A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	Yes	<p>Any new and substantive presentations made by the Company are released to the ASX Market Announcements Platform ahead of the presentation, a copy of which is available on the Company's website from time to time in the 'Investor Hub' section at <a href="http://www.lakeresources.com.au">http://www.lakeresources.com.au</a> when released.</p>



**2024 Corporate Governance Statement (continued)**

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
<b>6. Respect the rights of security holders</b>		
6.1. A listed entity should provide information about itself and its governance to investors via its website.	Yes	<p>The Company maintains a website containing comprehensive information on the Company including a company profile, corporate strategy, policy statements including corporate governance, Board of Directors, and contact information.</p> <p>All the Company's quarterly, half year and annual reports and other disclosures are available on the Company website in the 'Investor Hub' section at <a href="http://www.lakeresources.com.au">http://www.lakeresources.com.au</a>.</p>
6.2. A listed entity should have an investor relations program that facilitates effective two-way communication with investors	Yes	The Company complies with this recommendation and communicates with security holders via releases to the market on the ASX platform, through the Company's website, by information provided directly to security holders at webinar briefing meetings open to all security holders and the public, and at general meetings. The Company also has employees who facilitate enquiries from investors and facilitate an effective two-way communication with the Company's investors.
6.3. A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	Yes	The Company encourages security holders to attend and participate in general meetings by releases to the market on the ASX platform, through the Company's website, and by information provided directly to security holders at webinar briefing meetings open to all security holders and the public. If a shareholder wishes to provide a comment or question prior to the meeting for consideration at the meeting, a process for doing this is communicated to shareholders prior to each meeting.
6.4. A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	Yes	All resolutions at general meetings are decided by a poll.
6.5. A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Yes	The Company provides all security holders with the option to receive communications electronically.

## 2024 Corporate Governance Statement (continued)

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
<b>7. Recognise and manage risk</b>		
7.1. The Board of a listed entity should:	Yes	
(a) have a committee or committees to oversee risk, each of which:		The Company had an Audit and Risk Committee during the reporting period which had three members who were all independent. Details of the members and experience of the Committee are set out at 4.1 above.
(1) has at least three members, a majority of whom are independent directors; and		The number of times the Committee met throughout the reporting period and the individual attendances at those meetings are recorded in the Annual Financial Statements.
(2) is chaired by an independent director,		The Charter of the Audit and Risk Committee is available in the 'Investor Hub' section of on the Company's website at <a href="http://www.lakeresources.com.au">http://www.lakeresources.com.au</a> .
and disclose:		
(3) the charter of the committee;		Due to the reduction in Board size from six to three members announced to ASX on 26 July 2024, the Company will be considering whether to dissolve the Audit and Risk Committee for the remainder of the 2024-2025 fiscal year, in which case all duties of the Audit and Risk Committee would be assumed by the full constituted Board of Directors.
(4) the members of the committee; and		
(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or		
(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.		

**2024 Corporate Governance Statement (continued)**

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
<b>7. Recognise and manage risk (Continued)</b>		
<p>7.2. The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose in relation to each reporting period, whether such a review has taken place.</p>	Yes	<p>During the reporting period, the Company and the Audit and Risk Committee undertook a comprehensive review of its risk management practices and implemented a new robust risk management program, including adopting policies and procedures for the identification, management and reporting of risk.</p> <p>As a lithium developer, the Company faces inherent risks in its development activities. The Company's risk management program focuses on both operational risk and enterprise risk. The Company's program with respect to operational risk is mature, focusing on risk identification, analysis and mitigation. The Company's enterprise risk management process is maturing. During the reporting period, the Company's senior management has identified several enterprise risks and has adopted plans to track and mitigate each.</p> <p>Further detail on the Company's assessment of material business risks can be found in the Directors' Report section of the Company's annual report and in the Kachi Project Definitive Feasibility Study.</p>
<p>7.3. A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p>	Yes	<p>The Company does not have a formal internal audit function due to its current size and stage of development. However, the Audit and Risk Committee and full Board monitors the need for an internal audit function on an ongoing basis, and will implement as and when they deem the Company required it.</p> <p>The Company's management periodically undertakes an internal review of financial systems and processes and ensures that comprehensive internal controls and processes are developed with respect to certain classes of risk. At this stage, the Company's operational and financial functions are not complex, and expenditure authorisations are undertaken in accordance with a comprehensive matrix of delegated authority. The Company's external auditor is consulted to provide advice to the Audit and Risk Committee.</p> <p>Due to the reduction in Board size from six to three members announced to ASX on 26 July 2024, the Company will be considering whether to dissolve the Audit and Risk Committee for the remainder of the 2024-2025 fiscal year, in which case all duties of the Audit and Risk Committee would be assumed by the full constituted Board of Directors.</p>

