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Lakes Oil NL

The Next Chapter

Annual General Meeting
13th November 2018

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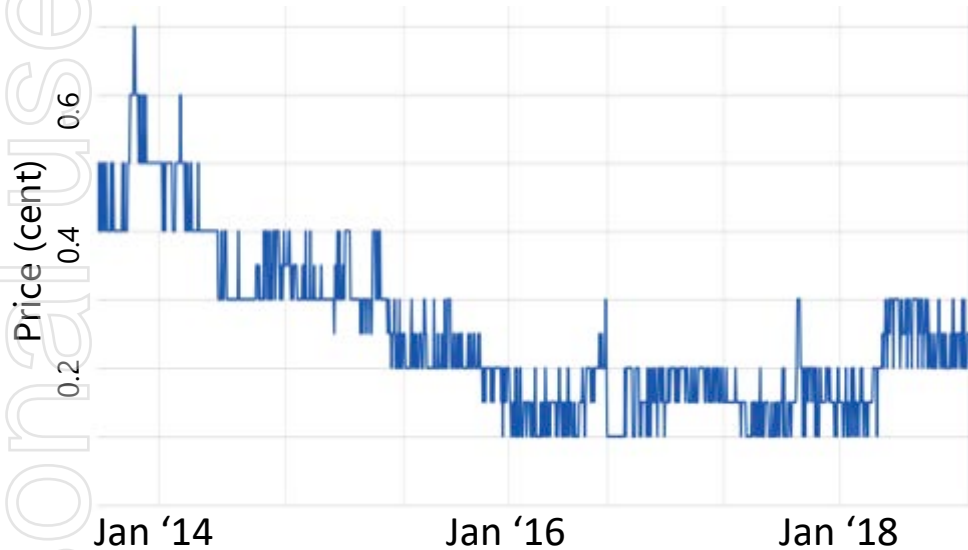
Lakes Oil NL

Highlights

At a Glance

ASX Code	LKO
Shares on Issue	30,295,475,141
Share Price	≈0.15 cent
Market Cap.	\$45m @ 0.15c
Shareholders	≈12,000

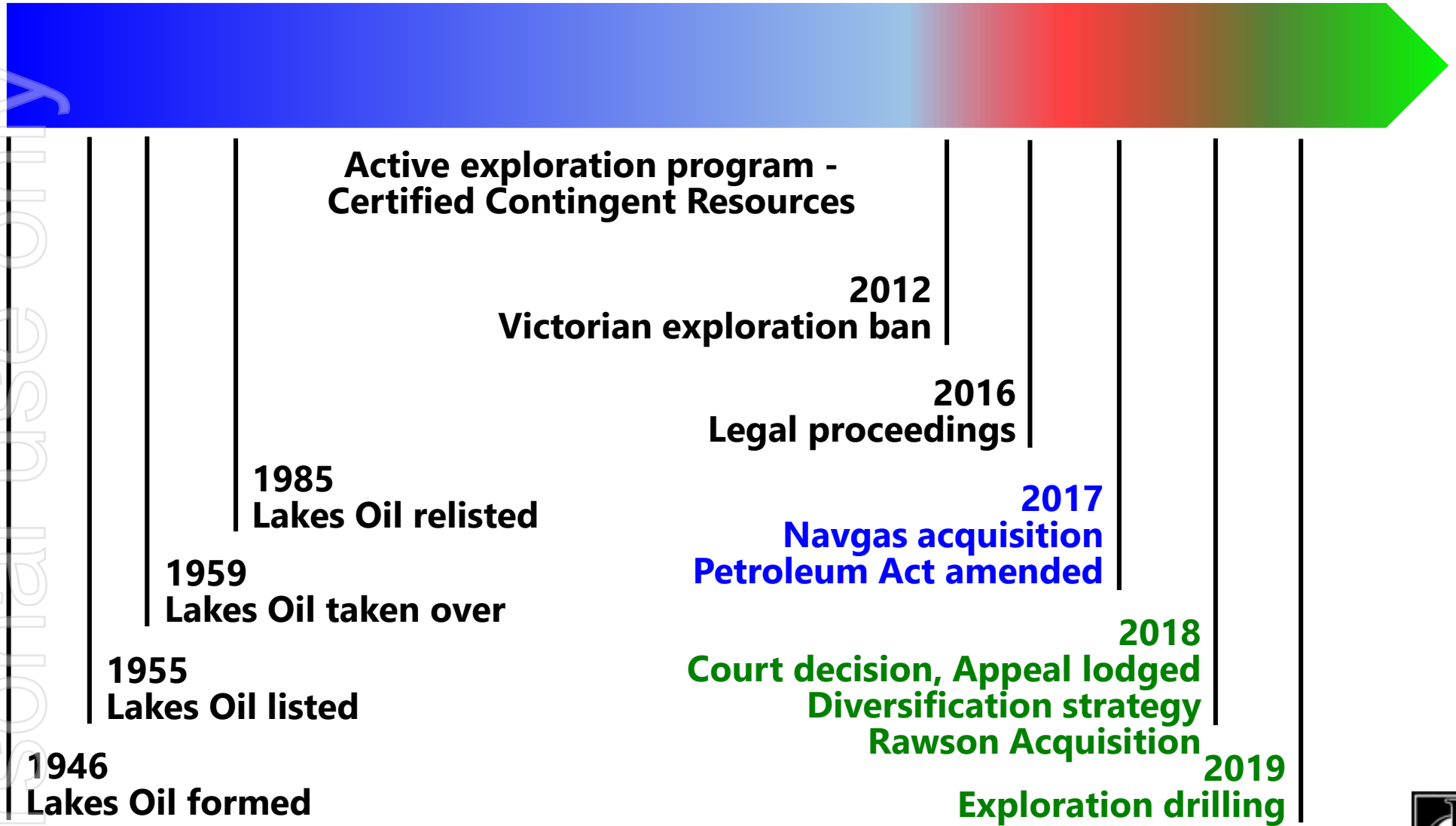
Major Assets ¹	
Victoria	608 MMBOE
South Australia	10 MMBOE
Queensland	14 MMBOE
PNG	500 MMBOE



