



A.C.N. 004 247 214

Lakes Oil N.L.

**ASX
Announcement
And Media
Release
4 May 2017**

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LAKES OIL NL

Listed Unsecured Converting Notes Second Interest Payment & Early Conversion

Lakes Oil NL provides the following letter to be sent today to holders of Unsecured Converting Notes (ASX: LKOGB).

Lakes Oil N.L.

Melanie Leydin
Company Secretary



LAKES OIL N.L.

(ABN 62 004 247 214)

Update your information:



Online:

www.investorcentre.com/contact



By Mail:

Computershare Investor Services Pty Limited
GPO Box 2975 Melbourne
Victoria 3001 Australia

Enquiries:

(within Australia) 1300 850 505
(international) +61 3 9415 4000

LKO

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Dear Noteholder,

Lakes Oil NL (ASX: LKO) Listed Unsecured Converting Notes

We write to remind you of the upcoming interest payment and early conversion dates relating to the Lakes Oil NL (Company) LKOGB Listed Unsecured Converting Notes (Notes).

Second Interest Payment

The Second Interest Payment on the Notes is scheduled to be paid on 7 June 2017 to each registered holder of Notes in the Company bought before 30 May 2017 (Ex-Date) and still holding Notes as at 7.00 p.m. (AEST) on 31 May 2017 (Record Date). The payment amount is \$0.50 (50 cents) per Note held at Record date.

Interest payments will be paid in Australian dollars by direct credit or cheque to a nominated Australian financial Institution account.

If you have not already done so, we encourage you to provide us with your Tax File Number (TFN) or Australian Business Number (ABN) as well as your payment instructions, so that we can make payment to you by direct credit. If you do not provide your TFN or ABN, tax may be deducted from your interest payment at the highest marginal rate. Your instructions can be provided online at www.investorcentre.com/lko.

Use your SRN/HIN which is located at the top of this letter to login to the secure Investor Centre website. If you do not have internet access you may call 1300 850 505 (if outside Australia call + 61 3 9415 4000) and follow the voice instructions to provide your security holder information over the phone and receive any necessary forms at your registered postal address.

Early Conversion

We also remind you that you may elect to convert some or all of your Notes to fully paid ordinary shares (Shares), under the terms set out in the Prospectus dated 30 June 2016, by sending notice to the Company by 31 May 2017. This Notice is attached. If you elect to take early conversion you will still be eligible to receive the Second Interest Payment.

If you elect to convert any of your Notes, they will each be converted into 9,091 Shares in the Company (Converted Shares) within 10 business days of the Record Date. However, if the 30 Day Average Closing Share Price prior to the Maturity Date is less than 0.11 cents, the maximum number of Shares received on conversion for each Note will be increased to a maximum of 10,000 Shares on the basis of an Uplift Factor formula as set out in the Prospectus. Upon conversion of the Notes you will lose any right to interest payments other than the Second Interest Payment. The Converted Shares you receive will hold the same rights as other Shares in the Company.

Yours sincerely

Chris Tonkin
Chairman



LKO

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Securityholder Reference Number (SRN)

SRN WITHHELD DEC

Use a **black** pen.
Print in **CAPITAL** letters.

A B C 1 2 3 Where a choice is required, mark the box with an 'X' X

Convertible Note Exit Notice

A **Exit Notice**

I/We, hereby give notice to convert 10% unsecured convertible notes (LKOGB Notes) in the above named into ordinary fully paid shares of the issuer, pursuant to the LKO Notes Trust Deed and the terms and conditions of the LKO Notes.

I/We, apply for such number of fully paid ordinary shares in the capital of Lakes Oil NL (LKOGB) as is equal to the number of ordinary shares that the noteholder is entitled to upon conversion, as calculated in accordance with the terms and conditions of the LKOGB Notes.

B **Contact Details**

Please provide your contact details in case we need to speak to you about this form

Name of contact person

Contact person's daytime telephone number

C **Sign Here - This section must be signed for your instructions to be executed.**

I/We authorise you to act in accordance with my/our instructions set out above. I/We acknowledge that these instructions supersede and have priority over all previous instructions in respect to my/our securities.

<p>Individual or Securityholder 1</p> <input type="text"/> <p>Director</p>	<p>Securityholder 2</p> <input type="text"/> <p>Director/Company Secretary</p>	<p>Securityholder 3</p> <input type="text"/> <p>Sole Director and Sole Company Secretary</p>
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Note: When signed under Power of Attorney, the attorney states that they have not received a notice of revocation. Computershare Investor Services Pty Limited needs to sight a certified copy of the Power of Attorney.

Day Month Year

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Convertible Notes Terms and Conditions

This is a summary of the material terms of the LKOGB Notes and should be read in conjunction with the Terms of Issue in Annexure A of the prospectus.

Issuer	Lakes Oil NL (ABN 62 004 247 214)
Trustee	Equity Trustees Limited
Issue Price	\$10 per Note
Issue Date	16 September 2016
Maturity Date	31 May 2018 (unless converted earlier)
Term	From the Issue Date until 31 May 2018, unless earlier converted into Ordinary Shares.
Interest Payment Dates	Interest is payable half yearly at the rate of 50 cents per Note within 10 business days following each Interest Payment Date (30 November 2016, 31 May 2017, 30 November 2017, 31 May 2018), equating to 10% per annum.
Conversion	LKOGB Holders can elect to convert the Notes early by notice to Lakes Oil before 30 November 2016, 31 May 2017 and 30 November 2017 (Early Conversion Dates). Any Notes subject of early conversion will be the subject of a share issue at the conversion ratio within 10 business days of the early conversion date, when the final payment of interest up to the early conversion date will be made.
Voting	Holder of Notes do not have a right to vote at general meetings of shareholders of Lakes Oil prior to conversion.

**Please return the completed form to
the address opposite:**

Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne Victoria 3001
Australia

