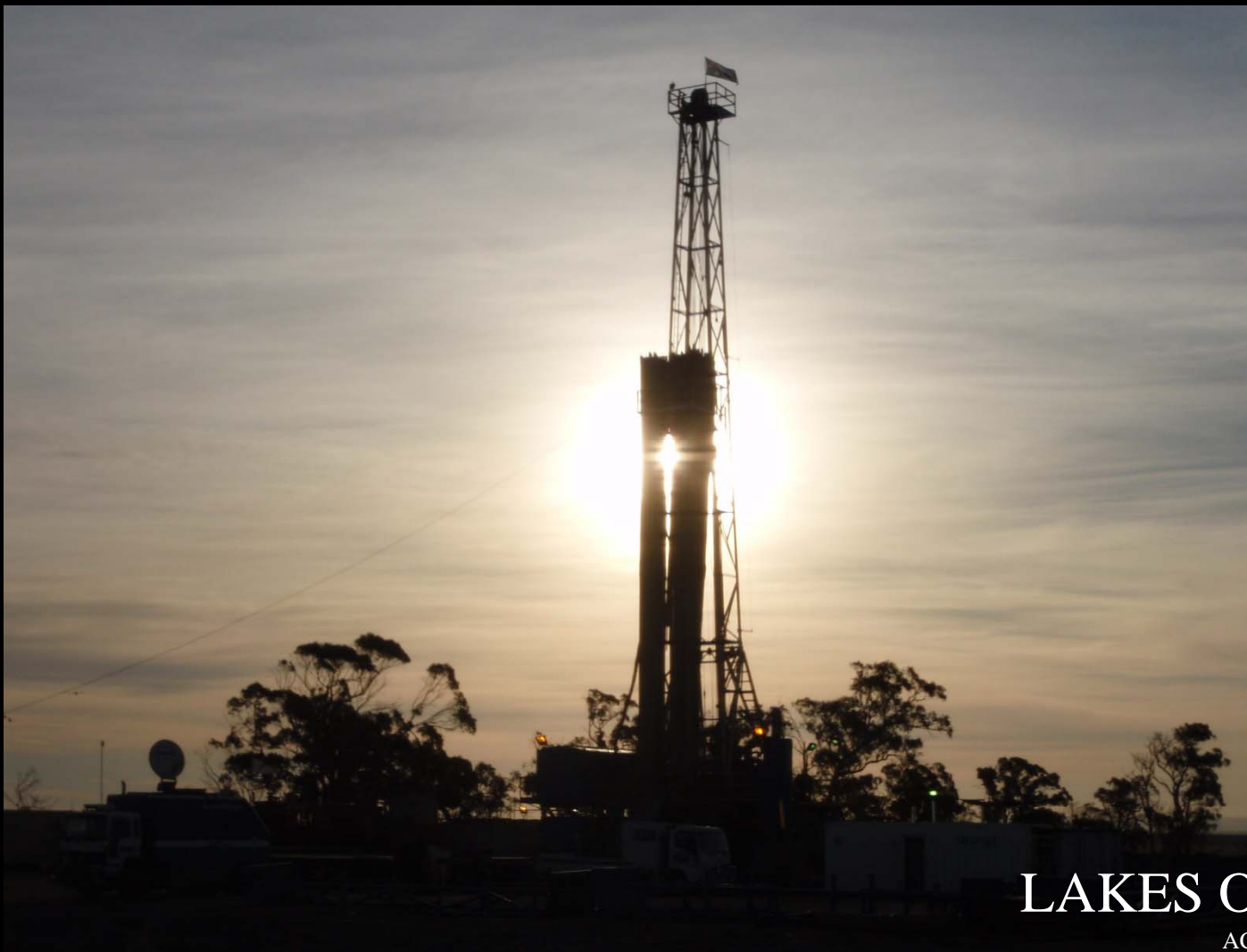




ANNUAL GENERAL MEETING 2010



LAKES OIL N.L.

ACN 62 004 247 214



Disclaimer

This presentation includes certain statements, estimates and projections with respect to the future performance of Lakes Oil. Such statements, estimates and projections reflect various assumptions concerning anticipated results, which assumptions may prove to not be correct. The projections are merely estimates by Lakes Oil, of the anticipated future performance of Lakes Oil's business based on interpretations of existing circumstances, and factual information and certain assumptions of future economic and results, which may prove to be incorrect. Such projections and estimates are not necessarily indicative of future performance, which may be significantly less favourable than as reflected herein. Each of Lakes oil, Gaffney, Cline & Associates, Palliser Strategic Management and Langusch & Associates (who have consented to being named in this presentation) make no representations as to the accuracy or completeness of such statements, estimates or projections and such statements, estimates and projections should not be relied upon as indicative of future value, or as a guarantee of value or future results.



Lakes Oil Board of Directors



Robert Annells (*Chairman*), **Barney Berold** (*Non-Executive Director*),
Peter Lawrence (*Non-Executive Director*), **James Syme** (*Non-Executive Director*)



Market Capital

Total Shares on Issue

Fully Paid	5,709,901,461
Partly Paid (\$0.015 shares paid to \$0.001)	191,500,000
Total	5,901,401,461

Market Price at Last Sale	\$0.006
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Market Capitalisation	\$34,259,409
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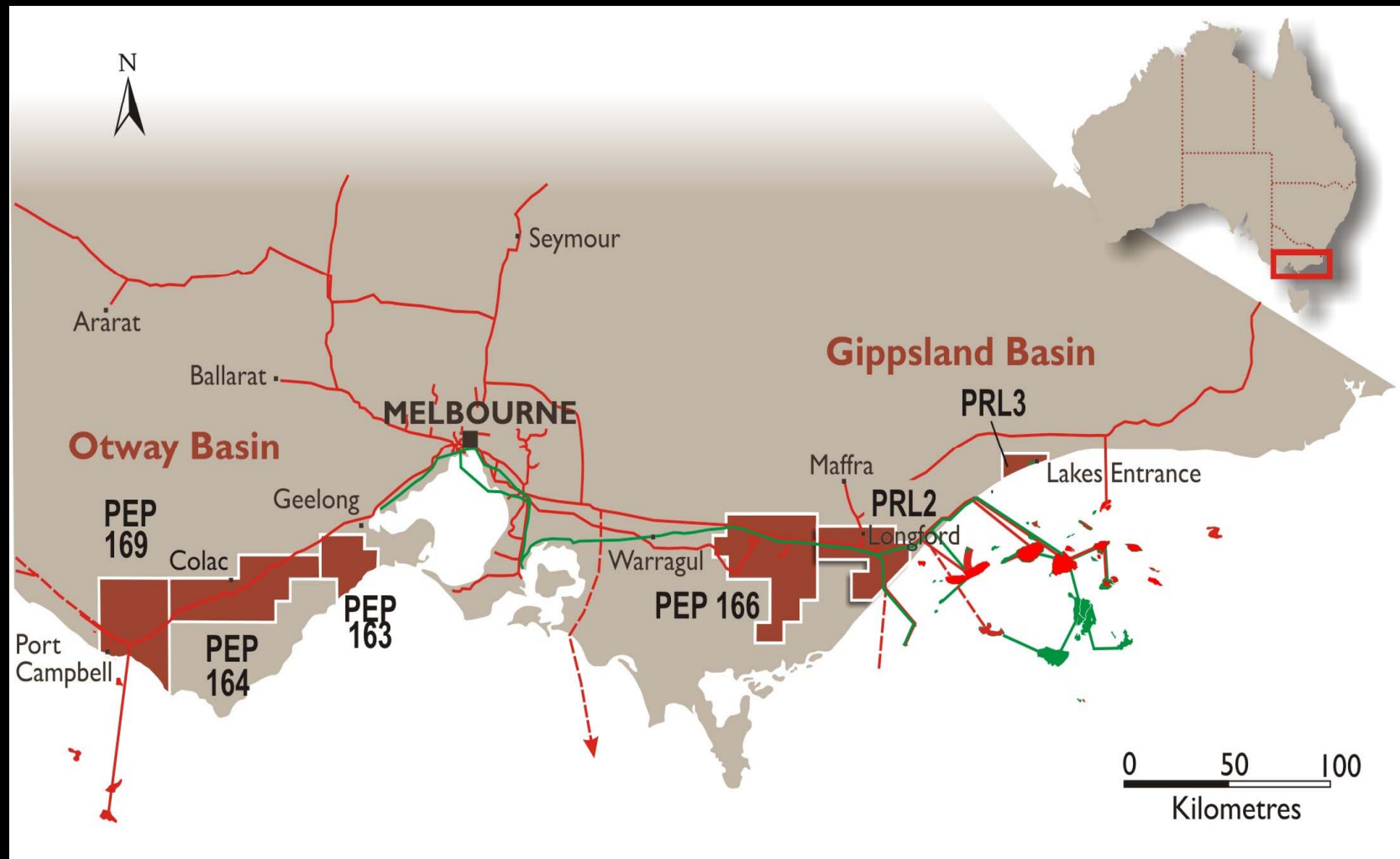
Options (Exercise Price \$0.015 Expiry 9 Jan 2013)	9,850,000
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Top 5 Shareholders as at 25 November 2010