## 2024 Corporate Governance Statement (continued)

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
<b>7. Recognise and manage risk (Continued)</b>		
7.4. A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	Yes	<p><b>Environmental:</b> The operations and proposed activities of the Company are subject to laws and regulations in the jurisdictions in which it operates concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment. The Company is committed to conducting all of its activities to the highest standard of environmental obligation, including compliance with all environmental laws.</p> <p><b>Social:</b> The Board recognises that a failure to manage community and stakeholder expectations may lead to disruption to the Company's operations. The Company's Code of Conduct outlines the Company's commitment to integrity and fair dealing in its business affairs and to a duty of care to all employees, clients, and stakeholders. The Code of Conduct sets out the principles covering appropriate conduct in a variety of contexts and outlines the minimum standard of behavior expected from employees when dealing with stakeholders.</p> <p>Further detail on the Company's assessment of material business risks can be found in the Directors' Report section of the Company's annual report.</p>

**2024 Corporate Governance Statement (continued)**

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
<b>8. Remunerate fairly and responsibly</b>		
<p>8.1. The Board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	Yes	<p>The Company during the reporting period had a Compensation Committee which had three members who were all independent. The committee was comprised of the following directors:</p> <ul style="list-style-type: none"> <li>• Robert Trzebski - Chair</li> <li>• Howard Atkins</li> <li>• Cheemin Bo Linn</li> </ul> <p>The relevant qualifications and experience of the directors listed above can be found in their biographies located in the Directors' Report section of the annual report.</p> <p>The number of times the Committee met throughout the reporting period and the individual attendances at those meetings are recorded in the Annual Financial Statements.</p> <p>The Charter of the Compensation Committee is available in the 'Investor Hub' section of the Company's website at <a href="http://www.lakeresources.com.au">http://www.lakeresources.com.au</a>.</p> <p>Due to the reduction in Board size from six to three members announced to ASX on 26 July 2024, the Company will be considering whether to dissolve the Compensation Committee for the remainder of the 2024-2025 fiscal year, in which case all duties of the Compensation Committee would be assumed by the full constituted Board of Directors.</p>
8.2. A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	Yes	<p>The Company provides disclosure of its remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives in the Remuneration Report which forms part of its Annual Financial Statements.</p> <p>The Company's Remuneration Principles are available in the 'Investor Hub' section of the Company's website at <a href="http://www.lakeresources.com.au">http://www.lakeresources.com.au</a>.</p>

## 2024 Corporate Governance Statement (continued)

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
<b>8. Remunerate fairly and responsibly (Continued)</b>		
8.3. A listed entity which has an equity-based remuneration scheme should:	Yes	<p>The Company's Trading Policy and the Corporations Act prohibit Key Management Personnel and a closely related party of Key Management Personnel from entering an arrangement if the arrangement would have the effect of limiting the exposure of the member to risk relating to an element of the members remuneration that has not vested or has vested but remains subject to a holding lock. Key Management Personnel of the Company and their closely related parties should not deal in Securities in the Company which may infringe this prohibition under the Corporations Act nor should any other Restricted Person enter into hedging transactions to limit his or her exposure in respect of any unvested entitlement to Securities he or she receives under any equity based remuneration scheme of the Company.</p> <p>The Company's Trading Policy is available in the 'Investor Hub' section of the Company's website at <a href="http://www.lakeresources.com.au">http://www.lakeresources.com.au</a>.</p>
<b>9. Additional recommendations that apply only in certain cases</b>		
9.1. A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.		N/A
9.2. A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.		N/A
9.3. A listed entity established outside Australia and an externally managed listed entity that has an AGM, should ensure that is external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.		N/A