Top Shareholders	
Dark Horse Resources	31.83%
Timeview (Hancock)	11.19%
Armour Energy	7.01%
DGR Global	1.10%
Directors/Mgmt	1.74%
	52.87%



Timeline





Victorian Legal Proceedings

Update

Legal Proceedings - Background

- Legal proceedings against Victorian Government commenced in 2016.
- *Fracking Ban Act* passed by Government in March 2017 to:
 - Empower Government to ban exploration; and
 - Avoid liability for damages caused by the Government's actions.
- *Fracking Ban Act* specifically provides that existing commitments not subject to ban.
 - This became key focus of legal proceedings.
- Proceedings heard in Victorian Supreme Court 14 March 2018.
 - **Government effectively conceded Lakes Oil interpretation of Act is correct.**



Legal Proceedings - Update

- Judgement of Justice Macauley handed down on 21 September 2018:
 - Partially favourable; but
 - Did not accept Lakes Oil's argument.
- Judgement has been reviewed by Lakes Oil's Counsel.
- There are **serious flaws with the Judgement:**
 - Key aspects of Lakes Oil's case not dealt with.
 - Law has been incorrectly applied.
- **Appeal** was lodged on 2 November 2018.
- Direction Hearing scheduled for 19 December 2018.





Takeover of Rawson Oil & Gas

Delivering Diversity & Opportunity

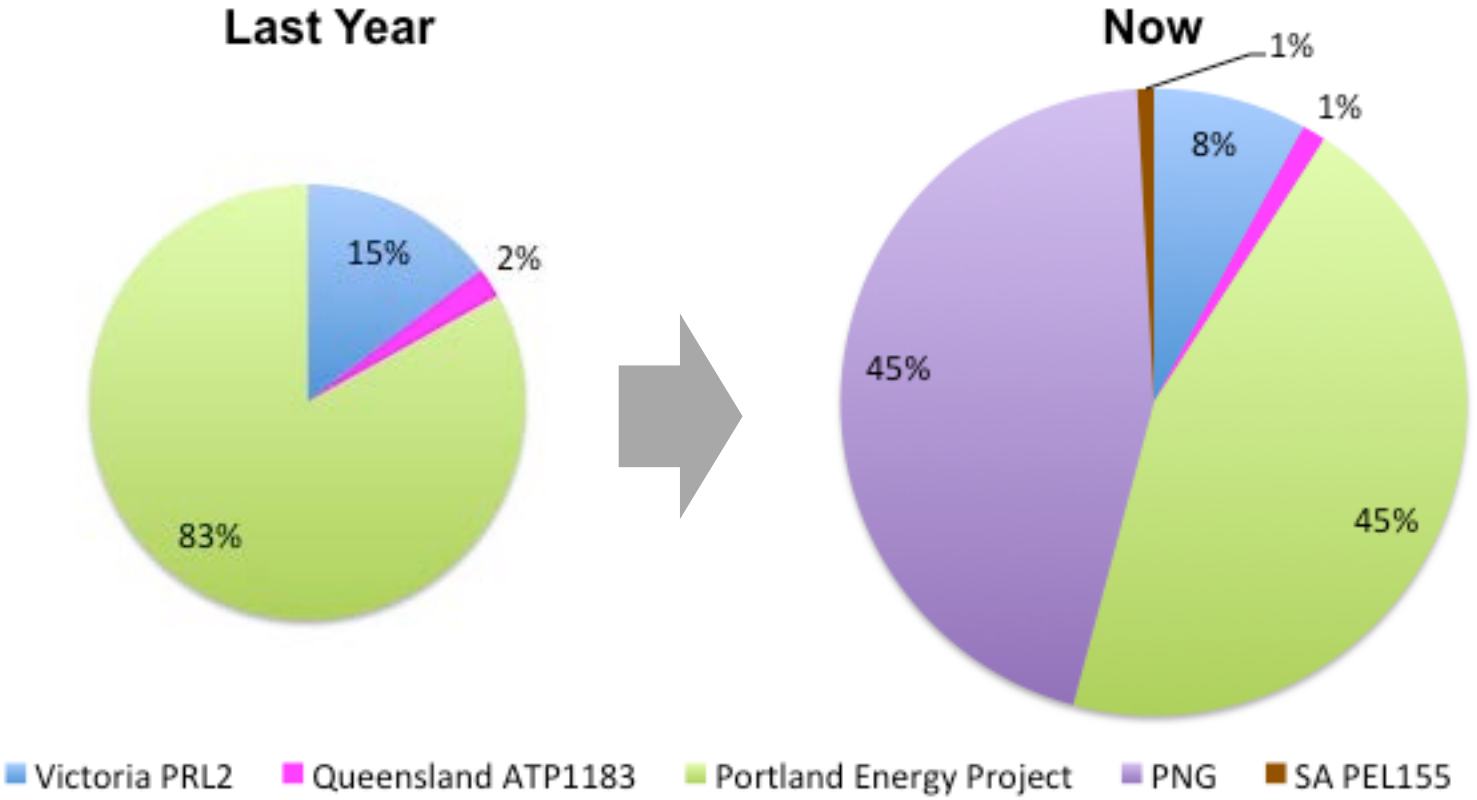
Rawson Takeover

