



# LAKES OIL NL

ABN 62 004 247 214

## PROSPECTUS FOR AN OFFER OF SHARES IN EXCHANGE FOR THE SALE OF YOUR RAWSON OIL AND GAS LTD SHARES

This Prospectus is dated 18 April 2019. It sets out the details of an offer to sell your shares in Rawson Oil and Gas Ltd ('**Rawson**') in exchange for new fully paid shares in Lakes Oil NL ('**Lakes Oil**' or '**Company**').

This offer is for 15 Lakes Oil shares in exchange for each share in Rawson that you hold ('**Offer**').

The closing date for acceptance of this Offer is  
**20 May 2019.**

This is an important document. Please read it carefully.  
If you do not understand the contents of this Prospectus  
you should consult your stockbroker, accountant,  
solicitor or other professional adviser.

## CORPORATE DIRECTORY

### *Directors*

Chris Tonkin BSc (Hons.), BA, MBA, GAICD (Non Executive Chairman)  
Barney I Berold BCom, MBA (Non Executive)  
Nicholas Mather BSc (Hons. Geology) MAusIMM (Non Executive)  
Ian R Plimer BSc (Hons), PhD, FTSE, FGS, FAusIMM (Non Executive)  
Kyle Wightman BCom, MBA, FAICD, CFTP(Snr)  
Richard Ash BEc, CA (Non Executive)

### *Chief Executive Officer*

Roland Sleeman BEng (Mech), MBA

### *Company Secretary*

Melanie Leydin CA

### *Registered Office*

Level 4, 100 Albert Road,  
South Melbourne Victoria 3205

Telephone: (03) 9629 1566

### *Internet Addresses*

E-mail: [lakes@lakesoil.com.au](mailto:lakes@lakesoil.com.au)  
Web site: [www.lakesoil.net.au](http://www.lakesoil.net.au)

### *Share Registry*

Computershare Investor Services Pty Limited  
Yarra Falls, 452 Johnston Street  
Abbotsford Victoria 3067  
Telephone: 1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)

### *ASX code*

LKO

## TIMETABLE

Prospectus Date	18 April 2019
<b>Closing Date</b>	<b>20 May 2019</b>
Issue Date (with despatch of Holding Statements to follow)	24 May 2019
Commencement of normal trading of Lakes Oil shares on ASX	27 May 2019

Please note that this timetable is indicative only and is subject to change.



# LAKES OIL NL

ABN 62 004 247 214

*Registered Office:*  
Level 4,  
100 Albert Road,  
South Melbourne Vic.  
3205  
Phone: (03) 9629 1566

*Postal Address:*  
PO Box 300,  
Collins Street West  
Vic 8007  
Fax: (03) 9629 1624

**18 April 2019**

## **Letter from the Chairman**

Dear Shareholders of Rawson Oil and Gas Ltd

On behalf of the Board of Lakes Oil NL, I am pleased to offer you the opportunity to exchange your shares in Rawson Oil and Gas Ltd for shares in Lakes Oil NL. This offer is for 15 Lakes Oil shares per every 1 Rawson share that you sell to Lakes Oil. This is the same as Lakes Oil's recent off-market takeover bid.

There are currently 61 Rawson shareholders and Lakes Oil has a slightly more than 90% shareholding in Rawson. Rawson's shares have ceased being listed. Accordingly, this offer enables you to convert your Rawson shareholding into a more liquid form.

To accept this offer you will need to complete the attached Acceptance Form and return it to our Share Registry. Please note that the Acceptance Form needs to be received by the Closing Date of 20 May 2019.

Yours sincerely

Chris Tonkin  
Chairman

## OFFER SUMMARY

### Summary of Principal Terms

This Prospectus enables Rawson Oil and Gas Ltd shareholders ('**Rawson Shareholders**') to exchange their Rawson Oil and Gas Ltd shares ('**Rawson Shares**') for Lakes Oil shares ('**Shares**') which are listed on the ASX. In exchange for every one Rawson Share that a Rawson Shareholder transfers ownership of to Lakes Oil, Lakes Oil will issue 15 Shares to that person. Unless otherwise extended, the closing date for receipt of applications is 5 PM on 20 May 2019.