## ADDITIONAL ASX INFORMATION

### Top holders grouped report Lake Resources N.L.

Security class: LKE - Ordinary Shares  
As at date: 18-September-2024

Position	Holder Name	Holding	% IC
1	US REGISTER CONTROL A/C	119,749,944	7.18%
2	CITICORP NOMINEES PTY LIMITED	114,404,673	6.86%
3	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	51,841,604	3.11%
4	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	35,383,419	2.12%
5	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	21,159,770	1.27%
6	BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	16,298,835	0.98%
7	FINCLEAR SERVICES PTY LTD <SUPERHERO SECURITIES A/C>	15,569,744	0.93%
8	LUCKY DRAGON PROPERTY PTY LTD	15,568,781	0.93%
9	HAWKS BURN CAPITAL PTE LTD <METHUSELAH STRATEGIC FND A/C>	15,097,590	0.90%
10	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	11,071,582	0.66%
11	SYDNEY BUSINESS ADVISERS PTY LTD <CF SUPER FUND NO2 A/C>	10,680,000	0.64%
12	MR RICHARD KARL HILL <ICEAN ACCOUNT>	10,000,000	0.60%
13	MR ZIJIANG YANG	9,115,000	0.55%
14	SHARESIES AUSTRALIA NOMINEE PTY LIMITED	8,531,777	0.51%
15	MR DEYUN HUA	7,950,000	0.48%
16	BNP PARIBAS NOMS PTY LTD	7,547,385	0.45%
17	PARADISE MARINE PTY LTD <JAMES SUPER FUND A/C>	6,512,523	0.39%
18	MR DAMIAN ARTHUR FURNELL	6,328,676	0.38%
19	MR DANIEL RUBEN BONAFEDE	6,234,634	0.37%
20	FLUID INVESTMENTS PTY LTD	5,150,000	0.31%
<b>Total</b>		<b>494,195,937</b>	<b>29.62%</b>
<b>Total issued capital - selected security class(es)</b>		<b>1,668,520,828</b>	<b>100.00%</b>



## Holdings Range Report Lake Resources N.L.

Security Class: LKE - Ordinary Shares  
As at Date: 18-September-2024  
Price per security: \$0.043

Holding Ranges	Holders	Total Units	% Issued Share Capital
above 0 up to and including 1,000	6,405	3,961,157	0.24%
above 1,000 up to and including 5,000	11,163	29,479,084	1.77%
above 5,000 up to and including 10,000	4,963	38,108,959	2.28%
above 10,000 up to and including 100,000	9,290	309,822,020	18.57%
above 100,000	2,165	1,287,149,608	77.14%
<b>Totals</b>	<b>33,986</b>	<b>1,668,520,828</b>	<b>100.00%</b>

Based on the price per security, the number of holders with an unmarketable holding included 23,181, with total holders of 78,577,258 Ordinary Shares, amounting to 4.71% of Issued Capital.

### Class of shares and voting rights

At meetings of members or classes of members, each member that is entitled to vote may vote in person or by proxy or attorney. On a show of hands, every person present who is a member has one vote, and on a poll, every person present or by proxy or attorney has one vote for each ordinary share held.

### On-market buy-back

There is no current on-market buy-back.

### Unlisted securities

Refer also to the other ASX Information regarding Unlisted Securities. Unlisted Securities have no voting rights.

## Unlisted Securities

As at 18 September 2024

	OPT @ \$1.48 EXP 19/01/25		OPT @ \$1.42 EXP 26/04/25		OPT @ \$0.75 EXP 15/06/25		OPT @ \$0.565 EXP 25/10/24		
Range	Holders	Total Units	Holders	Total Units	Holders	Total Units	Holders	Total Units	
above 0 up to and including 1,000	-	-	-	-	-	-	-	-	
above 1,000 up to and including 5,000	-	-	-	-	-	-	-	-	
above 5,000 up to and including 10,000	-	-	-	-	-	-	-	-	
above 10,000 up to and including 100,000	-	-	-	-	-	-	10	487,500	
above 100,000	1	1,000,000	2	2,072,244	3	5,550,000	12	12,683,459	
<b>Totals</b>	<b>1</b>	<b>1,000,000</b>	<b>2</b>	<b>2,072,244</b>	<b>3</b>	<b>5,550,000</b>	<b>1</b>	<b>13,170,959</b>	