- **Friendly off-market takeover** announced 31 July 2018.
- Offer period opened 6 August 2018.
- Scrip-based offer: 15 LKO shares for each RAW share.
- **Offer Unconditional on 15 August 2018** (>50% acceptances).
- Offer **closed 24 September 2018 with 89.82% acceptances**
- **Rawson to be unlisted subsidiary of Lakes Oil**
- Rawson shareholders will hold 5.6% of Lakes Oil.



Diversification Strategy Implemented

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Regulatory risks mitigated via diversification strategy that has delivered opportunities for immediate investment



Diversified Portfolio

- **Drill-ready** South Australian prospect
 - Nangwarry-1 well
- **Drill-ready** Queensland prospect
 - Wellesley-2 well
- **Drill-ready** Victorian prospects (subject to approval)
 - Wombat Gas Field
 - Otway-1 well
- Portland Energy Project
 - **3 Tcf conventional**³
- Papua New Guinea
 - **Multi-Tcf** Buna prospect⁹.





Near Term Exploration

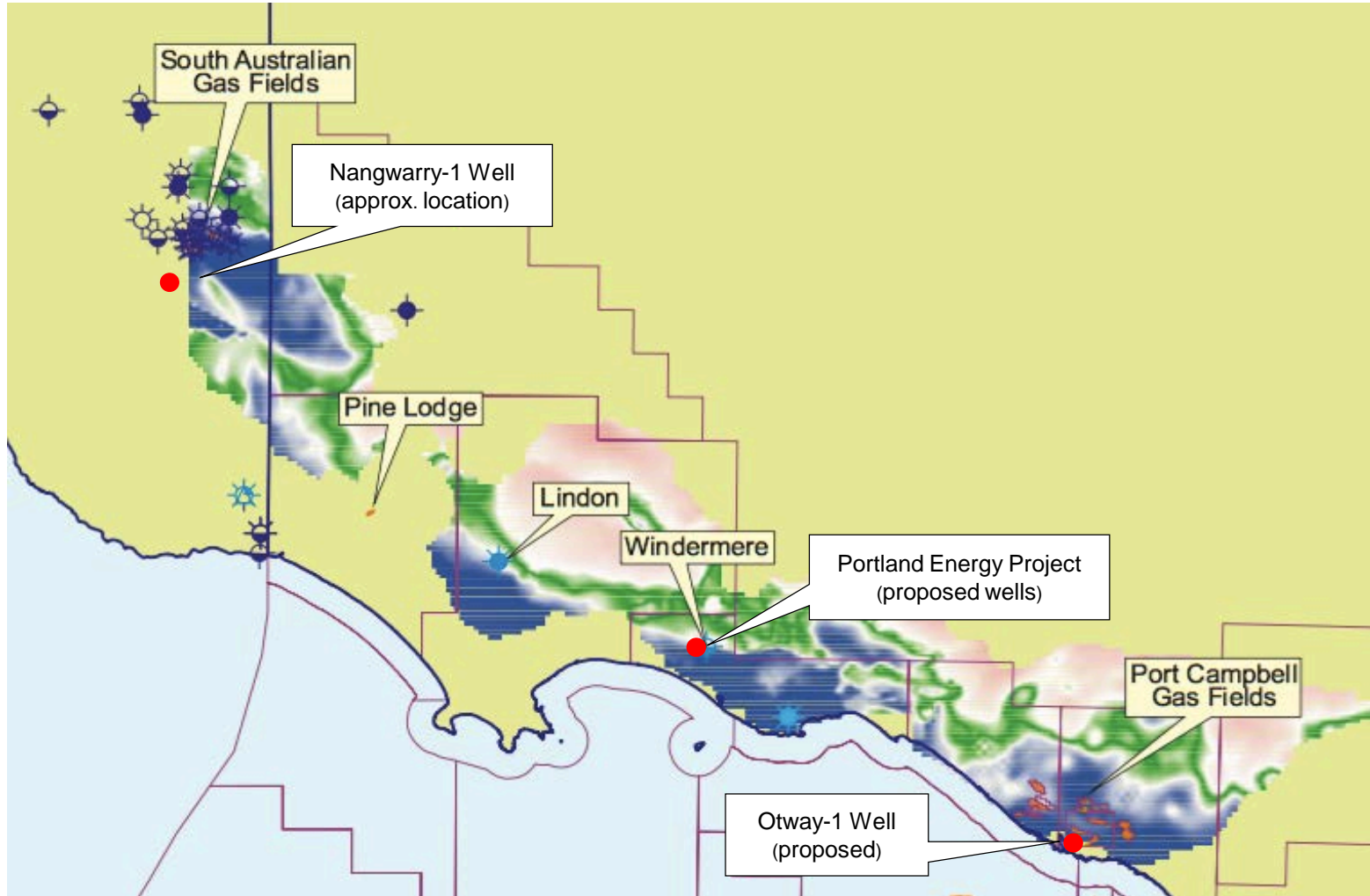
Transformational Opportunities

Nangwarry Prospect, South Australia

- **57 Bcf potential recoverable gas**
(Rawson estimate⁴)
- Joint venture with Vintage Energy
- Nangwarry-1 well:
 - Drilling proposed for **early 2019**.
 - Lakes Oil is Operator.
 - **≈50% of well costs funded**
through \$4.95m SA Government
PACE grant.
 - Adjacent to existing gas facilities