1.	Bluehawk Capital Pty Ltd	100,000,000	1.75%
2.	Tempo Capital Pty Ltd<Tempo Growth Fund A/C>	100,000,000	1.75%
3.	Encounter Bay Pty Ltd	51,250,000	0.90%
4.	Somnus Pty Ltd <Somnus Superannuation A/C>	45,000,000	0.79%
5.	Jardens Custodians Ltd	44,700,000	0.78%

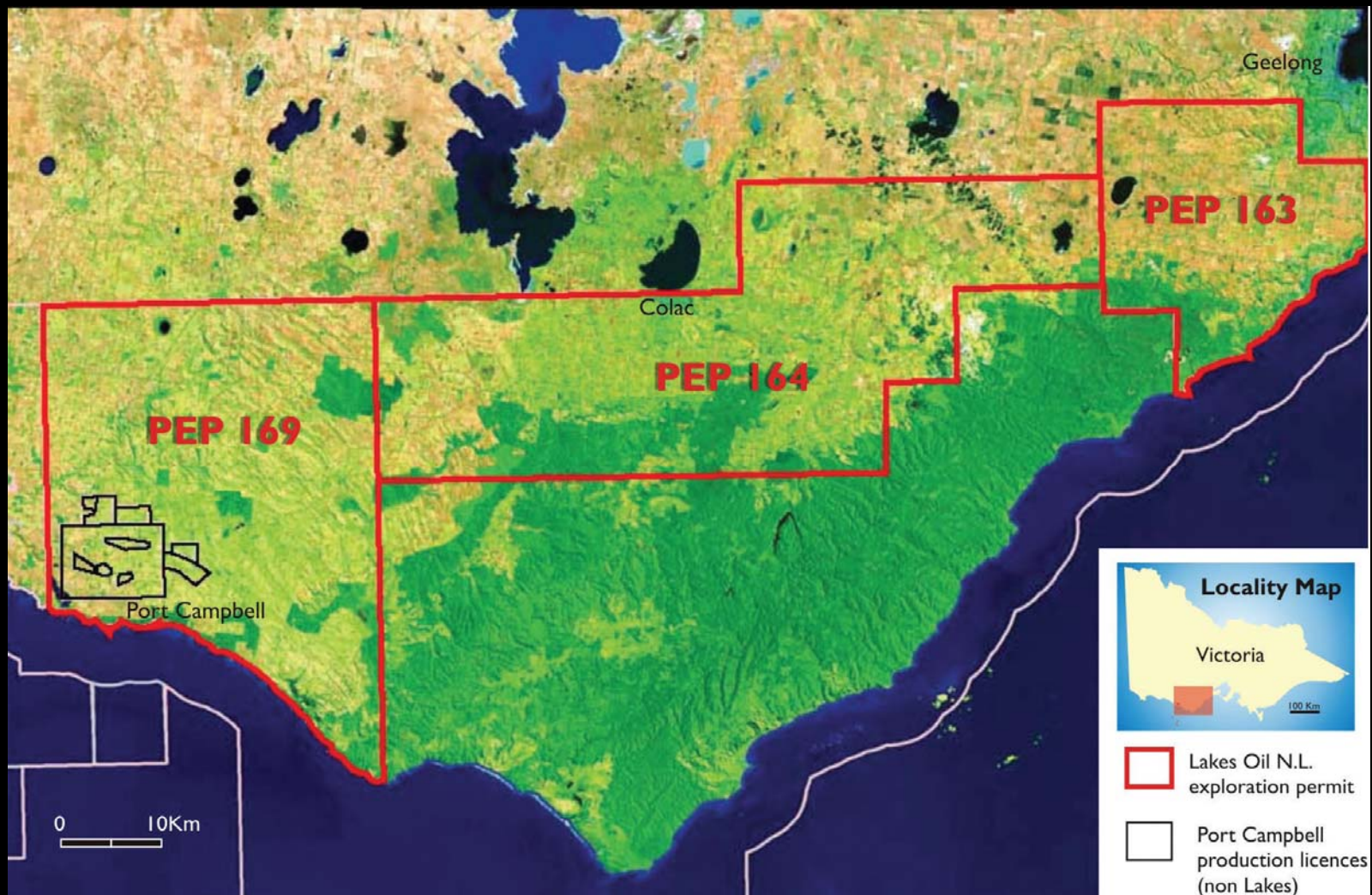


Victorian Permits



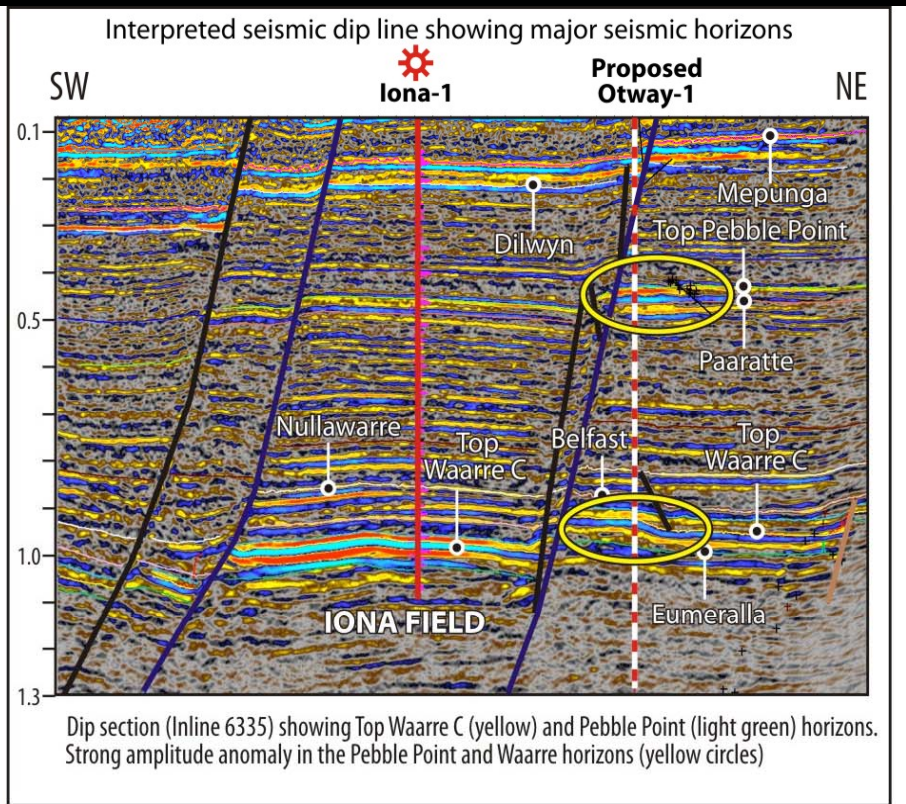
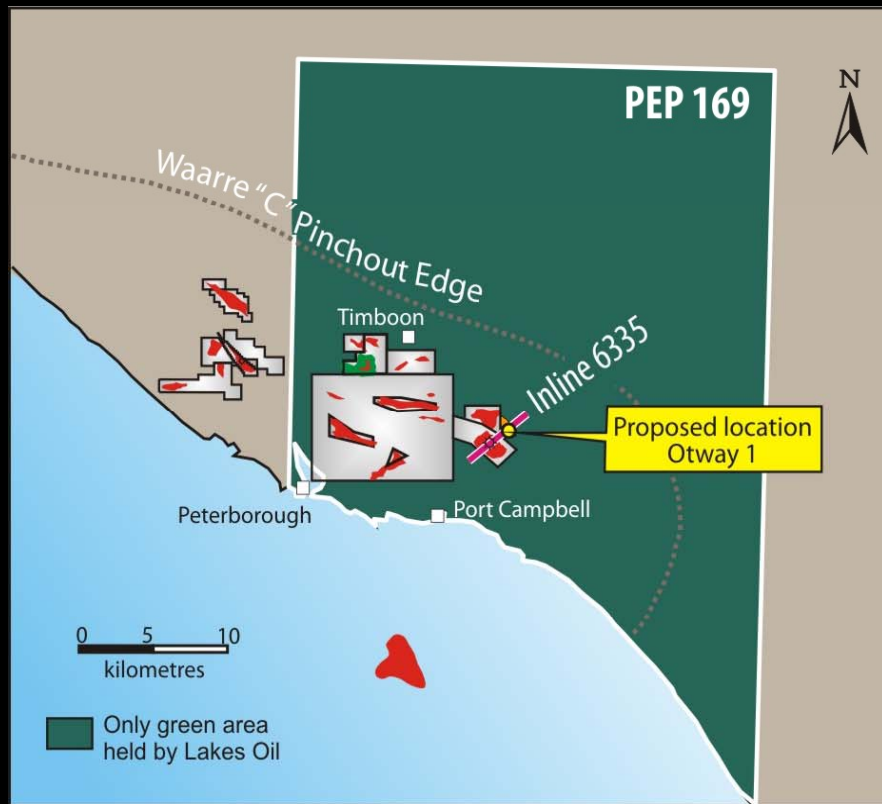