Holders with > 20%

MR MATTHEW BONNER 1,260,000

MR GEOFFREY STUART CROW

DAVID DICKSON

GKB VENTURES LTD 1,036,122

SEAN MILLER

PETER NEILSEN 1,000,000

GAUTAM PARIMOO 4,000,000

ROBWARD PTY LTD

SD CAPITAL ADVISORY 1,036,122

MR EDWARD ARYEH SUGAR 4,010,000

**Totals 1,000,000 2,072,244 5,550,000 4,000,000**

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## RESOURCE ESTIMATES AND GOVERNANCE

A summary of the results of Lake's annual review of its mineral resource estimates appears in Table 1 and Ore Reserves are presented in Table 3 in the Review of Operations. Governance of Lake's mineral resource and reserve estimates and the estimation process is a key responsibility of Lake's management team, who have ensured that its mineral resources and reserve estimates are subject to appropriate levels of governance and internal controls.

This includes procuring verification by a Competent Person of the mineral resource and reserve estimates disclosed by the Company, and the engagement of experts to verify certain field procedures and sampling methods used by Lake in its internal technical assessments of the mineral resource estimates used by the Company.

The Statement of Estimates of Mineral Resources and Ore Reserves for the Kachi Project was reported by Lake in accordance with the rules for reporting mining and exploration activities, including the listing rules of the ASX and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Resources 2012 Edition (the JORC Code). This includes both a mineral resource update released and made available on the Company's website and on the ASX on November 22, 2023 and Ore Reserve Statement on December 19, 2023, respectively. Lake confirms it is not aware of any new information or data that materially affects the information included in the DFS dated December 19, 2023 and the end of financial year balance date. However, positive drilling and testing results from hole K25D44 were released on February 12, 2024, which are expected to further improve resource estimates. Otherwise, all material assumptions and technical parameters underpinning the estimates in each of the previous announcements continue to apply and have not materially changed as at the date of this annual report.

The two previous announcements noted above, which included updates to the mineral resource estimates and the maiden ore reserve statement for the Kachi Project, were verified by Mr. Andy Fulton. Mr. Fulton is a hydrogeologist and is a Member of the Australian Institute of Geoscientists. Mr. Fulton is an employee of Groundwater Exploration Services and is independent of the Company. Mr. Fulton has sufficient relevant experience 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. He is also a "Qualified Person" as defined in NI 43-101. During 2024, Mr. Andrew Fulton visited the Kachi Project on two separate occasions, reviewing multiple aspects of the exploration and development activities.

Lake has reported on the mineral resources of its material mining project, the Kachi Project, on an annual basis in accordance with the JORC Code. As resources are developed for other Lake projects, which are not material mining projects (as defined in the listing rules of the ASX) as at the date of this annual report, those resources will be disclosed to investors in accordance with the Company's obligations under the listing rules of the ASX and included in the Company's annual reporting in accordance with the JORC Code. In the absence of a developed JORC-compliant mineral resource, updates on the activities undertaken by the Company at Lake's other project sites will otherwise be provided as and when required.