Highly Prospective, Highly Synergistic

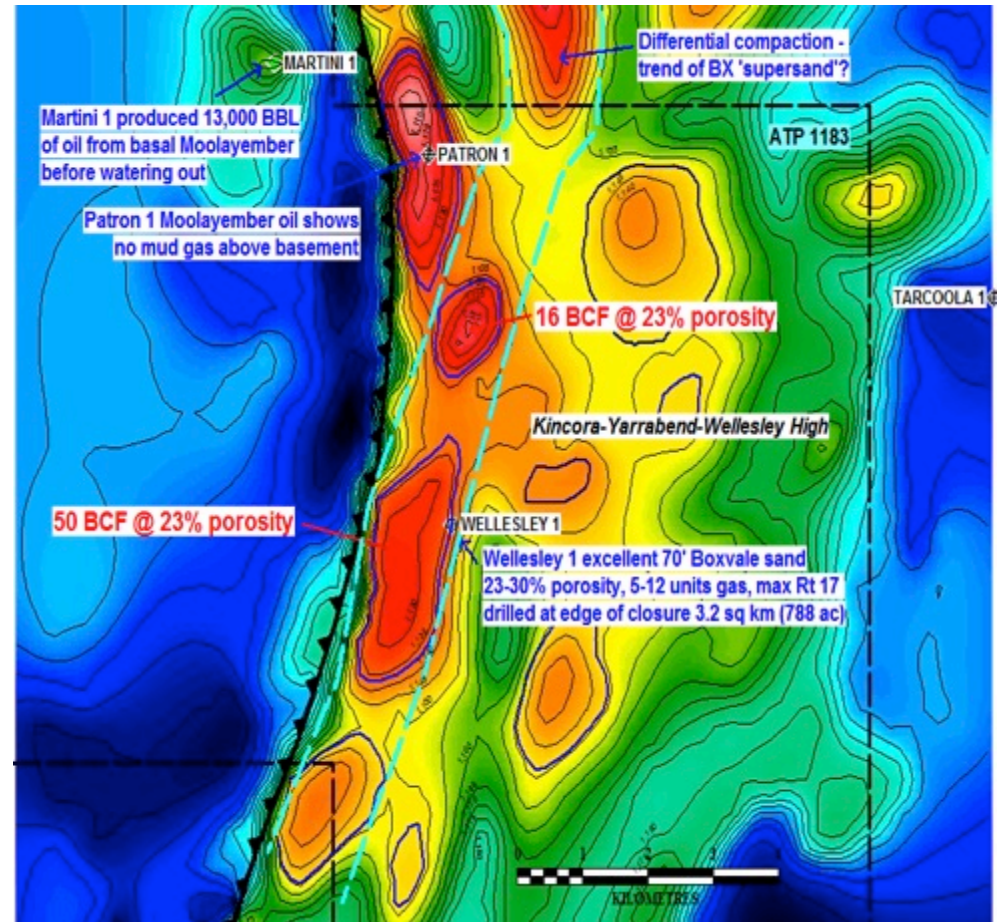


Astral-1 petroleum system, published by Geoscience Victoria, with areas of peak hydrocarbon generation shaded green.



Wellesley Dome, ATP1183, Queensland

- Fault-bound 3-way dip closure, **4.4 km²**
- **41 Bcf Prospective Gas⁵**
- South of productive field - **easily monetised**
- Drilled by BHP in 1979 - **good gas and porosity** but not tested.
- 1,650 metre well proposed at location southwest of original well.





