



A.C.N. 004 247 214

**Lakes Oil N.L.**

**Media Release  
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## **Media Release**

### **Proposal to Victorian Government - Update**

For the information of Shareholders Lakes Oil NL (**Lakes Oil**, ASX: LKO) is pleased to provide the following update regarding the Company's proposal to the Victorian Minister for Resources.

As previously announced, Lakes Oil wrote to the Minister for Resources on 5 October 2017 offering to cooperatively carry out conventional drilling within the parameters of the state's petroleum legislation and in consultation with the state's onshore gas program. The objective of the drilling activity would be to bring competitively priced onshore Victorian natural gas to market as quickly as possible.

Lakes Oil's open letter to the Minister sought a response from the Minister by 10 October. No response has yet been received.

Mr Roland Sleeman, Chief Executive Officer of Lakes Oil, said "While it is disappointing that the Minister has not responded to our proposal or otherwise engaged with us, we are encouraged by the appointment of Treasurer Tim Pallas to the resources portfolio. This appointment is consistent with the importance of energy to Victoria's economy. A cooperative approach to developing the conventional onshore gas that Lakes Oil has demonstrated to be recoverable will ease the gas cost and supply issues that Victorian industry and householders are presently facing".

Other components of the proposal presented by Lakes Oil to Government remain on offer, notably:

- Lakes Oil will commit to supplying gas to Victorian consumers and industry as a first priority.
- Lakes Oil will commit to payment of a proportion of gas sales revenue to landowners upon whose land, and to communities within which, gas production activities are carried out.
- Lakes Oil will relinquish its sensitive surf-coast exploration permit, PEP163, subject to agreement on consideration.

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