Shares issued pursuant to this Prospectus are intended to be listed on the ASX.

The conditions of issue of the Shares are described in section 2.

Lakes Oil considers that this Offer represents a fair estimate of the value of your Rawson shares. Lakes Oil considers this to be the case because, first, it is the same offer ratio as the recent Lakes Oil takeover bid. Also, the value of each Lakes Oil share is currently 0.1 cents (the same price as the recent capital raising) equating to a value for each Rawson share of 1.5 cents. That is essentially the same as the 1.51 cents per share paid by Rawson to recently buy back unmarketable parcels.

### If you do not accept the Offer

You do not need to accept this Offer. You should note however, that Lakes Oil has a relevant interest in Rawson of slightly more than 90% and Rawson's shares are unlisted. Hence if you do not accept this Offer then you will remain as a minority shareholder in an unlisted entity.

## 1. RISK FACTORS SUMMARY

The Shares carry with them the following key risk factors, which are set out in more detail in section 6 of this Prospectus:

The Company is in a tight financial position. The auditors issued a modified opinion in the form of a disclaimer of conclusion in Lakes Oil's accounts for the half year ended 31 December 2018. This Disclaimer of Conclusion was based on the Company's ability to carry on as a going concern which was subject to its ability to secure unconditional commitments to provide sufficient funding.

- The business of oil and gas exploration and production, by its nature, contains elements of significant risk with no guarantee of success.

## 2. CONDITIONS OF ISSUE

The conditions of issue of Shares offered pursuant to this Prospectus are set out below.

<b>Issuer</b>	Lakes Oil NL ABN 62 004 247 214
<b>Securities</b>	Ordinary shares, fully paid
<b>Offer</b>	Rawson Oil and Gas Ltd shareholders can exchange their Rawson Oil and Gas Ltd shares for shares in Lakes Oil NL with 15 Lakes Oil NL shares being issued for every 1 Rawson Oil and Gas Ltd share exchanged.
<b>Listing</b>	The Shares will be listed on the ASX.
<b>Disclosure Document</b>	The Shares are issued under a "limited disclosure" section 713 prospectus under the Corporations Act. For details see section 8 of this Prospectus.
<b>Security ranking</b>	The Shares to be issued are of the same class and will rank equally with existing Shares on issue.
<b>Voting rights</b>	Holders of Shares have a right to vote at general meetings of shareholders of the Company.
<b>Withdrawal</b>	The Company may withdraw the Offer by sending a withdrawal notice to you but generally not within 1 month of the date of the Offer in accordance with the provisions of the Corporations Act.

## 3. EFFECT OF OFFER ON CAPITAL STRUCTURE

The Company currently has 33,213,500,451 Shares (ASX:LKO) on issue.

The issue of all of the Shares under this Prospectus would increase the number of Shares on issue by 167,409,840, giving a total of 33,380,910,291 Shares on issue.

In addition:

- there are 30,308,000 options exercisable at 0.5 cents each expiring on 8 January 2021;
- there are 752,876,031 performance rights expiring on 1 January 2022; and
- as approved by shareholders on 13 November 2018, the Company proposes issuing Shares to its directors on a monthly basis in arrears for the period until 30 November 2019 as consideration for 100% of the directors' fees payable to them. The deemed issue price of the Shares will be determined by reference to the monthly VWAP of fully paid ordinary shares each month, when the fees are due and payable, subject to a floor price of 0.1 cents per Share. The Shares will be issued within 10 (ten) business days of the end of each month. The maximum aggregate number of Shares to be issued over this period is 233,333,520.
- the Company is considering issuing shares as consideration for the acquisition of a minority interest in Dondonald Limited (a Papua New Guinea subsidiary in which the Group has an interest of approximately 93%). Further details will be disclosed to the ASX if and when the matter proceeds.

## 4. APPLICATIONS

Your Acceptance Form should be completed in accordance with the instructions contained on it. You should carefully read this Prospectus and the application lodgement instructions before applying.

Shares issued in respect of Applications received by the closing date are expected to be allotted on 24 May 2019 (with despatch of holding statements to follow) and normal trading to commence on 27 May 2019. Investors who wish to sell Shares immediately following the close of the Offer should ensure they will be or have been issued Shares before committing a trade. The Shares will be issued onto the same SRN or HIN used for the Rawson Shares that investors are relinquishing ownership of. Otherwise investors should consider waiting for written proof of the issue of Shares into their name before they trade.