Future Exploration

Multi Tcf Upside

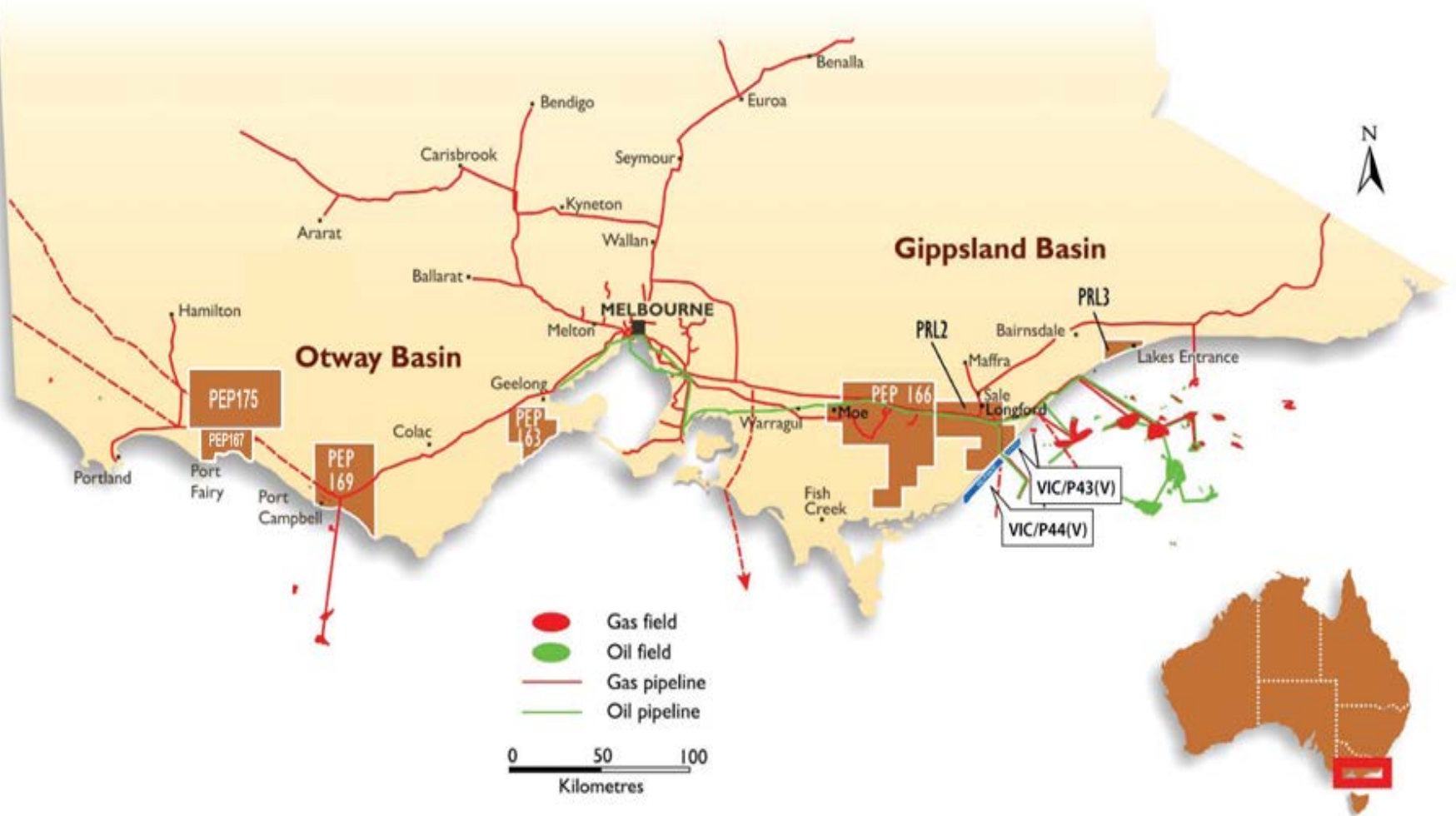


Future Exploration

Victoria

Victorian Permits

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Victorian Potential

Prospect	Potential	
	Annual	Total
Wombat (PRL 2) ²	20 Bcf	329 Bcf (2C)
Trifon-Gangell (PRL 2) ²		390 Bcf (2C)
PEP 175 Focus Area ³	~150 Bcf	>11 Tcf (P50)
Otway-1 (PEP 169)	3-5 Bcf TBD	TBD

PRL 2 potential alone is 5 to 10% of Victorian gas demand.



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Wombat Gas Field

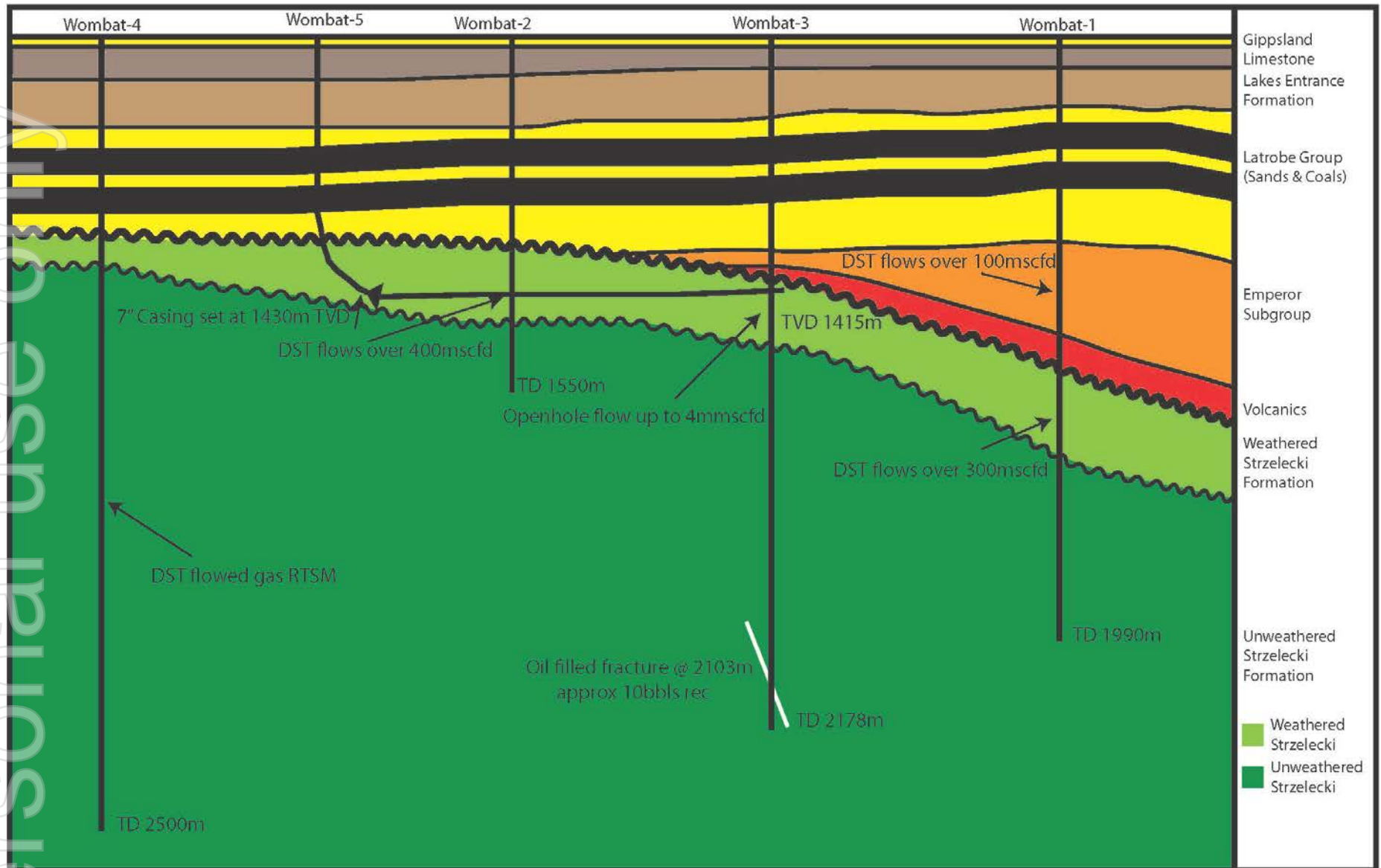
- Significant gas resource demonstrated.
- **Wombat-5 well ready for drilling.**
 - Lateral well targeting conventional potential of Strzelecki Formation.
 - **10 TJ/day gas flow rate** independently predicted^{5A}
 - Government approval sought prior to ban
 - **Well can be brought on line quickly**
- East Coast gas market short of supply and prices high.
- Wombat development to be followed by Trifon-Gangell ramp-up to deliver **20 PJ/a for 20 years.**