Otway Basin Tenement Locations



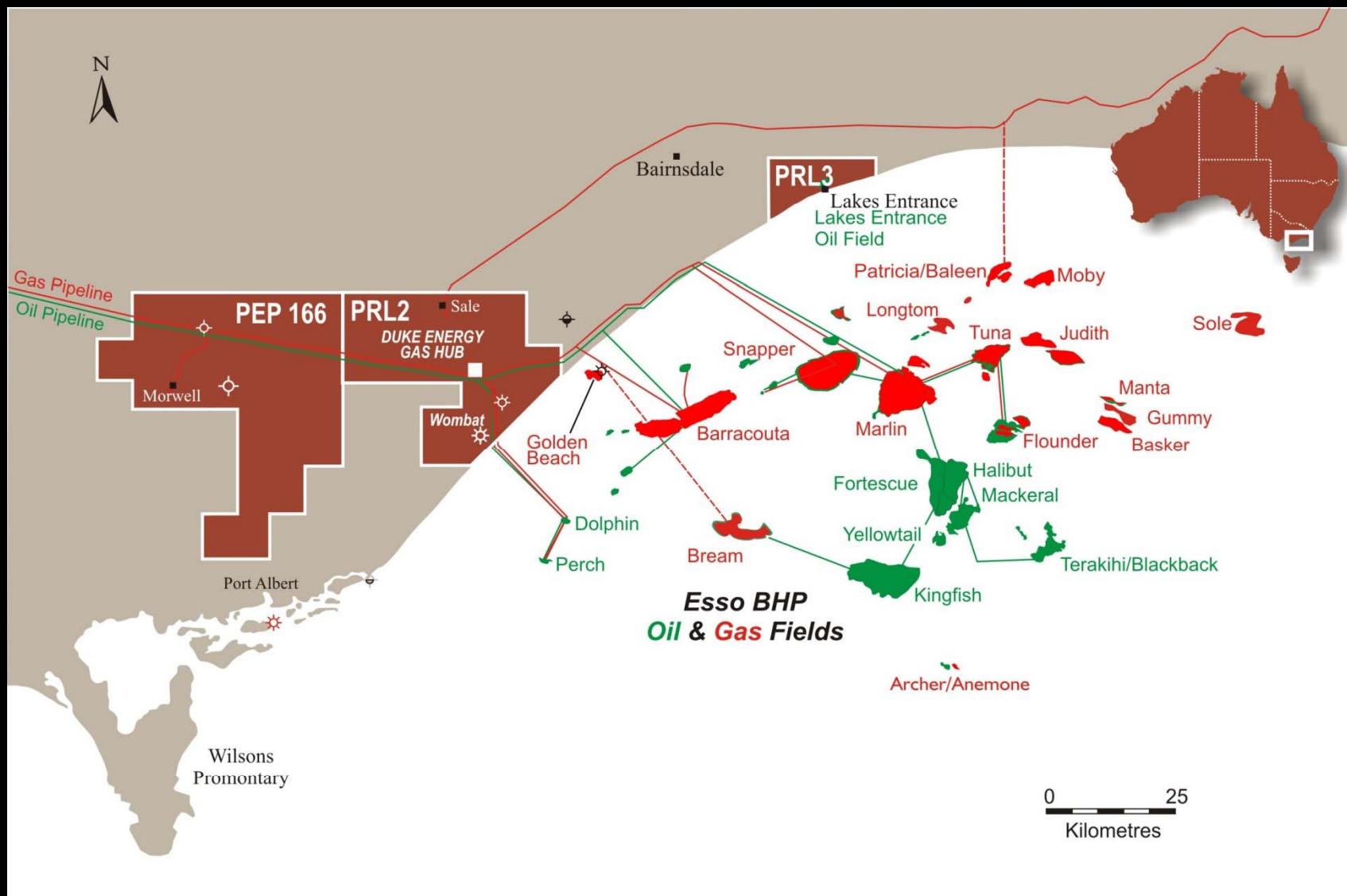


PEP 169 Prospect Locations



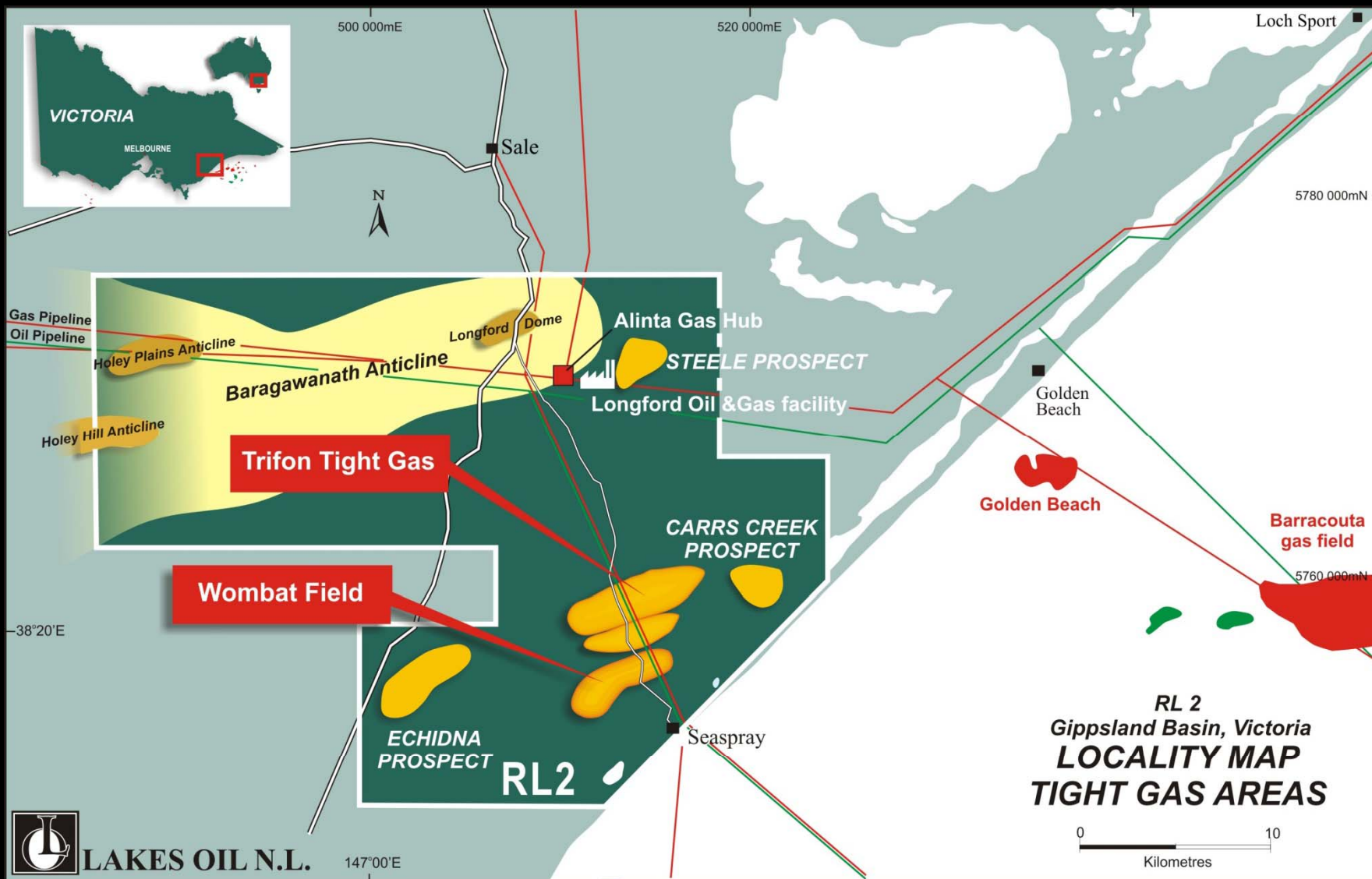


Gippsland Basin Tenement Locations





PRL2 Gippsland Basin





Lakes Oil, Beach Energy & Somerton Energy Joint Venture – PRL 2



Joint Venture	Spend	Earn
Beach Energy Ltd / Somerton Energy Ltd	\$10M Further \$40M	15% interest Further 35% interest



Company Background

Asset Valuation

- Gaffney, Cline and Associates has undertaken an independent assessment of the resource assets within PRL2, and an Asset Evaluation was completed by Palliser Strategic Management in August 2009.
- The evaluation shows that LKO's PRL2 assets alone could be valued at between \$104 million and \$217 million (see table below).
- With a current market capitalisation of LKO of approximately \$40 million, there is significant unrecognised value remaining in the Company.