## 5. FINANCIAL POSITION OF LAKES OIL NL

This Offer is not expected to materially change the Company's financial position from that described in the Company's Half Year Financial Report announced on 15 March 2019. This Report can be accessed on the Company's website.

## 6. RISK FACTORS

Due to the inherently uncertain nature of oil and gas exploration, Shares issued under this Prospectus should be considered speculative. You should realise that the value of Shares may fluctuate and that a dividend is not expected to be declared by the Company in the foreseeable future. Whilst the Company attempts to minimise the following risk factors, the majority of them are beyond its control. This list of risk factors should not be taken as exhaustive of the risks faced by the Company or by you. These factors and others not specifically referred to may materially affect the performance of the Company and the value of its Shares:

- (a) **Investment Risk:** Holders of Shares have no right to a repayment of their investment. You should appreciate that an investment in Shares carries risks. The Shares may not be tradeable at their issue price, and liquidity may be thin. The Shares are not redeemable in any circumstance and, in the event of external administration or liquidation (i.e., insolvency), are likely to be of minimal value.
- (b) **Funding Risk:** The Company is in a tight financial position. The auditor's opinion in the Company's accounts for the half year ended 31 December 2018 is subject to a modified opinion in the form of a disclaimer of conclusion that its ability to carry on as a going concern is subject to its ability to raise sufficient funding. If such funding is not forthcoming, the Company will need to consider reducing its forward work programme or implementing alternative funding strategies including but not limited to farm-out or sale of existing exploration projects.

Any need to implement a funding alternative would be considered if required having regard to the circumstances at that time.

If and when additional funding is required the Company can address cash shortfalls through a combination of the following:

- Raise additional capital through existing and new shareholders. The Company has demonstrated its ability to raise capital during current and prior years;
  - Sale or mortgage of property;
  - Continue to reduce corporate overhead costs;
  - Continue to pursue opportunities to negotiate pre-paid gas supply contracts; and
  - Continue to pursue opportunities to farm-out part of the consolidated entity's exploration interests.
- (c) **Litigation Risk:** As noted in Section 7 of this Prospectus, the Company has lodged an appeal against the Judgement of Justice Macaulay, as was handed down on 21 September 2018. There is a risk that the Appeal will not be successful, in which case the Company may be liable for payment of the Victorian Government's defence costs.

