

## General Meeting | Chairman's Address

Welcome to this General Meeting of Shareholders of Lakes Blue Energy NL.

By way of brief background before we move to the Resolutions to be considered, you may recall that, at our AGM in December last year, Richard, who was then Chairman, outlined key initiatives that had been implemented to pave the way for Lakes to 'hit the ground running' in its quest to drill the long-awaited Wombat-5 gas well. Key among the initiatives implemented was the sale to ADZ Energy of the Company's interest in PEP 169.

Since December a lot has been achieved, with 'spudding', in other words commencement of drilling, of the Wombat-5 well scheduled for midday tomorrow. To get to this point, over the last 6-months or so we have seen:

- regulatory approval secured for drilling of the Wombat-5 appraisal well;
- a significant, \$6.5m, capital raising by share placement, aspects of which are of course to be dealt with at today's meeting; and
- resumption of trading of Lakes shares on the ASX platform.

These are material achievements and, recognising how lean and mean the Lakes' team is, I want to recognise the efforts of all concerned, Richard Ash and especially Tim O'Brien. Tim has almost single-handedly sorted out everything needed for spudding of Wombat-5 tomorrow, things like approvals, land access, review of well design, sourcing of equipment, organising the drill rig and its set up on site, and so on. I cannot conceive our larger industry colleagues achieving this in a comparable time frame, or at anywhere near the cost. Thanks Tim.

Looking ahead, Wombat-5 is, for me after 9 years with Lakes, precisely what we have been waiting for. And precisely what Victoria, indeed southeastern Australia, needs - to make use of the clean gas beneath their feet, not something deep, dirty, or distant!

While not the only string in Lakes' bow, Wombat-5 is, and has been for 13 years, the likely key to unlocking Lakes' value for Shareholders. After all, it's an appraisal well, being drilled into a formation where we already know there is, and can produce, gas. The prognosis is as good as I have ever seen. The ultimate objective is to produce 20 Petajoules per annum of gas - at this level every \$1 per Gigajoule of gas sales price would generate \$20m pa of gross income. With Victorian wholesale gas prices well over \$10/GJ, even those not mathematically inclined will appreciate the potential of the Wombat project.

We are poised for exciting times, but it has been a long time coming, and I thank Shareholders for their continued patience and support.

**This announcement was authorised by the Chairman of Lakes Blue Energy.**

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