Insitu Gas Resource Range for the Wombat, Trifon, Gangell and North Seaspray fields. Values - A\$ million		
Case	P50 2C	P10 3C
Estimated Ultimate Recovery (BCF)	683	920
Domestic Gas Market	\$104 - \$217m	\$112 - \$293m
Accelerated Growth Price Scenario	\$160 - \$217m	\$185 - \$293m

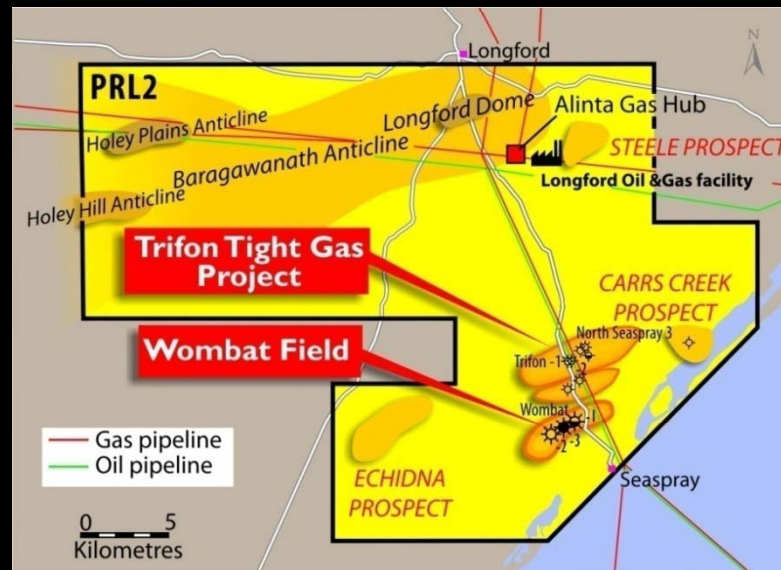


Key Assets: Wombat, Trifon, Gangell, Fields

PRL 2 Total Estimated Gas-in-Place Resources

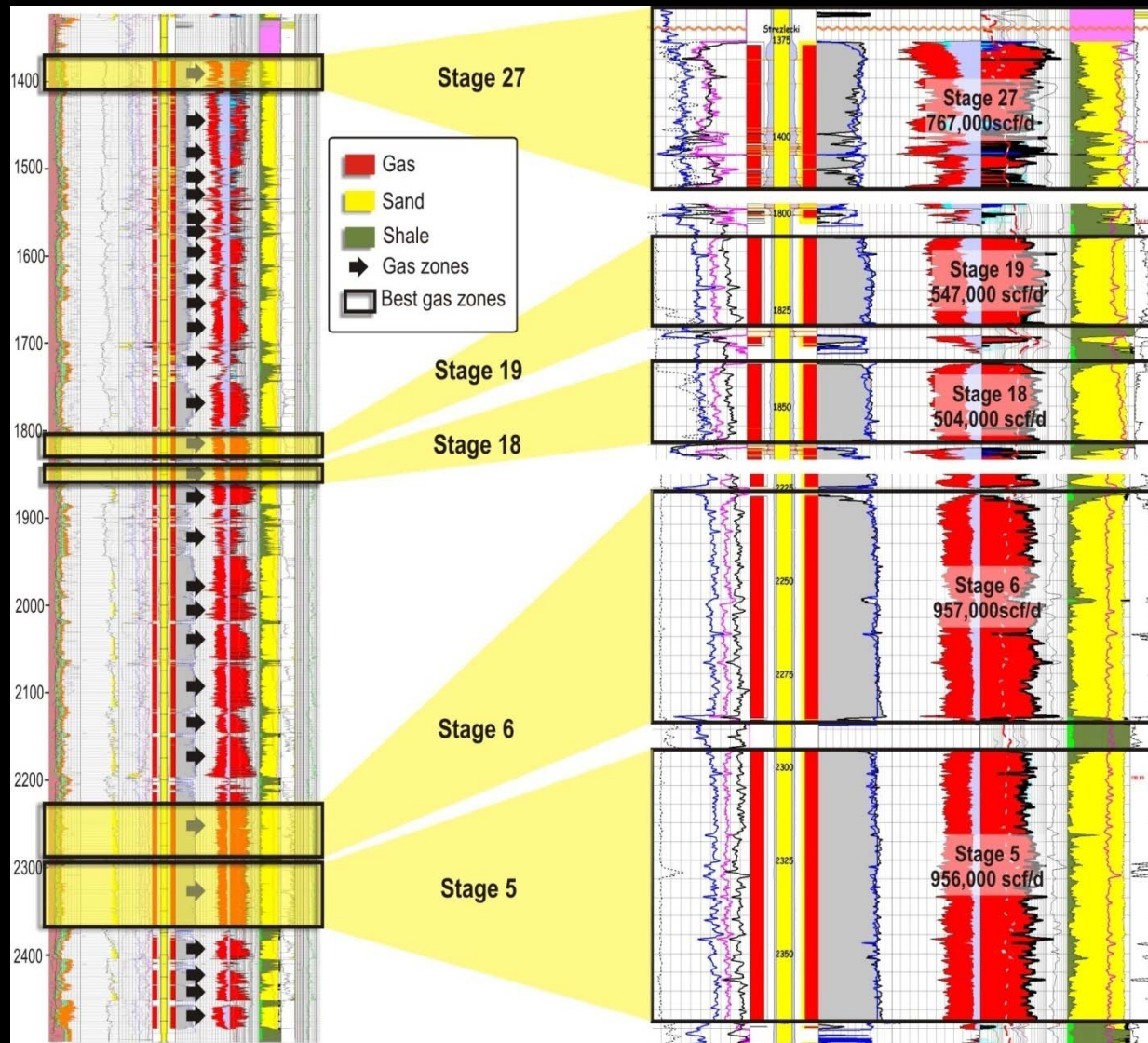
Estimated Gas-in-Place	
Wombat	787 bcf
Gangell	405 bcf
Trifon	492 bcf
Baragawanath Anticline	? *
Total Gas-in-Place	1,68 tcf + ? *

An independent technical assessment by Gaffney Cline, Associates confirms Lakes Oil's view that the Wombat Gas Field is a highly prospective hydrocarbon resource.





Wombat 4 – Proposed Fracture Stimulation



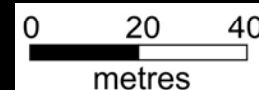
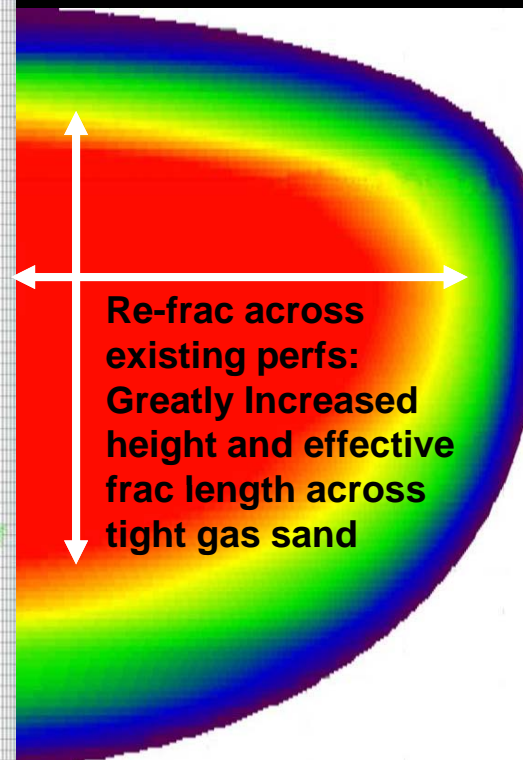
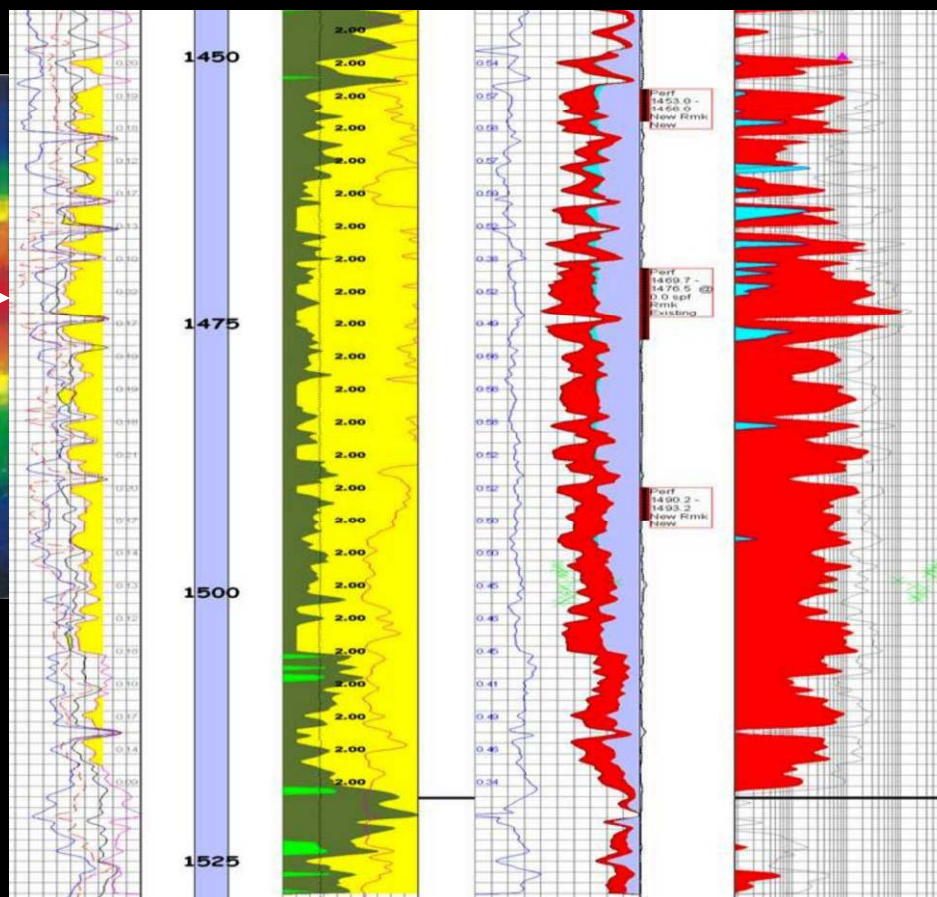
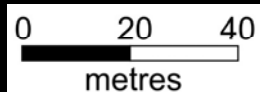
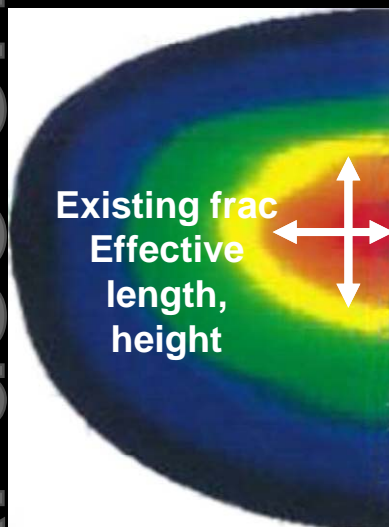
Wombat 4:

A total of 27 gas zones have been identified from the Stimlog of the Strzelecki Group.

- *Est. initial total production from 5 best selected zones after fracing: ~3.7 mmscf/d (200' fracture length).*
- *JV is planning to fracture 9 zones : Est. initial total production after fracing : ~5 mmscf/d*

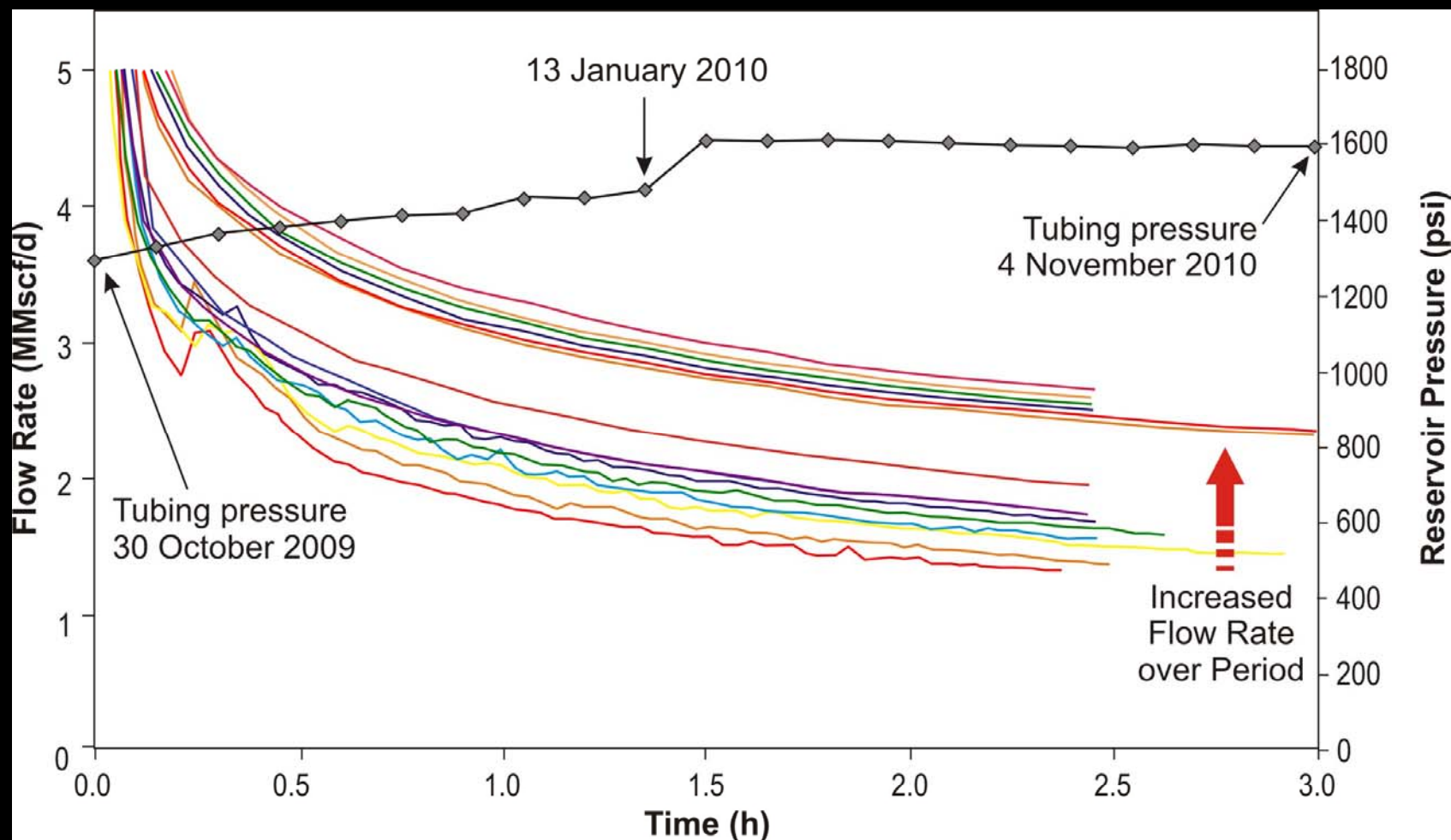


Wombat 2 – Refracking





Wombat 2 Flow Rates



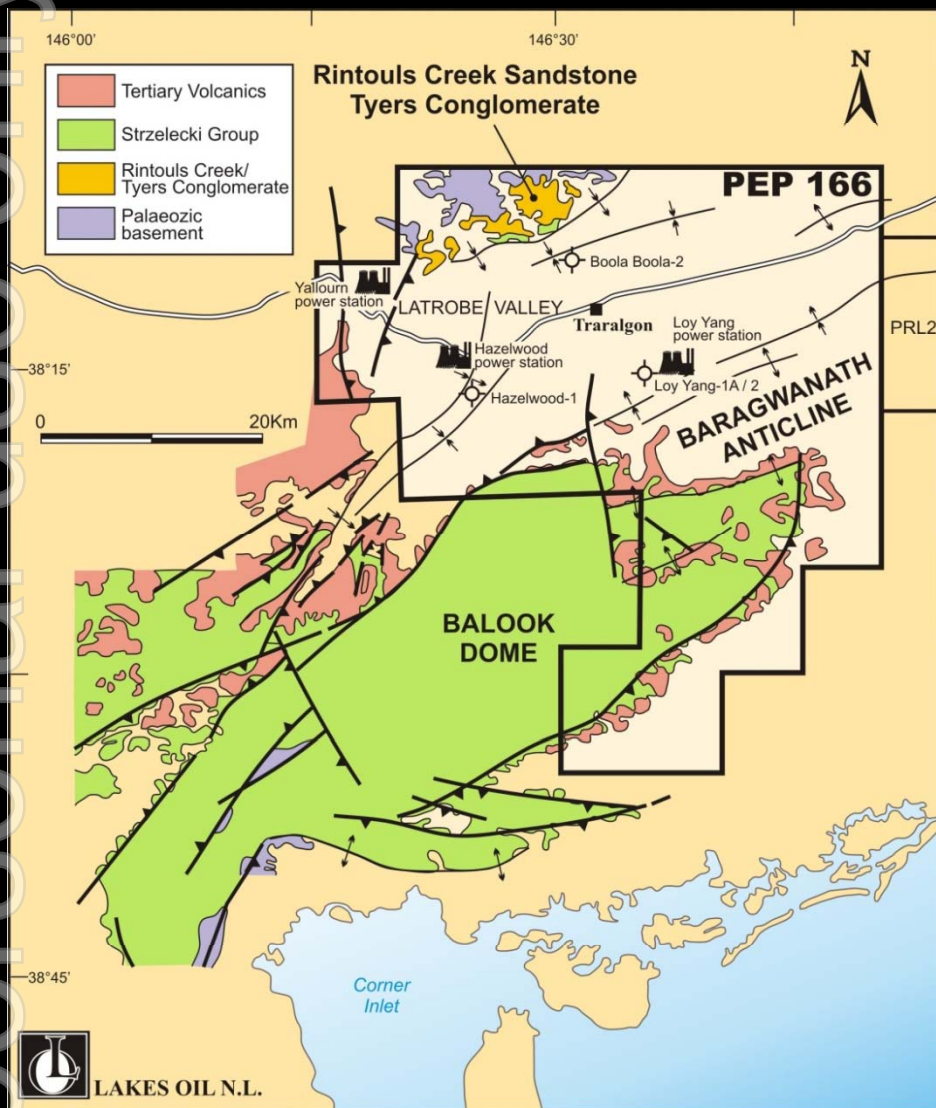