# SCHEDULE OF TENEMENTS - CATAMARCA - JUJUY

TOTAL NUMBER OF RESOURCES: 125

KACHI - ANTOFAGASTA DE LA SIERRA- CATAMARCA

TENEMENT NA	NUMBER - GDE	AREA H	INTEREST	PROVINCE	STATUS	MINING CONCESSION
MARIA I	EX - 2021 - 00362285 - CAT (140/2018)	1260.0736	100	CATAMARCA	GRANTED	15/11/2018
MARIA II	EX - 2021 - 00373528 - CAT (14/2016)	546.9333	100	CATAMARCA	GRANTED	24/8/2017
MARIA III	EX - 2021 - 00293511 - CAT (15/2016)	834.7969	100	CATAMARCA	GRANTED	24/8/2017
KACHI INCA	EX - 2021 - 00361579 - CAT (13/2016)	857.7131	100	CATAMARCA	GRANTED	24/8/2017
KACHI INCA I	EX - 2021 - 00432837 - CAT (16/2016)	2880.4365	100	CATAMARCA	GRANTED	24/8/2017
KACHI INCA II	EX - 2021 - 00221521 - CAT (17/2016)	2822.7403	100	CATAMARCA	GRANTED	24/8/2017
KACHI INCA III	EX - 2121 - 00321200 - CAT (47/2016)	3355.3649	100	CATAMARCA	GRANTED	24/8/2016
KACHI INCA V	EX - 2021 - 00208240 - CAT (45/2016)	305.1754	100	CATAMARCA	GRANTED	10/10/2017
KACHI INCA VI	EX - 2021 - 00294250 - CAT (44/2016)	109.787	100	CATAMARCA	GRANTED	24/8/2016
DANIEL ARMANDO	EX - 2021 - 00208733 - CAT (23/2016)	3121.876	100	CATAMARCA	GRANTED	24/8/2017
DANIEL ARMANDO II	EX - 2021 - 00331263 - CAT (97/2016)	1589.664	100	CATAMARCA	GRANTED	7/10/2016
MORENA 1	EX - 2021 - 00328638 - CAT (72/2016)	3024.4662	100	CATAMARCA	GRANTED	7/10/2016
MORENA 2	EX - 2021 - 00390312 - CAT (73/2016)	2989.429	100	CATAMARCA	GRANTED	7/10/2016
MORENA 3	EX - 2021 - 00361695 - CAT (74/2016)	3007.1366	100	CATAMARCA	GRANTED	7/10/2016
MORENA 4	EX - 2021 - 00293790 - CAT (29/2019)	2967.6745	100	CATAMARCA	GRANTED	18/9/2019
MORENA 5	EX - 2021 - 00221381 - CAT (97/2017)	1415.8752	100	CATAMARCA	GRANTED	29/11/2019
MORENA 6	EX - 2021 - 00208283 - CAT (75/2016)	1606.1445	100	CATAMARCA	GRANTED	7/10/2016
MORENA 7	EX - 2021 - 00259078 - CAT (76/2016)	2804.9561	100	CATAMARCA	GRANTED	7/10/2016
MORENA 8	EX - 2021 - 00294310 - CAT (77/2016)	2961.0131	100	CATAMARCA	GRANTED	7/10/2016
MORENA 9	EX - 2021 - 00368898 - CAT (30/2019)	2821.5762	100	CATAMARCA	GRANTED	29/11/2019
MORENA 10	EX - 2022 - 00508476 - CAT	2712.9283	100	CATAMARCA	APPLICATION	
MORENA 12	EX - 2021 - 00259022 - CAT (78/2016)	2703.6817	100	CATAMARCA	GRANTED	7/10/2016
MORENA 13	EX - 2021 - 00258895 - CAT (79/2016)	3024.4662	100	CATAMARCA	GRANTED	7/10/2016