- (d) **Contractual Dispute Risk:** Contractual disputes with joint venture partners, operators and contractors can arise from time to time. Some of the Company's projects are conducted as joint ventures. Where a venture partner does not satisfy its financial or other commitments or act in the best commercial interest of the project, it could have a material adverse effect on the interests of the Company. The Company is unable to predict the risk of financial failure, non-compliance with obligations or default by a participant in any venture to which it is, or may become, a party, or insolvency or managerial failure by any of the contractors used by the Company in its exploration activities. Given that the Company has entered into joint venture and farmout agreements, the inability of those joint venturers or farminees to meet contracted obligations could adversely affect the Company's capacity to carry out its own activities.
- (e) **Exploration Company Risk:** As the Company is an exploration company, the market's perception of the value of its shares can alter significantly from time to time, causing fluctuations in the Company's share price. Fluctuations may also occur as a result of factors influencing the price of shares in exploration companies or share prices generally, as well as drilling activities by other parties in the same general region. The price of shares rises and falls and many factors affect the price of shares including local and international stock markets, movements in interest rates, economic and political conditions and investor and consumer sentiment. The stock markets generally remain volatile. More generally, the Navgas South Australian interests are held in the form of licence applications which need to convert into exploration licences and then in due course production licences before petroleum can be produced, which carries with it various regulatory and process risks. While the Company's 90% acquisition of Rawson Oil and Gas Ltd has increased the geological and geopolitical diversity of the Company's exploration portfolio (that is, the diversity of structures to be explored and political regimes within which operations are carried out), all of the abovementioned risks also apply to Rawson Oil and Gas Ltd's portfolio.
- (f) **Industry Nature Risk:** Oil and gas exploration activity, especially drilling, by its nature is risky. Where exploration is successful, drilling operations can be affected by breakdowns, adverse weather conditions, site and geographical conditions, operational risks, shortage or delays in the delivery of rigs and/or other equipment, industrial disputes, government regulations, environmental issues and unanticipated costs. Hazards incidental to the exploration and development of oil and gas properties such as unusual or unexpected formations, pressures or other factors are inherent in drilling and operating wells and may be encountered by the Company. Exploration may be unsuccessful. Exploration may prove to be more costly than expected or the proposed timing of exploration may not be achieved, thus potentially putting strains on the Company's financial position.
- (g) **Impairment of Non-Financial Assets Risk:** As at 31 December 2018, the Company's assets included \$15.6 million of capitalised exploration expenditure, evaluation and development costs. These assets are tested semi-annually for impairment in accordance with accounting standard requirements to assess whether the carrying value may exceed its recoverable amount. An impairment loss may be triggered if capitalised exploration expenditure does not meet the requirements under the accounting standards (AASB 6 - Exploration for and Evaluation of Mineral Resources). The Company does not presently expect any further material impairment of capitalised expenditure.
- (h) **Operating Risk:** Industry operating risks include the risk of fire, explosions, blow-outs, pipe failure, abnormally pressured formations and environmental hazards such as accidental spills or leakage of petroleum liquids, gas leaks, ruptures or discharges of toxic gases, the occurrence of any of which could result in substantial losses to the Company due to injury or loss of life, severe damage to, or destruction of property, natural resources and equipment, pollution or other environmental damage, clean-up responsibilities, regulatory investigation and penalties and suspension of operations, the occurrence of any of which could result in substantial losses to the Company. Damages occurring as a result of such risks may give rise to claims against the Company. The occurrence of an event that is not covered, or fully covered, by insurance could have a material adverse effect on the business, financial condition and results of operations of the Company.
- (i) **Commercial Discovery Risk:** Even if an apparently viable hydrocarbon resource is identified, there is no guarantee that it can be profitably exploited. While drilling may yield some hydrocarbons there can be no guarantee that any discovery will be sufficiently productive to justify commercial

development or cover operating costs. There can be no assurance that the Company will achieve production as this will depend on a wide range of factors, including development decisions, capital costs and operating costs and the ability of the Company to fund these costs.

- (j) **Reserve and Resource Estimates Risk:** Hydrocarbon reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice. In addition, such estimates are necessarily imprecise and depend to a significant extent on interpretations, which may prove inaccurate. The calculation of any possible volume of hydrocarbons in a prospect may be proved incorrect by future exploration/production, mapping and/or drilling. The Victorian Government's onshore exploration ban has prevented necessary exploration/appraisal work from being carried out to refine the Company's assessments of its potential Victorian petroleum resources.
- (k) **Governmental and Regulatory Risk:** The impact of actions by governments may affect the Company's operations including matters such as necessary approvals, land access, sovereign risk, additional or increased taxation and royalties which are payable on the proceeds of the sale of any successful exploration. Further, the approval of contractual arrangements in relation to exploration permits as well as the renewal of exploration permits is each a matter of governmental discretion and no guarantee can be given in this regard.

A failure to obtain any approval would mean that the ability of the Company to participate in or develop any project may be limited or restricted either in part or absolutely. Such exploitation will involve the need to obtain the necessary licences or clearances from the relevant authorities, which may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Further the decision to proceed to further exploitation may require the participation of other companies whose interests and objectives may not be the same as the Company. Such further work may require the Company to meet or commit to financing obligations for which it may not have planned.

Industry profitability can be affected by changes in tax policies and the interpretation and application thereof.

In the case of present Victorian exploration prohibitions, pursuant to existing legislation the Company will be able to resume conventional petroleum exploration operations within Victoria in mid 2020. There is a risk that the legislation could be amended by Parliament to extend the present ban on all exploration activity.

In addition, the validity of Rawson Oil and Gas Ltd's tenure over Petroleum Prospecting Licence 560 (PNG) is subject to dispute, as outlined in the Company's Quarterly Activities Report published on 31 January 2019.