PEP 166 – Key Onshore Energy Gas & Oil Province

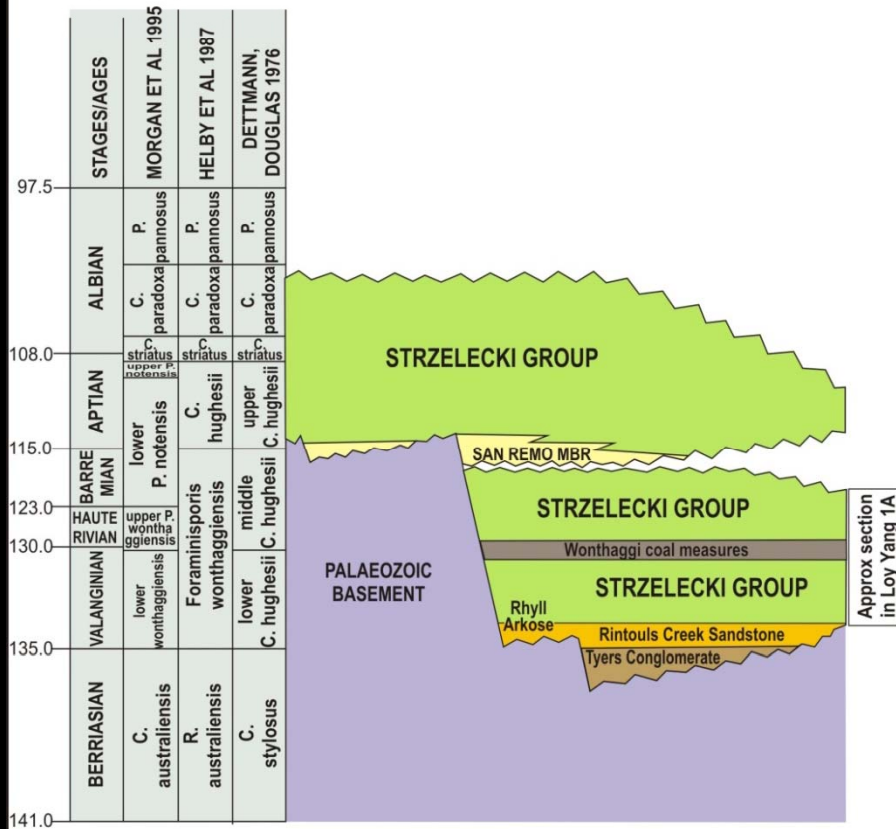




Geology & Strzelecki Group Stratigraphy in PEP 166



Palynology Schemes



**CHRONOLITHOSTRATIGRAPHY OF CRETACEOUS ROCKS
IN THE LATROBE VALLEY AREA,
ONSHORE GIPPSLAND BASIN**

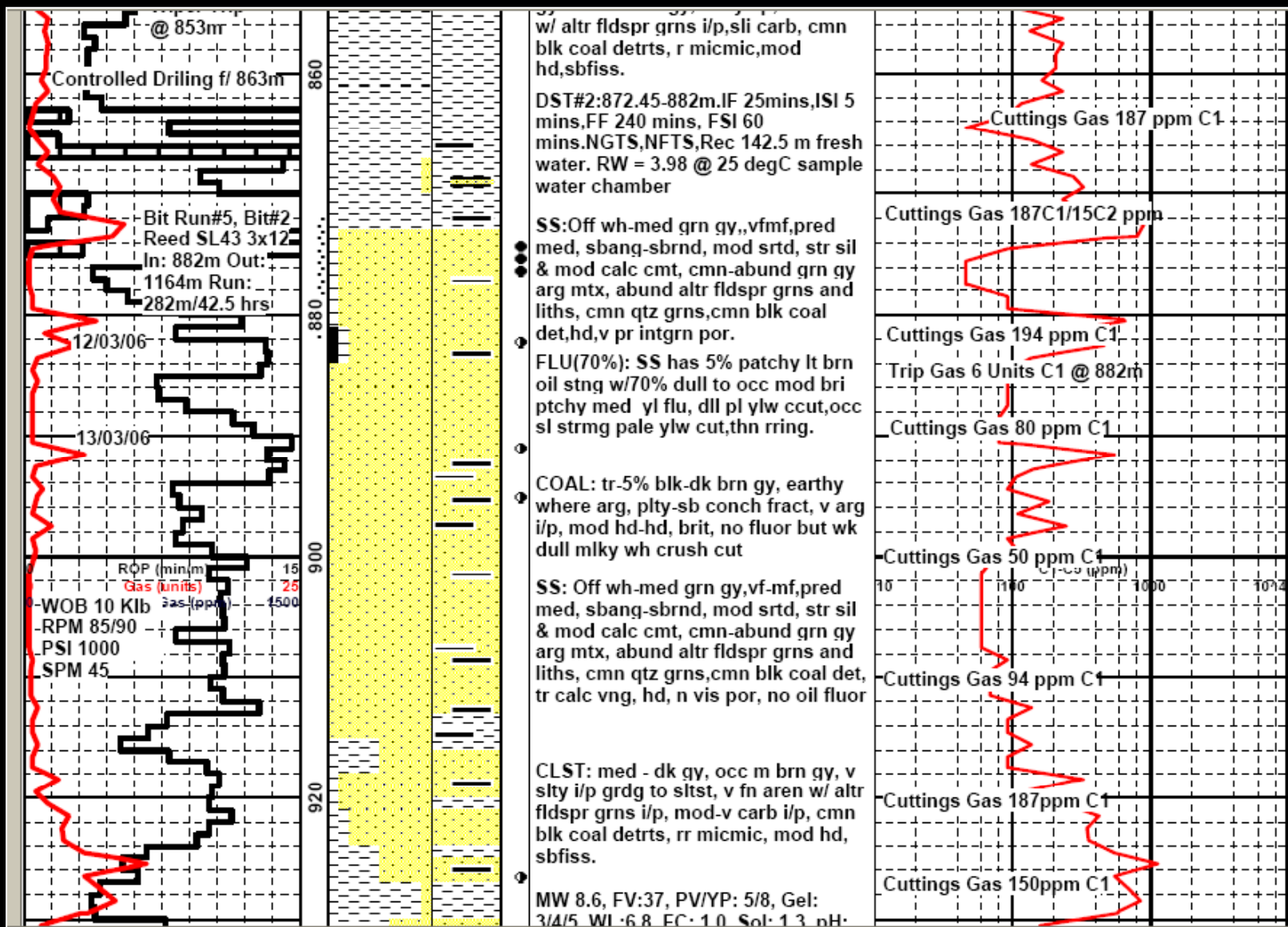


Reservoir Sandstone Outcrops in the Rintouls Creek area of PEP 166 Northern Latrobe Valley.



