Dispatch of Prospectus and Ineligible Shareholder Letters

Lakes Blue Energy NL (**Lakes**, or the **Company**; ASX:LKO) advises, further to its announcement on 29 July 2026, that it has today dispatched the prospectus (**Prospectus**) in respect of the non-renounceable entitlement offer on the basis of 1 new fully paid ordinary share (**New Share**) for every 4.7 fully paid ordinary shares (**Shares**) held as at the Record Date at an issue price of $0.30 per New Share, together with one (1) option to acquire a further one (1) Share (**Attaching Option**) for every one (1) New Share issued for nil additional consideration (**Entitlement Offer**), together with a personalised application form to shareholders who are eligible to participate in the Entitlement Offer.

Shareholders who are eligible to participate in the Entitlement Offer (**Eligible Shareholders**) are those persons who:

(a) as at 7:00pm (AEST) on Tuesday, 4 August 2026 (**Record Date**), are registered as a holder of fully paid ordinary shares in Lakes;

(b) have an address on Lakes's register in Australia or New Zealand; and

(c) as far as Lakes is aware, are not located in the United States of America (United States) and are not a person (including a nominee or custodian) acting for the account or benefit of a person in the United States,

or those persons who Lakes is, otherwise, satisfied, in its sole discretion, that it would not be unlawful to offer New Shares and Attaching Options to, either unconditionally or after compliance with such conditions as Lakes, in its sole and absolute discretion, has accepted, under all applicable securities laws.

A letter to ineligible shareholders notifying them of the Entitlement Offer and their ineligibility to participate (**Ineligible Shareholder Letter**) has also been dispatched today. A copy of the Ineligible Shareholder Letter is enclosed. An electronic version of the Prospectus can be viewed online https://lakesblueenergy.com.au/investors/entitlement-offer-prospectus/.

The Entitlement Offer is partially underwritten by Morgans Corporate Limited and Alpine Capital Pty Limited (**Underwriters**). Further details of the Entitlement Offer are contained overleaf.

This announcement has been authorised and approved by the Chief Executive Officer of Lakes Blue Energy NL for lodgement with ASX.

For more information, please contact:

Richard Ash
Chief Executive Officer
Tel: +61 3 9629 1566

Entitlement Offer

The Entitlement Offer is now open for acceptance by Eligible Shareholders and is expected to close at Tuesday, 18 August 2026.

Eligible Shareholders will have the opportunity to acquire New Shares at an issue price of A$0.30 (**Offer Price**), together with an Attaching Option, exercisable at A$0.36 and expire at 5:00 PM (AEST) on 21 August 2031.

The Entitlement Offer is non-renounceable, meaning that Eligible Shareholders will not be able to transfer their entitlements pursuant to the Entitlement Offer and if they do not subscribe for their entitlements pursuant to the Entitlement Offer in full, their shareholding in Lakes will be diluted by the Entitlement Offer.

Eligible Shareholders who take up their full entitlement may also apply to receive any New Shares and Attaching Options not taken up in accordance with the Entitlement Offer at the Offer Price (**Top-Up Offer**). New Shares and Attaching Options will only be offered in accordance with the Top-Up Offer if the Entitlement Offer is undersubscribed and may only be issued to the extent of any shortfall.

Full details of the Entitlement Offer, and Top-Up Offer, including the timetable and details for how to accept the Entitlement Offer, are set out in the Prospectus and the personalised application form accompanying a copy of the Prospectus. Eligible Shareholders should read the Prospectus in its entirety and consult with their stockbroker, accountant or other professional adviser before making any decision as to whether to subscribe for New Shares and Attaching Options.

Enquiries

Any questions concerning the Entitlement Offer, Top-Up Offer and Public Shortfall Offer should be directed to LKO's share registry on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia).

Important notices

This announcement has been prepared for publication in Australia and may not be released or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable US state securities laws.

This announcement is not financial product or investment advice, a recommendation to acquire New Shares or Attaching Options or accounting, legal or tax advice. It has been prepared without taking into account the objectives, financial or tax situation or needs of individuals. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial and tax situation and needs and seek appropriate legal and taxation advice.

7 August 2026

Dear Shareholder

LAKES BLUE ENERGY NL –NON-RENOUNCEABLE RIGHTS ISSUE

On Wednesday, 29 July 2026, Lakes Blue Energy NL (ACN 004 247 214) (ASX: LKO) (**Lakes** or the **Company**) announced it is undertaking a capital raising comprising and placement to professional and sophisticated investors (**Placement**) together with a partially underwritten non-renounceable entitlement offer for Eligible Shareholders at the same price as the placement on the basis of 1 New Share for every 4.7 Shares registered as being held, as at the Record Date, at an issue price of $0.30 per New Share to raise up to approximately $4.7 million (before expenses), with no minimum subscription, and the issue of 1 Attaching Option for every 1 New Share issued (for nil additional consideration) (**Offer**).

The Company lodged a prospectus in respect of the Offer (together with the Attaching Options from the placement) with the Australian Securities and Investments Commission and the ASX on 29 July 2026 (**Prospectus**). The Offer is partially underwritten by Morgans Corporate Limited and Alpine Capital Pty Ltd (**Underwriters**).

The Company intends to apply the funds raised from the Offer (less expenses) to further advance the Wombat Project to target near-term cash flow opportunities and manage future cash flows and liabilities.

On completion of the Offer, the Board believes the Company will have sufficient working capital to achieve its objectives stated in the prospectus.

Ineligible Shareholders

A Shareholder who has a registered address outside Australia or New Zealand (**Ineligible Shareholder**) will not be eligible to participate in the Offer.

You are not eligible to participate in the Offer and you will not be sent a copy of the Prospectus. This decision has been made pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules after taking into consideration the costs of complying with legal and regulatory requirements in jurisdictions outside of Australia and New Zealand compared with the small number of Ineligible Shareholders and the number and value of Shares to which they would otherwise be entitled.

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Further Information

If you have any queries concerning the Offer, please contact your financial adviser or the Company's Share Registry on 1300 737 760 (within Australia), +61 2 9290 9600 (outside of Australia), Monday to Friday, 8:30am to 5:00pm (AEST), until the Closing Date.

Yours sincerely

Richard Ash
Chief Executive Officer