- (l) **Market Pricing Risk:** Potential investors should consider the impacts of supply and demand for commodities (especially oil and gas), fluctuations in the prices of those commodities, exchange rates, Australia's inflation rates, taxation laws and interest rates. All of these factors have a bearing on operating costs, potential revenue and share prices. In particular, the price of oil is volatile and cannot be controlled. Oil and gas prices have fluctuated widely in recent years, and if the price of hydrocarbons falls significantly and remains depressed, this could affect the financial viability of any reserves discovered. There is no assurance that, even if significant quantities of hydrocarbon products are discovered, a profitable market may exist for their sale. The marketability of hydrocarbons is also affected by numerous other factors beyond the control of the Company, including government regulations relating to royalties, allowable production and importing and exporting of oil and gas and petroleum products, the effect of which cannot be accurately predicted.
- (m) **Environmental Risk:** In relation to the exploration permits held by the Company, issues can arise from time to time with respect to abandonment costs, consequential clean-up costs and environmental concerns. The Company could become subject to liability if, for example, there is environmental pollution and consequential clean up costs at a later point in time. It is not possible to quantify any such contingent liability. Whilst no guarantee can be given, the Company is not aware of any advices which would suggest that there is any particular exposure in relation to any of its present interests.



- (n) **Research & Development Grant (Commonwealth):** Lakes Oil has historically (from 2006 through to 2013/14) claimed and received Research and Development (R&D) rebates for its experimental fracking activities. It also made a claim for Research and Development (R&D) rebates for its experimental non-fracking activities in 2014/2015 although no rebate was received. Following introduction in late 2012 of the Victorian Government's "fracking moratorium" the Company refocused its R&D activity onto development of technology for recovery of the large, discovered gas resources within Victoria without having to utilise fracture stimulation techniques. In early 2016 the Company was informed by Innovation and Science Australia (ISA) that it was reviewing the eligibility of the Company's R&D expenditure for the 2013/14 and 2014/15 financial years. Following the review, ISA concluded that neither the Company's core nor its supporting activities qualified under the revised R&D scheme guidelines.

The Company requested an internal review of the decision, in response to which ISA reaffirmed its position. The Company has subsequently applied to the Administrative Appeals Tribunal (AAT) for a review of ISA's decision. The Company and ISA are to file their evidence with the AAT over the period to 28 June 2019. At the present time, the indication from the AAT is that the hearing date would be allocated some time in the period of July to October 2019.

The Company considers that its R&D activities meet the requirements of the R&D rebate scheme. However, in the event the Company's appeal is unsuccessful, the Company will be liable for repayment of the R&D rebate received for 2013/14, and may not receive a rebate for the 2014/15 year. The Company has recorded a payable of \$1,021,141 within its financial statements as detailed within the December 2018 Half Year Report.

- (o) **Native Title Risk:** Native title rights may have an adverse impact on the Company's operations. In particular, the Company's ability to explore within the area of its South Australian petroleum exploration licence applications is subject to negotiation of native title land access arrangements. The Company proposes to carry out further desktop review of the potential of its South Australian exploration licence application acreage prior to incurring costs for native title access arrangements. If the Company's ability to conduct future exploration and/or development and production activities is adversely affected, this may have a material adverse effect on the Company's performance and the price at which its shares are traded.

## 7. LEGAL PROCEEDINGS

The Company commenced legal proceedings against the Victorian Government in October 2016. The proceedings at that time sought Judicial Review of the Minister's decisions to refuse to consider the Company's applications to conduct petroleum exploration operations. Subsequently, in December 2016, the Company initiated Derogation from Grant proceedings in the Supreme Court of Victoria. The Derogation from Grant proceedings were based upon an established legal principle that a party should not be able to give something with one hand (a petroleum exploration authority) whilst taking away the means of enjoying it with the other.

Following amendments to the Petroleum Act 1998 that passed through Victorian Parliament in March 2017 the legal proceedings already under way were essentially frustrated. The legislative amendments introduced an exploration moratorium, giving the Victorian Government the power to refuse to grant any new exploration authorities, obligations or commitments, and absolved Government of any liability for past or future damages caused by its actions.