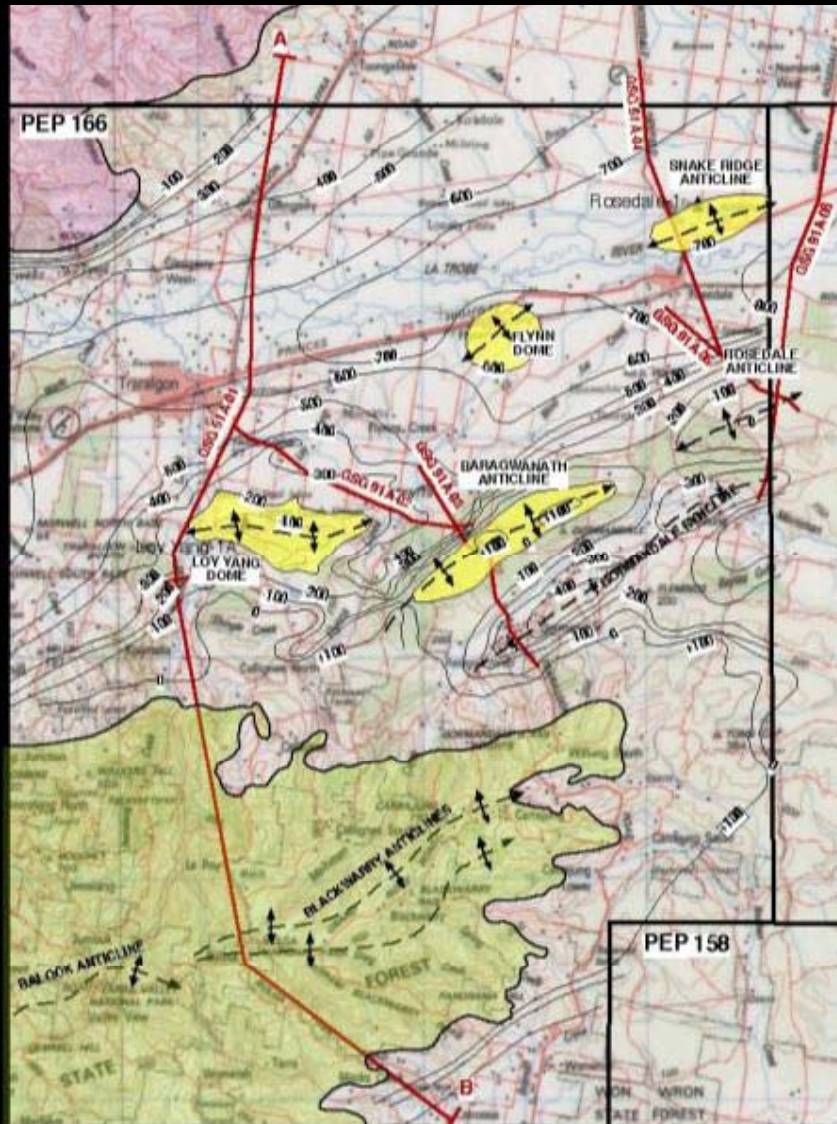


Mud Log of Loy Yang-2 Showing Oil Trapped Beneath Shales @ 872.0 m

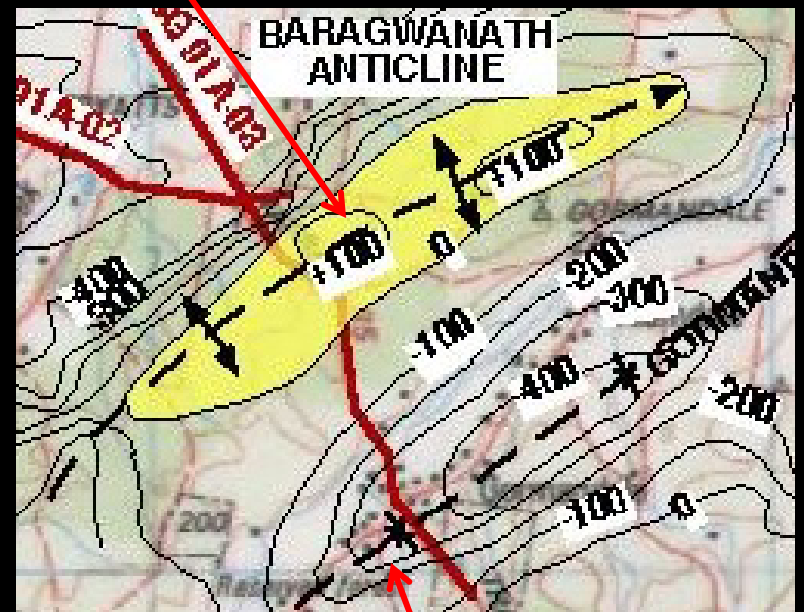




Map of Prospects in the Central Latrobe Valley Area of PEP 166



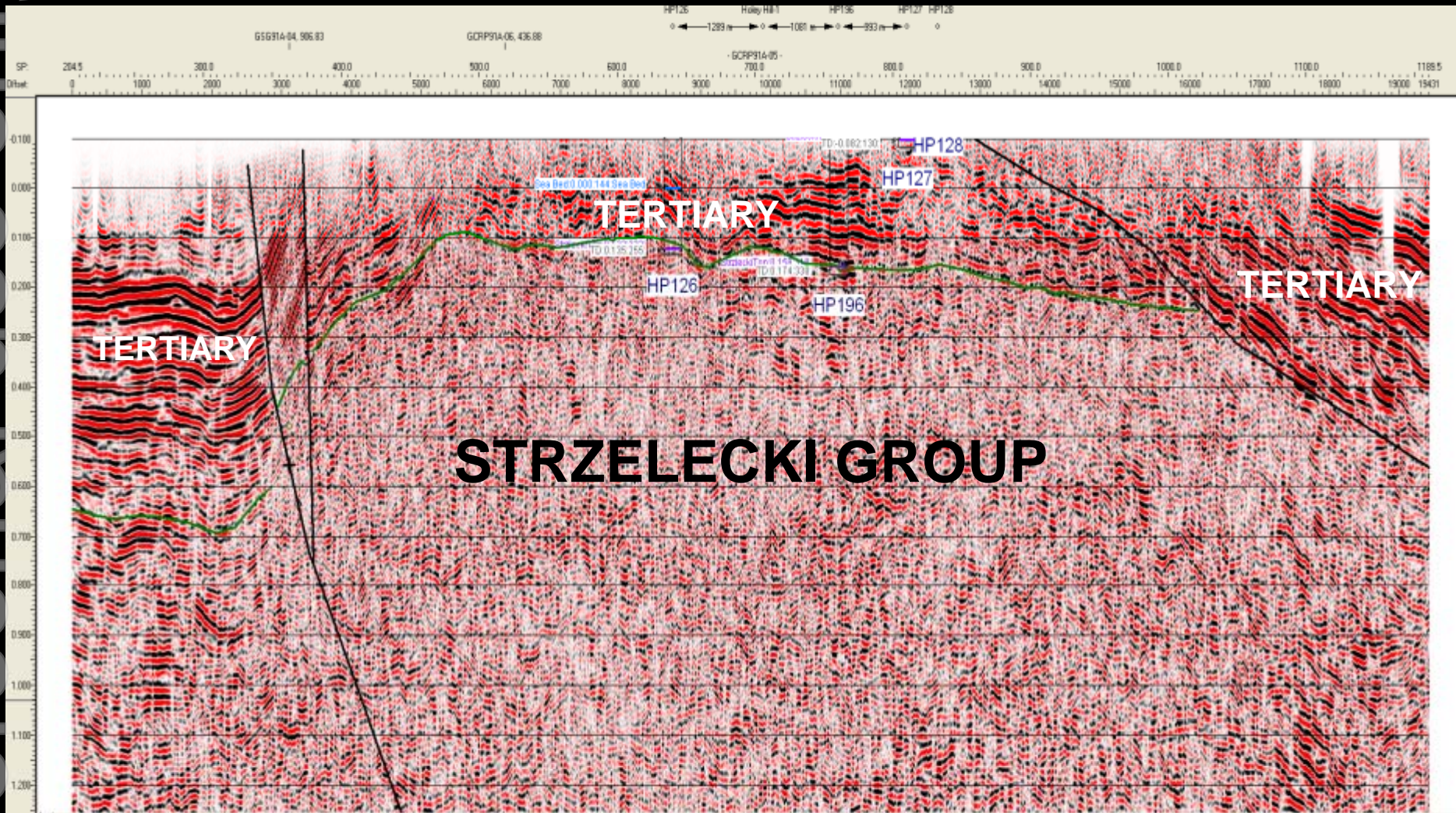
Tight gas prospect



Gormandale coal field

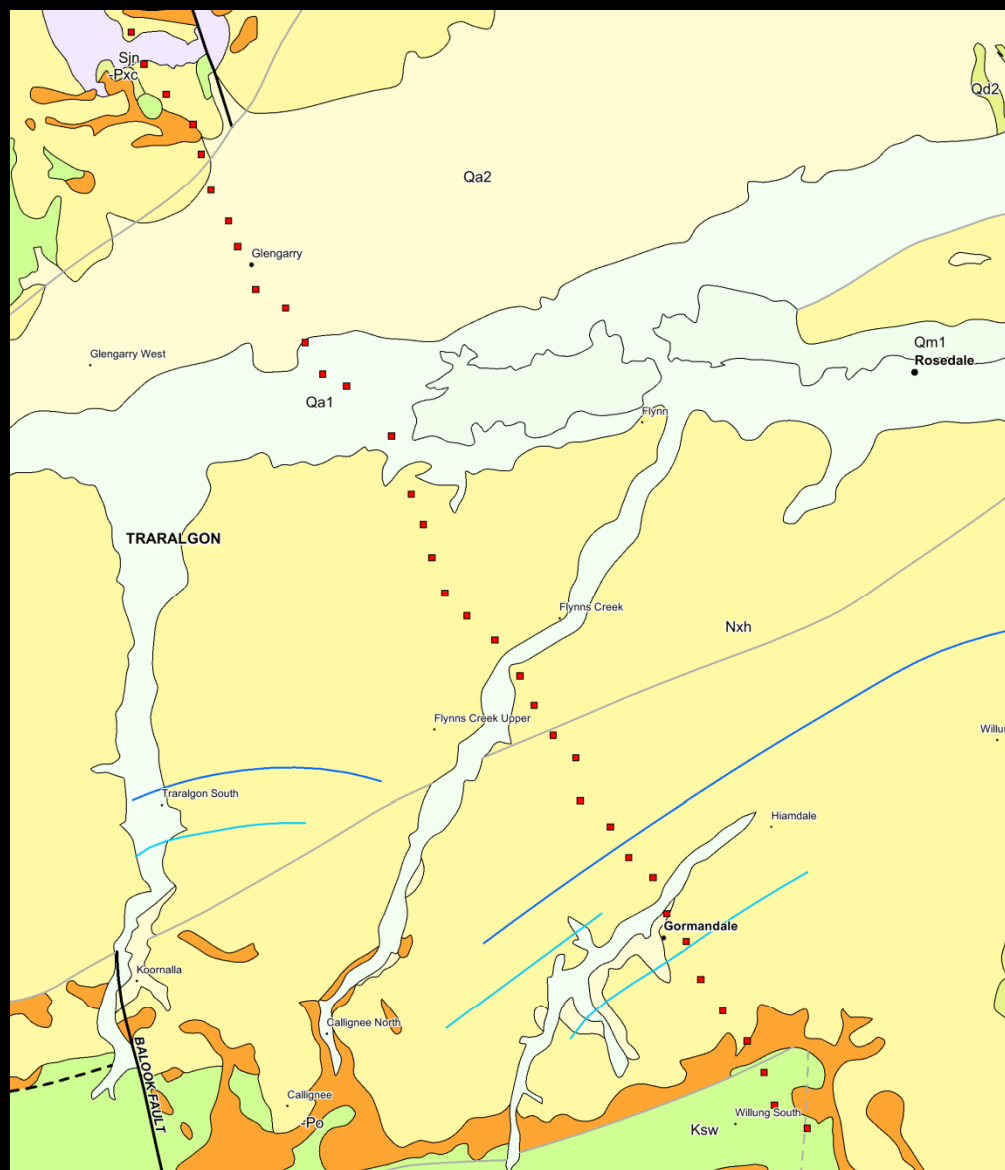


Interpreted Seismic Line GCR91A-05 Trending NW-SE across the Baragwanath Anticline Structure