TENEMENT NA	NUMBER - GDE	AREA H	INTEREST	PROVINCE	STATUS	MINING CONCESSION
MORENA 15	EX - 2021 - 00360876 - CAT (162/2017)	2559.0852	100	CATAMARCA	GRANTED	30/8/2018
PAMPA I	EX - 2021 - 00233741 - CAT (129/2013)	690	100	CATAMARCA	GRANTED	24/11/2016
PAMPA II	EX - 2021 - 00430058 - CAT (128/2013)	1053.15	100	CATAMARCA	GRANTED	8/2/2016
PAMPA III	EX - 2021 - 00429001 - CAT (130/2013)	477.32	100	CATAMARCA	GRANTED	12/12/222
PAMPA 11	EX - 2021 - 00372498 - CAT (201/2018)	815	100	CATAMARCA	GRANTED	7/2/2020
PAMPA IV	EX - 2021 - 00322433 - CAT (78/2017)	2569.3125	100	CATAMARCA	GRANTED	22/3/2018
IRENE	EX - 2021 - 00212993 - CAT (28/2018)	2052.2562	100	CATAMARCA	GRANTED	6/9/2018
PARAPETO 1	EX - 2021 - 01648141 - CAT (133/2018)	2280.5717	100	CATAMARCA	GRANTED	24/9/2018
PARAPETO 2	EX - 2021 - 00235750 - CAT (134/2018)	1729.716	100	CATAMARCA	GRANTED	24/9/2018
PARAPETO 3	EX - 2121 - 00261195 - CAT (132/2018)	1891.5621	100	CATAMARCA	GRANTED	28/11/2018
PARAPETO III	EX - 2021 - 00854749 - CAT	1949.1255	100	CATAMARCA	GRANTED	23/8/2022
PARAPETO 4	EX - 2021 - 01651926 - CAT	1948.9079	100	CATAMARCA	GRANTED	23/8/2022
GOLD SAND I	EX - 2021 - 00376209 - CAT (238/2018)	853.602	100	CATAMARCA	GRANTED	24/4/2019
TORNADO VII	EX - 2021 - 00208328 - CAT (48/2016)	6628.842	100	CATAMARCA	GRANTED	24/11/2016
DEBBIE I	EX - 2021 - 00196977 - CAT (21/2016)	1742.85	100	CATAMARCA	GRANTED	24/8/2017
DOÑA CARMEN	EX - 2021 - 00321876 - CAT (24/2016)	873.1146	100	CATAMARCA	GRANTED	24/8/2017
DIVINA VICTORIA I	EX - 2021 - 00368383 - CAT (25/2016)	2420.1	100	CATAMARCA	GRANTED	24/8/2017
DOÑA AMPARO I	EX - 2021 - 00294138 - CAT (22/2016)	2695.2986	100	CATAMARCA	GRANTED	24/8/2017
ESCONDIDITA	EX - 2021 - 00143141 - CAT (131/2018)	373.4346	100	CATAMARCA	GRANTED	24/9/2018
GALAN OESTE	EX - 2021 - 00153718 - CAT (43/2016)	3166.9356	100	CATAMARCA	GRANTED	14/10/2016
MARIA LUZ	EX - 2021 - 00153678 - CAT (34/2017)	2424.9638	100	CATAMARCA	GRANTED	27/3/2018
NINA	EX - 2021 - 00360751 - CAT (106/2020)	3125.0644	100	CATAMARCA	GRANTED	26/10/2021
PADRE JOSE MARIA I	EX - 2021 - 00432843 - CAT (95/2012)	650.0094	100	CATAMARCA	GRANTED	29/1/2021
PADRE JOSE MARIA II	EX - 2021 - 00432950 - CAT (96/2012)	1523.1476	100	CATAMARCA	GRANTED	29/1/2021
PADRE JOSE MARIA III	EX - 2021 - 00433095 - CAT (94/2012)	1523.1476	100	CATAMARCA	GRANTED	29/1/2021
PADRE JOSE MARIA IV	EX - 2021 - 00433149 - CAT (93/2012)	1528.6905	100	CATAMARCA	GRANTED	29/1/2021
PADRE JOSE MARIA V	EX - 2021 - 00647090 - CAT (92/2012)	1584.3384	100	CATAMARCA	GRANTED	29/1/2021

TENEMENT NA	NUMBER - GDE	AREA H	INTEREST	PROVINCE	STATUS	MINING CONCESSION
PADRE JOSE MARIA VI	EX - 2021 - 00647273 - CAT (91/2012)	1507.3002	100	CATAMARCA	GRANTED	29/1/2021
PADRE JOSE MARIA VII	EX - 2021 - 00647377 - CAT (90/2012)	1499.7985	100	CATAMARCA	GRANTED	29/1/2021
PADRE JOSE MARIA VIII	EX - 2021 - 00647631 - CAT (89/2012)	515.0332	100	CATAMARCA	GRANTED	29/1/2021
<b>TOTAL HECTAREAS:</b>		<b>105953.06</b>				