Although pre-existing exploration obligations and commitments were not subject to the exploration moratorium, it was clear that the Victorian Government still intended to refuse to allow any exploration activity. To protect the Company's rights, in June 2017 new legal proceedings were initiated to oblige the Victorian Government to abide by its legislation. The Government attempted to circumvent the Company's new proceedings by seeking to unilaterally vary the conditions of the Company's authorities (by changing the dates by which those conditions were to be satisfied).

The new legal proceedings were heard in the Victorian Supreme Court on 14-15 March 2018 before Justice Macaulay. The Company was represented by Alan Sullivan, QC.

Justice Macaulay handed down his Judgement on 21 September 2018. While the Judgement confirmed that the Government's attempted changes to the conditions of the Company's authorities were not allowed, it was otherwise not in the Company's favour.

The Company has lodged an appeal against the Judgement. While the Appeal process is under way the Company will focus on its other exploration interests.

## 8. ADDITIONAL INFORMATION

The latest available market sale price of Shares on the ASX on 17 April 2019 immediately prior to the lodgement of this Prospectus with ASIC was \$0.001 (0.1 cent). During the 3 (three) months prior to that date the Shares traded on the ASX within the range of \$0.002 (0.2 cent) and \$0.001 (0.1 cent) .

Lakes Oil will make an application to the ASX within 7 (seven) days after the date of this Prospectus for the Shares to be granted official quotation.

A shareholding in the Company is held subject to the Company's Constitution, which was updated following receipt of shareholder approval at the Company's Annual General Meeting held on 16 January 2017. The Company's Constitution is similar to those of other publicly listed no-liability companies and states that the ASX Listing Rules prevail in the event of any inconsistency. In particular, shareholders are entitled to receive notices of and attend and vote at general meetings where they have one vote on a show of hands and one vote per ordinary share on a poll. Subject to the Constitution, the Corporations Act and the ASX Listing Rules, Shares are freely transferable. Dividends are payable to shareholders in proportion to the shares held by them respectively. In a winding up, the liquidator may with the sanction of a special resolution of shareholders divide the assets of the Company amongst the shareholders and may determine how the division shall be carried out as between them. The Constitution may be inspected on the Company's website.

This Prospectus does not constitute an offer in any jurisdiction where, or to any person to whom, it would not be lawful to make such an offer.

This Prospectus is dated 18 April 2019 and a copy of it has been lodged with the Australian Securities and Investments Commission (ASIC). The ASIC takes no responsibility as to the contents of this Prospectus. No Shares will be issued on the basis of this Prospectus later than thirteen (13) months after its date of issue.

Applicants may wish to access information about the Company through its website at [www.lakesoil.net.au](http://www.lakesoil.net.au) including information which is released after the lodgement date of this Prospectus. This is a limited disclosure prospectus and does not purport to contain all the information that investors and their professional advisers would reasonably require to make an informed assessment of the assets and liabilities, financial position and performance, profits and losses and prospects of the Company. For the purposes of section 713 of the Corporations Act and ASIC Corporations (Offer of Convertibles) Instrument 2016/83, the Company is a disclosing entity and hence is subject to regular reporting and continuous disclosure obligations. Information that is already in the public domain as a consequence has not been (and is not required to be) included in this Prospectus. Copies of documents lodged with ASIC by or in relation to the Company may be obtained from or inspected at an ASIC office. The Company will provide a copy of each of the following documents free of charge to any person who requests them during the application period for this Prospectus:

- the annual financial report of Lakes Oil NL for the year ended 30 June 2018;
- the half year financial report for the half year ended 31 December 2018; and
- any other continuous disclosure notices, as tabulated on the following page, given by Lakes Oil NL to the ASX between 28 September 2018 (being the date of lodgement with ASIC of Lakes Oil's 2018 Annual Financial Report) and the date of lodgement of a copy of this Prospectus with ASIC.

