



LAKES OIL NL

ABN 62 004 247 214

Third Supplementary Prospectus

This Third Supplementary Prospectus is dated 1 September 2016 and is supplementary to the Second Supplementary Prospectus dated 23 August 2016, the Supplementary Prospectus dated 2 August 2016 and the Prospectus dated 30 June 2016 each lodged with ASIC and should be read in conjunction with them. A copy of it has been lodged with ASIC which takes no responsibility as to its content.

1. Victorian Government Ban on Gas Exploration

On 30 August 2016 the Victorian Government announced a ban to permanently prohibit unconventional gas exploration in Victoria, and to also prohibit conventional gas exploration until 30 June 2020.

On 31 August 2016, the Company announced to ASX its extreme disappointment with this decision. The Company noted that the extension of the ban on conventional gas exploration until mid 2020 is unprecedented, that there is no justification for a ban on conventional gas exploration and that Government presented no basis for its position. The Company advised that it must now consider all options.

2. Conditional Underwriting not Available

As one consequence of the ban, the \$1 million underwriting by Mr Nick Mather stated in the Supplementary Prospectus is (in accordance with its terms) not available.

3. Capital Raising Status

The Converting Notes issue will close on Friday 9 September 2016 (as previously advised) and the timetable is unchanged, subject to the following. Subscribers who have already lodged applications are hereby given an opportunity to redeem their subscriptions and obtain a refund should they so wish. Any subscriber wishing to do so should do so in writing to Lakes Oil NL, Level 14, 500 Collins Street, Melbourne VIC 3000 as soon as possible and in any event to be received by the Company no later than close of business on 3 October 2016.

Each director has consented to the issue of this Supplementary Prospectus in the form and context in which it is issued.

CHRIS TONKIN
Chairman