Flow test Wombat-1 Gas Well



Proposed Wombat-5 Well



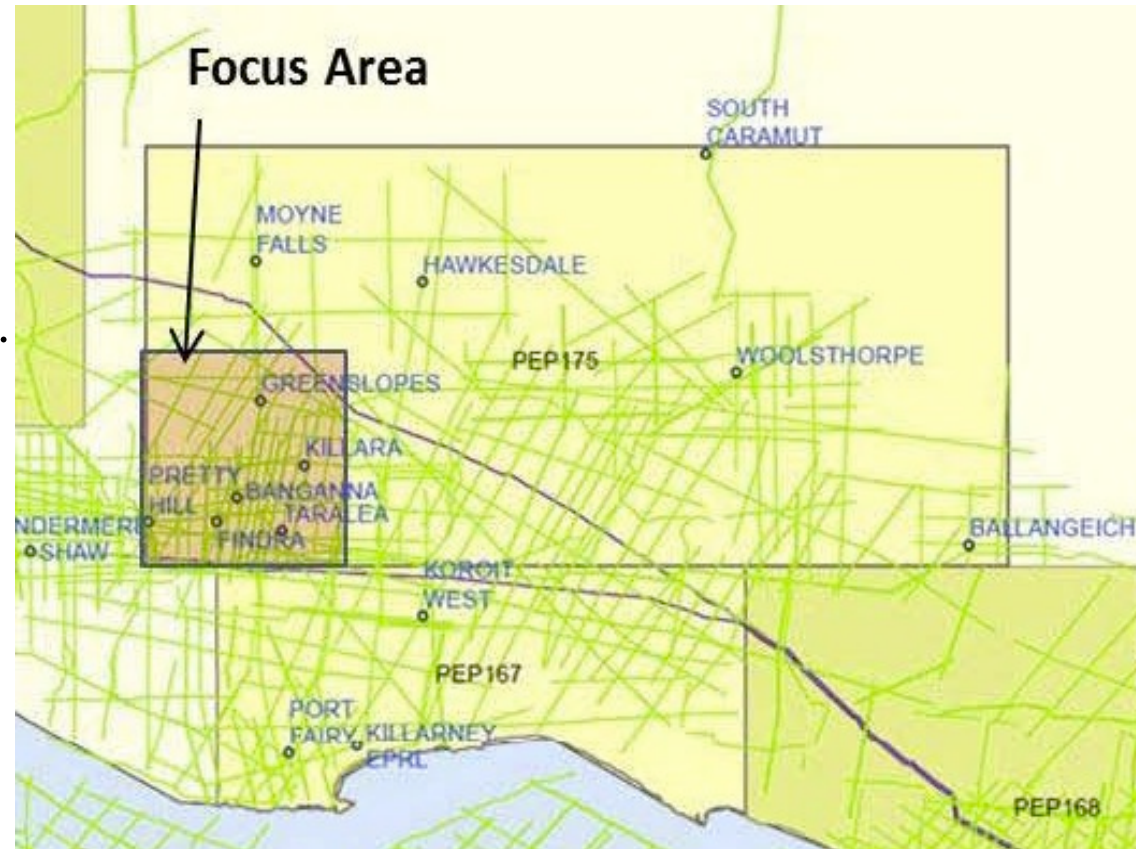
Otway-1 Gas Well

- Conventional well **ready to be drilled**
- Well targets Waarre Sandstone and Eumeralla Formation
- **Waarre Sandstone is basis for adjacent, historic gas production**
- Eumeralla Formation is **known to contain and has flowed gas**
- Drilling approval was sought prior to Government ban
- 400 metres from existing facilities - **can be brought on line quickly**



Portland Energy Project

- **Massive potential** – scale comparable to the Bass Strait.
- **All historic wells** intersecting Eumeralla Formation **showed gas**.
- Focus area identified for conventional pursuit.
- Sites selected for 2 proof of concept wells.



