



A.C.N. 004 247 214

**Lakes Oil N.L.
ASX
Announcement
And Media
Release
6 December 2016**

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Lakes Oil NL ASX Announcement 6 December 2016

Further Legal Proceedings Initiated

The Board of Directors of Lakes Oil NL (**Lakes Oil** or **Company**, ASX: LKO) advises that the Company has, with its wholly owned subsidiaries Mirboo Ridge Pty Ltd and Petro Tech Pty Ltd, today filed a Writ in the Supreme Court of Victoria, initiating further legal proceedings to those announced on 27 October 2016.

The Writ filed today asserts that the actions of the Victorian Minister for Resources, in depriving the Company of its opportunity to use its exploration permits (grants) for the purpose for which they were intended, constitutes a derogation from those grants. Damages are sought for the losses suffered by the Company as a result of the Minister's conduct.

The quantum of damages claimed in the Writ exceeds \$2.7 billion. This figure includes some \$92 million of past expenditure and over \$2.6 billion in lost future earnings. The future earnings component is risk-weighted and is based upon loss of earnings from conventional gas resources only.

The derogation from grant claim is based upon a fundamental legal principle that a party, having given a thing with one hand, is not to take away the means of enjoying it with the other.

The unjust and unlawful actions of the Victorian Government, and its proposed Bill to ban onshore exploration, have caused significant losses to the Company and its 11,000 long-standing Shareholders.

Lakes Oil is in discussion with parties regarding potential provision of funds specifically for the derogation from grant proceedings. In response to requests from Shareholders and other interested parties, the Company also envisages an opportunity being provided for these parties to participate in funding of proceedings.

The Company will keep Shareholders informed regarding the legal proceedings and related matters.

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