#### ANCASTI - CATAMARCA

TENEMENT NA	NUMBER - GDE	AREA H	INTEREST	PROVINCE	STATUS	MINING CONCESSION
PETRA II	EX - 2021 - 00145689 - CAT (51/2016)	9499.45	100	CATAMARCA	CATEO GRANTED	31/03/2017
PETRA III	EX - 2021 - 00145810 - CAT (49/2016)	9528.04	100	CATAMARCA	CATEO GRANTED	17/08/2017
CATEO 2	EX - 2021 - 00145782 - CAT (94/2016)	7699.22	100	CATAMARCA	CATEO GRANTED	17/05/2017
CATEO 4	EX - 2021 - 00145516 - CAT (98/2016)	9849.57	100	CATAMARCA	CATEO GRANTED	17/05/2017
LA AGUADA 1	EX - 2021 - 00145356 - CAT (116/2016)	2498.51	100	CATAMARCA	MINE GRANTED	17/04/2017
LA AGUADA 2	EX - 2021 - 00145468 - CAT (117/2016)	2949.66	100	CATAMARCA	MINE GRANTED	17/04/2017
LA AGUADA 4	EX - 2021 - 00145863 - CAT (173/2016)	2928.54	100	CATAMARCA	MINE GRANTED	9/11/2017
LA AGUADA 5	EX - 2021 - 00145839 - CAT (172/2016)	2866.15	100	CATAMARCA	MINE GRANTED	9/11/2017
LA AGUADA 6	EX - 2021 - 00145928 - CAT (174/2016)	2999.15	100	CATAMARCA	MINE GRANTED	9/11/2017
LA AGUADA 7	EX - 2021 - 00169048 - CAT (137/2016)	2919.48	100	CATAMARCA	MINE GRANTED	14/06/2018
LA AGUADA 8	EX - 2021 - 00168791 - CAT (139/2016)	1731.72	100	CATAMARCA	MINE GRANTED	14/06/2018
LA HERENCIA 1	EX - 2024 - 00624962 - CAT	3000.00	100	CATAMARCA	APPLICATION	
LA HERENCIA 2	EX - 2024 - 00625035 - CAT	3000.00	100	CATAMARCA	APPLICATION	
LA HERENCIA 3	EX - 2024 - 00624819 - CAT	3000.00	100	CATAMARCA	APPLICATION	
LA HERENCIA 4	EX - 2024 - 00624890 - CAT	502.00	100	CATAMARCA	APPLICATION	
LA HERENCIA 5	EX - 2024 - 00885309 - CAT	3036.73	100	CATAMARCA	APPLICATION	
LA HERENCIA 6	EX - 2024 - 00885613 - CAT	3107.11	100	CATAMARCA	APPLICATION	
LA HERENCIA 7	EX - 2024 - 00885954 - CAT	2929.76	100	CATAMARCA	APPLICATION	
LA HERENCIA 8	EX - 2024 - 01031333 - CAT	3000.00	100	CATAMARCA	APPLICATION	
LA HERENCIA 9	EX - 2024 - 01031427 - CAT	3000.00	100	CATAMARCA	APPLICATION	
LA HERENCIA 10	EX - 2024 - 01031713 - CAT	3000.00	100	CATAMARCA	APPLICATION	



TENEMENT NA	NUMBER - GDE	AREA H	INTEREST	PROVINCE	STATUS	MINING CONCESSION
LA HERENCIA 11	EX - 2024 - 01031820 - CAT	838.00	100	CATAMARCA	APPLICATION	
LA HERENCIA 12	EX - 2024 - 01399303 - CAT	3000.00	100	CATAMARCA	APPLICATION	
LA HERENCIA 13	EX - 2024- 01399436 - CAT	2938.64	100	CATAMARCA	APPLICATION	
LA HERENCIA 14	EX - 2024 - 01399570 - CAT	3000.00	100	CATAMARCA	APPLICATION	
TOTAL HECTAREAS		92821.72				

OLAROS - JUJUY

TENEMENT NA	NUMBER - GDE	AREA H	INTEREST	PROVINCE	STATUS	MINING CONCESSION
OLAROS EAST II	2168-D-2016	2072.47	100	JUJUY	GRANTED	7/09/2023
MASA 12	2234-M-2016	2901.10	100	JUJUY	GRANTED	14/04/2023
MASA 13	2235-M-2016	2995.95	100	JUJUY	GRANTED	20/03/2023
MASA 14	2236-M-2016	2995.85	100	JUJUY	GRANTED	14/04/2023
MASA 15	2237-M-2016	3000.00	100	JUJUY	GRANTED	12/10/2021
MASA 24	2743-M-2021	899.79	100	JUJUY	APPLICATION	
MASA 25	2820-M-2021	121.96	100	JUJUY	APPLICATION	
MASA 26	2815-M-2021	2169.34	100	JUJUY	APPLICATION	
MASA 27	2819-M-2021	2894.36	100	JUJUY	APPLICATION	
MASA 28	2818-M-2021	2410.00	100	JUJUY	APPLICATION	
MASA 29	2822-M-2021	2375.56	100	JUJUY	APPLICATION	
MASA 30	2821-M-2021	2391.24	100	JUJUY	APPLICATION	
MASA 31	2816-M-2021	2261.65	100	JUJUY	APPLICATION	
MASA 32	2823-M-2021	2261.41	100	JUJUY	APPLICATION	
MASA 33	2824-M-2021	2277.01	100	JUJUY	APPLICATION	
MASA 34	2814-M-2021	2234.46	100	JUJUY	APPLICATION	
MASA 35	2825-M-2021	2258.70	100	JUJUY	APPLICATION	
MASA 36	2826-M-2021	2260.75	100	JUJUY	APPLICATION	
MASA 37	2827-M-2021	2260.73	100	JUJUY	APPLICATION	
MASA 38	2817-M-2021	2260.72	100	JUJUY	APPLICATION	
TOTAL HECTAREAS		45303.05				