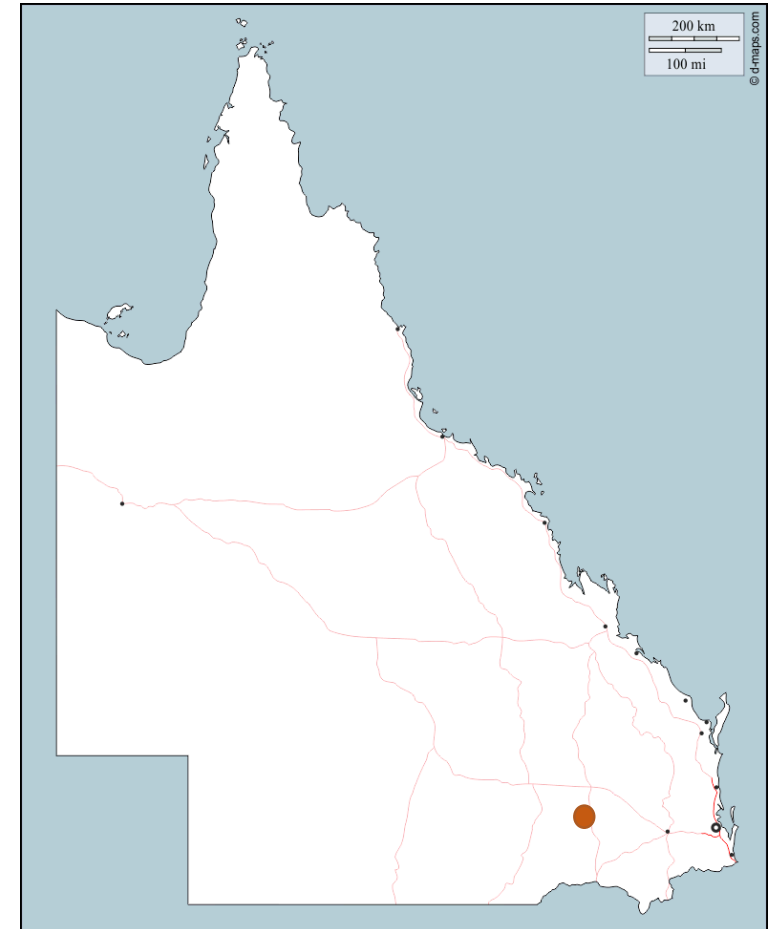


Future Exploration

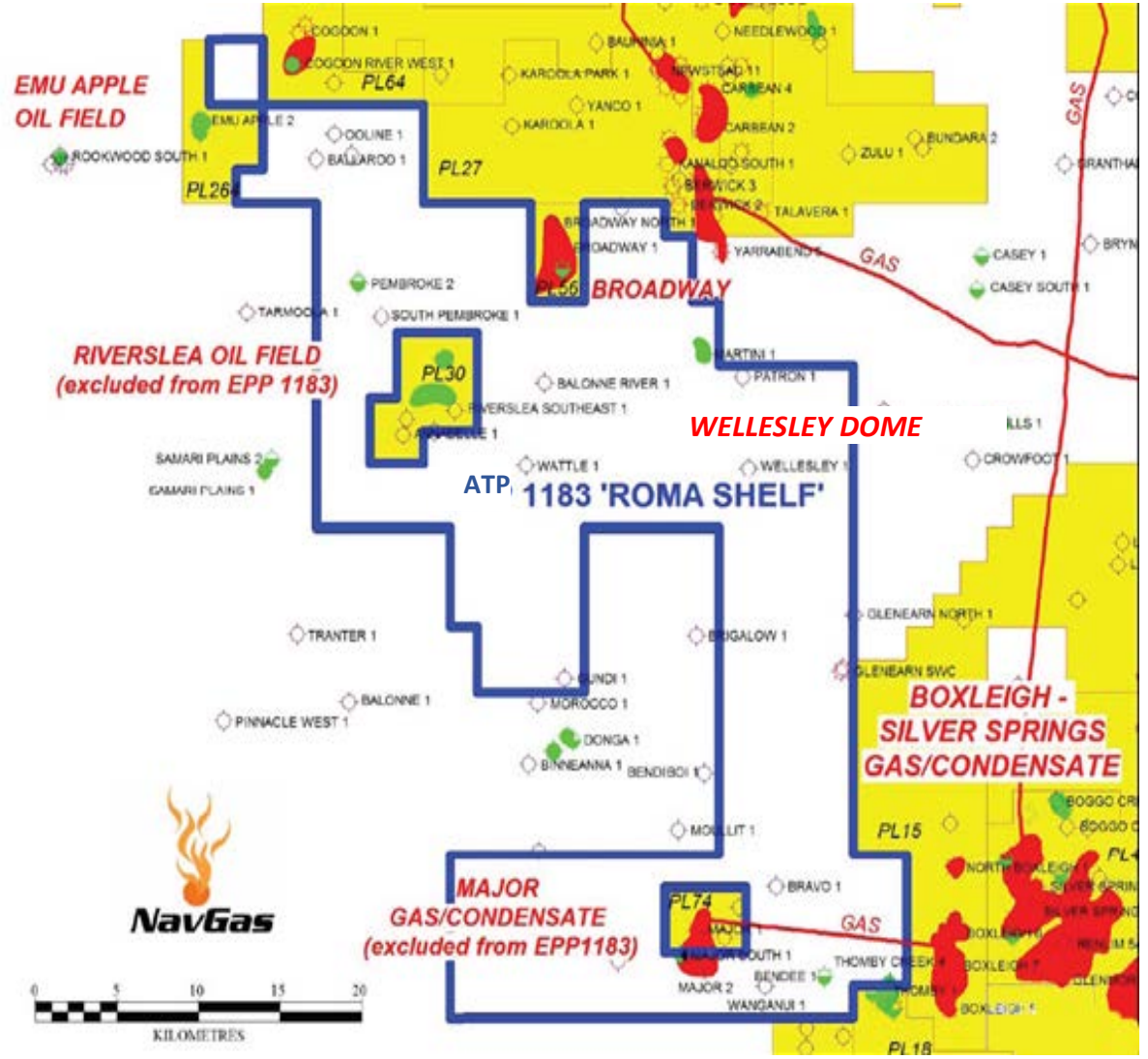
Queensland

ATP1183, Queensland

- Highly prospective acreage **100% owned**.
- High **exploration success** for wells drilled on structural closure.
- Prospects identified for expedited pursuit:
 - Wellesley Dome - 41 Bcf⁵.
 - Emu Apple North - 3.4 million barrels⁶.
 - Bendee Prospect - 1 million barrels⁷.
 - Major East Lead - 13.8 Bcf⁸.
- Exploration Success **quickly monetised**:
 - **Existing gas and oil infrastructure** in close proximity.
 - East Coast gas market undersupplied and high priced.