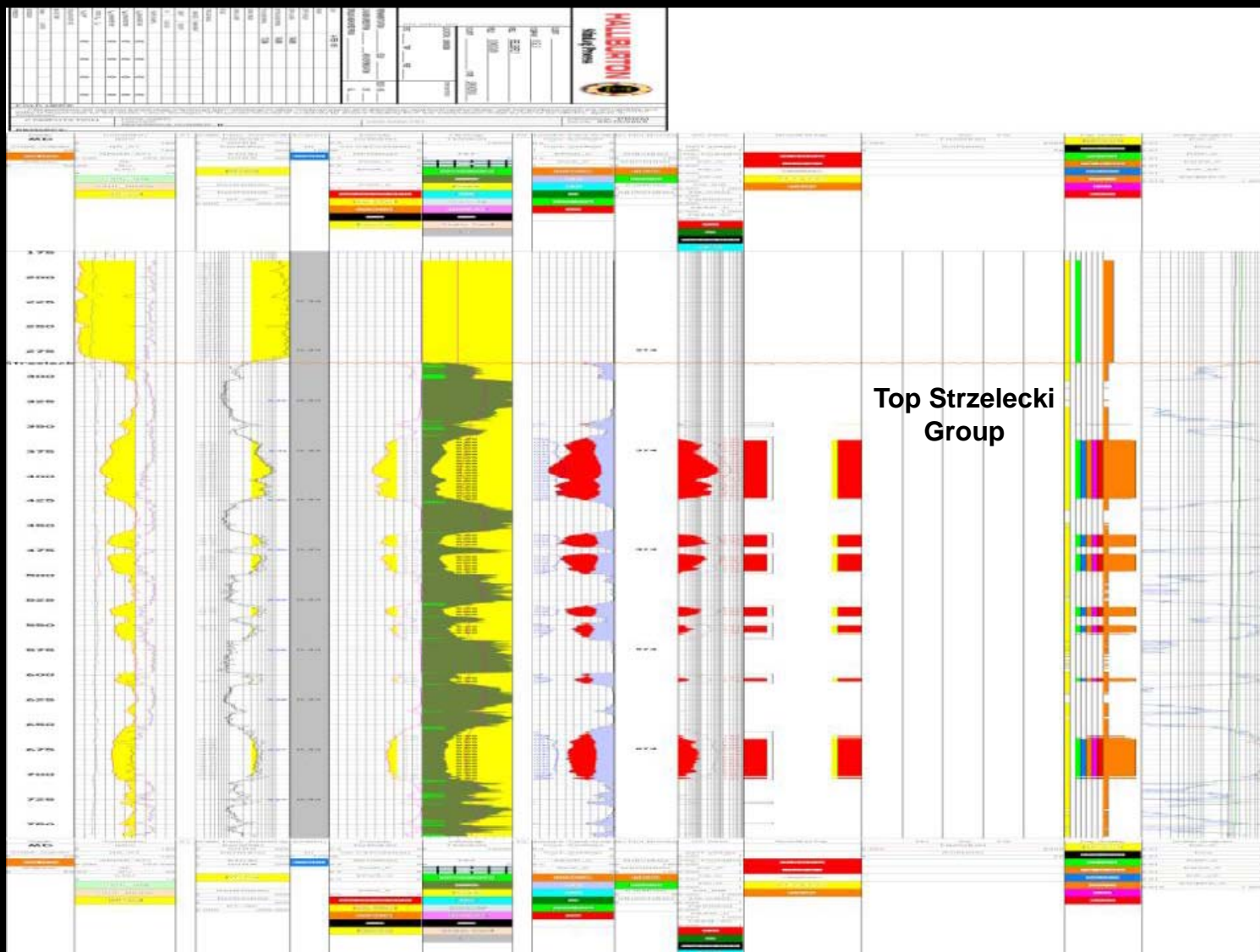


Magneto – Telluric (MT) Survey



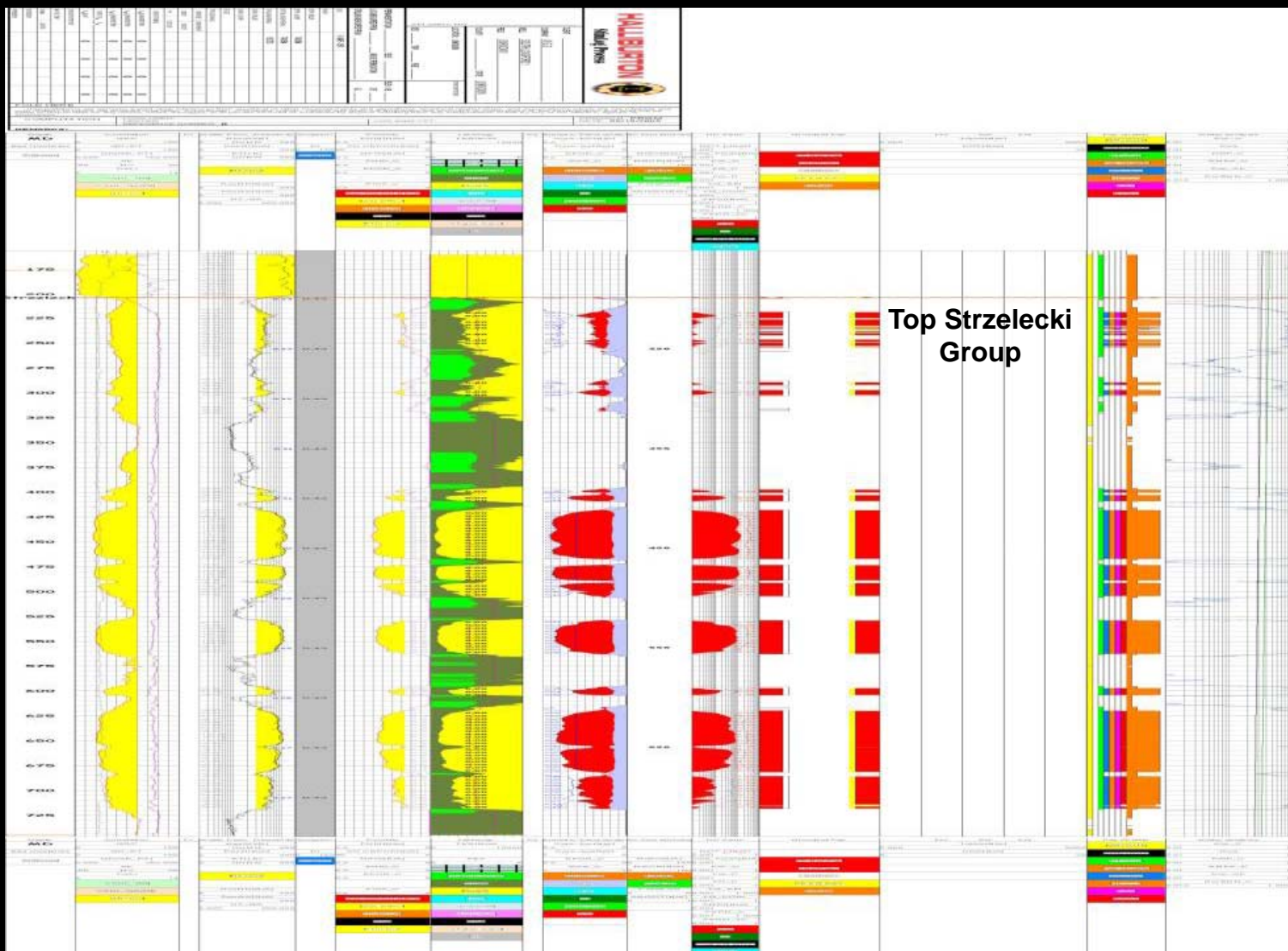


Bellbird – 1 Stimlog





South Longford – 1 Stimlog





Rintouls Creek Shales and Oil Seepage in Rintouls Creek – Northern PEP166



Potential shale gas and oil exists in Strzelecki and Rintouls Creek shales throughout PEP 166. Known oil seepages occur in Rintouls Creek associated with dark organic rich shales, confirmed by biomarkers.