April 2019	
11th	Change of Director's Interest Notice x6
10th	<u>Change in substantial holding from DHR</u>
10th	<u>Change in substantial holding from DGR</u>
10th	<u>Change in substantial holding from AJQ</u>
8th	<u>Section 708A Notice and Appendix 3B</u>

<b>March 2019</b>	
26th	<a href="#"><u>Change in substantial holding</u></a>
21st	<a href="#"><u>Change in substantial holding</u></a>
18th	<a href="#"><u>Change of Director's Interest Notice x6</u></a>
15th	<a href="#"><u>Financial Report for the Half-Year Ended 31 December 2018</u></a>
14th	<a href="#"><u>Section 708A Notice and Appendix 3B</u></a>
7th	<a href="#"><u>Change of Director's Interest Notice</u></a>
<b>February 2019</b>	
26th	<a href="#"><u>Change of Director's Interest Notices x6</u></a>
22nd	<a href="#"><u>Change in substantial holding from AJQ</u></a>
22nd	<a href="#"><u>Change in substantial holding from DHR</u></a>
22nd	<a href="#"><u>Change in substantial holding from DGR</u></a>
22nd	<a href="#"><u>Completion of Entitlement Issue</u></a>
21st	<a href="#"><u>Entitlement Issue Results and Shortfall Notification</u></a>
21st	<a href="#"><u>Rawson Shareholding Update</u></a>
20th	<a href="#"><u>Entitlement Offer Outcome</u></a>
15th	<a href="#"><u>Change of Director's Interest Notices x6</u></a>
14th	<a href="#"><u>Section 708A Notice and Appendix 3B</u></a>
5th	<a href="#"><u>Extension of Entitlement Offer</u></a>
<b>January 2019</b>	
31st	<a href="#"><u>Quarterly Activities and Cashflow Report December 2018</u></a>
29th	<a href="#"><u>Extension of Entitlement Offer</u></a>
15th	<a href="#"><u>Change of Director's Interest Notices x6</u></a>
15th	<a href="#"><u>Section 708A Notice and Appendix 3B</u></a>
2nd	<a href="#"><u>Despatch of Entitlement Offer Documents</u></a>
<b>December 2018</b>	
21st	<a href="#"><u>Letter to Ineligible Shareholders - Entitlement Offer</u></a>
21st	<a href="#"><u>Letter to Eligible Shareholders - Entitlement Offer</u></a>
19th	<a href="#"><u>Notice under Section 708AA(2)(F) - Entitlement Offer</u></a>
19th	<a href="#"><u>Appendix 3B - Entitlement Offer</u></a>
19th	<a href="#"><u>Investor Presentation - December 2018</u></a>
19th	<a href="#"><u>Entitlement Offer Document</u></a>
19th	<a href="#"><u>Non-Renounceable Entitlement Offer</u></a>
17th	<a href="#"><u>Section 708A Cleansing Notice and Appendix 3B</u></a>
17th	<a href="#"><u>Completion of Placement</u></a>
<b>November 2018</b>	
13th	<a href="#"><u>Final Director's Interest Notices x 2</u></a>
13th	<a href="#"><u>Retirement of Director</u></a>
13th	<a href="#"><u>Results of Annual General Meeting</u></a>
13th	<a href="#"><u>AGM Presentation</u></a>
9th	<a href="#"><u>Appeal Against Decision of Justice Macaulay - Update</u></a>
5th	<a href="#"><u>Documents filed in Victorian Court of Appeal</u></a>
<b>October 2018</b>	
31st	<a href="#"><u>Quarterly Activities and Cashflow Report September 2018</u></a>
29th	<a href="#"><u>Change of Director's Interest Notice</u></a>
29th	<a href="#"><u>Appendix 3B</u></a>
16th	<a href="#"><u>Change of Principal Place of Business and Registered Office</u></a>
12th	<a href="#"><u>Grant of ASX Waiver</u></a>
12th	<a href="#"><u>Notice of Annual General Meeting/Proxy Form</u></a>
11th	<a href="#"><u>Change in substantial holding</u></a>
9th	<a href="#"><u>Appendix 3B</u></a>
9th	<a href="#"><u>DHR: Dark Horse Project Update</u></a>

8th	<a href="#">RAW: Lakes Oil N.L. T/O - Distribution schedule and Top 20 H</a>
8th	<a href="#">Rawson Takeover - Distribution Schedule &amp; Top 20 Holders</a>
4th	<a href="#">Lakes Oil to Appeal Judgement</a>
<b>September 2018</b>	
28th	<a href="#">Appendix 4G and Corporate Governance Statement</a>

Computershare Investor Services Pty Limited has consented in writing to be named in this Prospectus as the Share registry for Lakes Oil NL. It has not authorised the issue of this Prospectus and accordingly makes no representation regarding it and takes no responsibility for any statements or information in or omissions from this Prospectus. It is entitled to a fee based on its normal commercial terms for acting in that capacity.