# CAUCHARI - JUJUY

TENEMENT NA	NUMBER - GDE	AREA H	INTEREST	PROVINCE	STATUS	MINING CONCESSION
CAUCHARI BAJO I	2156-D-2016	374.8	100	JUJUY	APPLICATION	
CAUCHARI BAJO II	2157-D-2016	363.1	100	JUJUY	APPLICATION	
CAUCHARI BAJO III	2158-D-2016	125.3	100	JUJUY	APPLICATION	
CAUCHARI BAJO V	2154-D-2016	952.1	100	JUJUY	APPLICATION	
CAUCHARI WEST I	2160-D-2016	1936.5	100	JUJUY	GRANTED	8/10/2019
MASA 39	2828-M-2021	1749.1	100	JUJUY	APPLICATION	
<b>TOTAL HECTAREAS</b>		<b>5500.9</b>				

# JAMA - JUJUY

TENEMENT NA	NUMBER - GDE	AREA H	INTEREST	PROVINCE	STATUS	MINING CONCESSION
MASA 9	2231-M-2016	3378.52	100	JUJUY	GRANTED	24/4/2024
MASA 16	2238-M-2016	2113.65	100	JUJUY	GRANTED	30/06/2022
MASA 17	2239-M-2016	2890.85	100	JUJUY	GRANTED	1/02/2023
MASA 18	2240-M-2016	3000.00	100	JUJUY	GRANTED	19/10/2023
MASA 19	2241-M-2016	3000.00	100	JUJUY	GRANTED	19/10/2023
MASA 20	2242-M-2016	2999.74	100	JUJUY	GRANTED	1/02/2023
MASA 21	2243-M-2016	3000.00	100	JUJUY	APPLICATION	
MASA 22	2244-M-2016	1608.21	100	JUJUY	GRANTED	30/6/2022
MASA 23	2245-M-2016	1491.79	100	JUJUY	GRANTED	29/07/2022
MASA 40	2911-M-2022	2999.07	100	JUJUY	APPLICATION	
MASA 41	2912-M-2022	2999.07	100	JUJUY	APPLICATION	
MASA 42	2913-M-2022	2999.02	100	JUJUY	APPLICATION	
MASA 43	2914-M-2022	2848.50	100	JUJUY	APPLICATION	
MASA 44	2915-M-2022	2492.78	100	JUJUY	APPLICATION	
MASA 45	2916-M-2022	2975.88	100	JUJUY	APPLICATION	
MASA 46	2917-M-2022	2965.15	100	JUJUY	APPLICATION	
MASA 47	2918-M-2022	2783.14	100	JUJUY	APPLICATION	
MASA 48	2961-M-2022	892.24	100	JUJUY	APPLICATION	
PASO III	2137-P-2016	2787.51	100	JUJUY	GRANTED	19/10/2023
PASOVI	2140-P-2016	2208.25	100	JUJUY	GRANTED	26/10/2023
PASO X	2144-P-2016	1833.31	100	JUJUY	GRANTED	26/10/2023
<b>TOTAL HECTAREAS</b>		<b>50888.16</b>				









# LAKE

RESOURCES

## LAKE RESOURCES N.L.

Level 5, 126 Phillip Street  
Sydney NSW 2000

T: +61 2 9299 9690

E: [hello@lakeresources.com.au](mailto:hello@lakeresources.com.au)

[lakeresources.com.au](http://lakeresources.com.au)