Roland Sleeman has consented in writing to be named in this Prospectus as Chief Executive Officer in the form and context in which he is named. He has not authorised the issue of this Prospectus and accordingly makes no representation regarding it and takes no responsibility for any statements or information in or omissions from this Prospectus.

As Lakes Oil has an interest in Rawson of more than 90%, the takeovers provisions of the Corporations Act do not apply to this Offer.

Instead, this Offer is being made in accordance with the Unsolicited Offer provisions of Division 5A of Part 7.9 of the Corporations Act. Those provisions set out various requirements in relation to this Offer which prevail in the event of any inconsistency with the terms of this Offer.

## 9. DIRECTORS' INTERESTS

Directors are each entitled to receive directors' fees and benefits totalling \$33,333 per annum for the financial year ending 30 June 2019. At the date of this Prospectus the directors' fees and benefits for the period from 1 December to 31 March have been paid in kind through issue to the directors of shares in the Company. Consistent with shareholder approval received at the Company's Annual General Meeting on 13 November 2018, for the months November 2019 (inclusive) the Company's six directors will each continue to receive 100% of their remuneration as shares instead of as cash. The shares will be issued in arrears with the number of shares determined by reference to the monthly VWAP of fully paid ordinary shares each month, when the fees are due and payable, subject to a floor price of \$0.001 (0.1 cents) per Share. This arrangement has been put in place to preserve cash for exploration and other activities.

It is presently anticipated that, subject to shareholder approval to be sought at the Company's Annual General Meeting in November 2019, the arrangement set out above will be continued beyond November 2019.

As at the date of this Prospectus, the directors held securities of the Company either directly or through their controlled entities as follows:

Director	Shares	Options	Performance Rights
Barney I Berold	131,639,665	-	-
Christopher Tonkin	75,999,262	-	3,881,945
Ian Plimer	78,249,262	-	2,256,945
Kyle Wightman	89,229,087	-	5,000,000
Nicholas Mather	95,000,073	-	-
Richard Ash	37,931,120	2,940,000	-

## 10. STATEMENT BY DIRECTORS

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



CHRIS TONKIN  
Non-Executive Chairman

## 11. DEFINITIONS

In this Prospectus the following definitions apply:

Acceptance Form	means the Acceptance Form either attached to or accompanying this Offer.
AEDT	means Australian Eastern Daylight Time.
Applicant	means an Eligible Person who applies pursuant to the Offer.
Applicant Monies	means monies received by the Company from Applicants with respect to the Entitlement and Acceptance Form.
ASIC	means the Australian Securities and Investments Commission.
ASX	means ASX Limited ACN 008 624 691 or the financial market operated by it, as the context requires.
ASX Listing Rules	means the listing rules of the ASX.
Board	means the board of Directors of the Company unless the context indicates otherwise.
Business Day	means a day that is not a Saturday, Sunday or a public holiday in Melbourne, Victoria.
Closing Date	means the date specified in the timetable set out at the commencement of this Offer (unless extended).
Company	means Lakes Oil NL (ABN 62 004 247 214), and where the context requires includes its wholly owned subsidiaries.
Constitution	means the constitution of the Company as at the date of this Offer.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Directors	means the directors of the Company as at the date of this Offer.
Lakes Oil	means Lakes Oil NL (ABN 62 004 247 214), and where the context requires includes its wholly owned subsidiaries.
Offer	means this issue.
Official Quotation	means official quotation on ASX.
Rawson	means Rawson Oil and Gas Ltd (ABN 69 082 752 985), and where the context requires includes its wholly owned subsidiaries.
Rawson Share	means a fully paid ordinary share in the capital of Rawson Oil and Gas Ltd.
Share	means a fully paid ordinary share in the capital of the Company.
Share Registry	means Computershare Investor Services Pty Limited.
Shareholder	means a holder of a share.