ATP1183, Queensland



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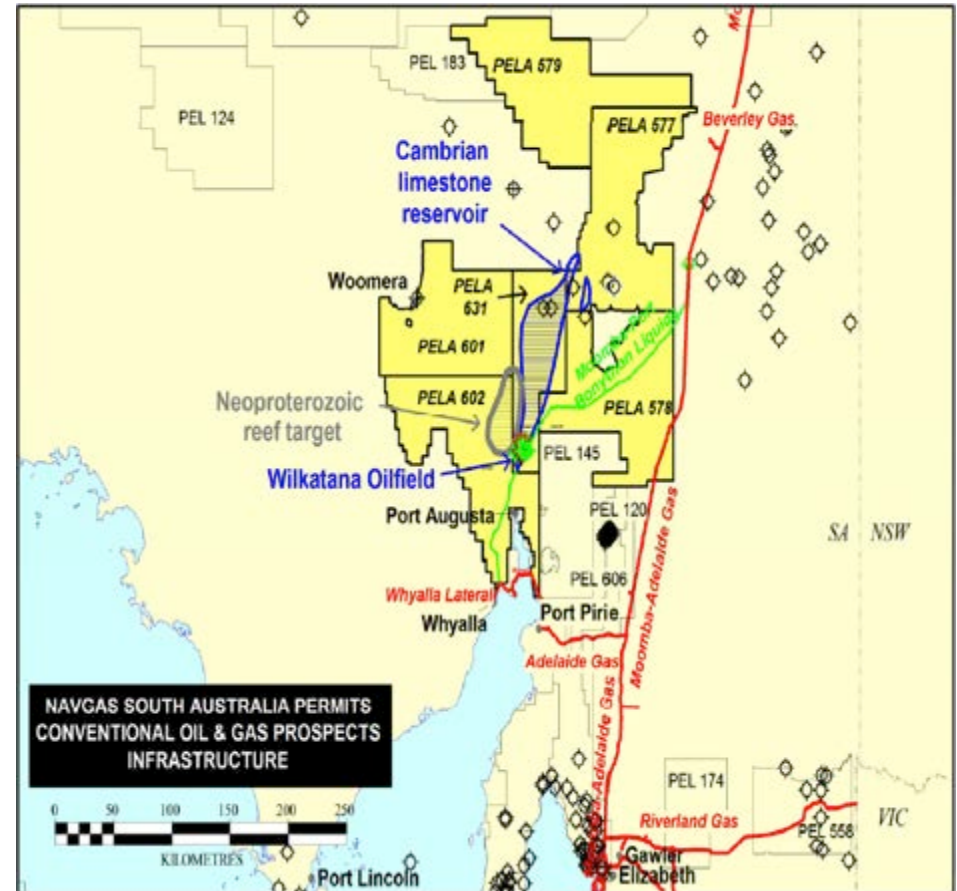


Future Exploration

South Australia

South Australia

- Pirie-Torrens Oil & Gas Project:
 - 6 x PELAs wholly owned.
 - Native Title yet to be addressed.
 - Overlapping, granted mineral tenements also held.
 - Modern exploration techniques yet to be applied.
- Wilkatana Oilfield:
 - Oil seepage first explored by Santos 60 years ago.
 - Area of closure identified from recent seismic.
 - Stratigraphic corehole proposed.
- Gas potential from Tindelpina Shale



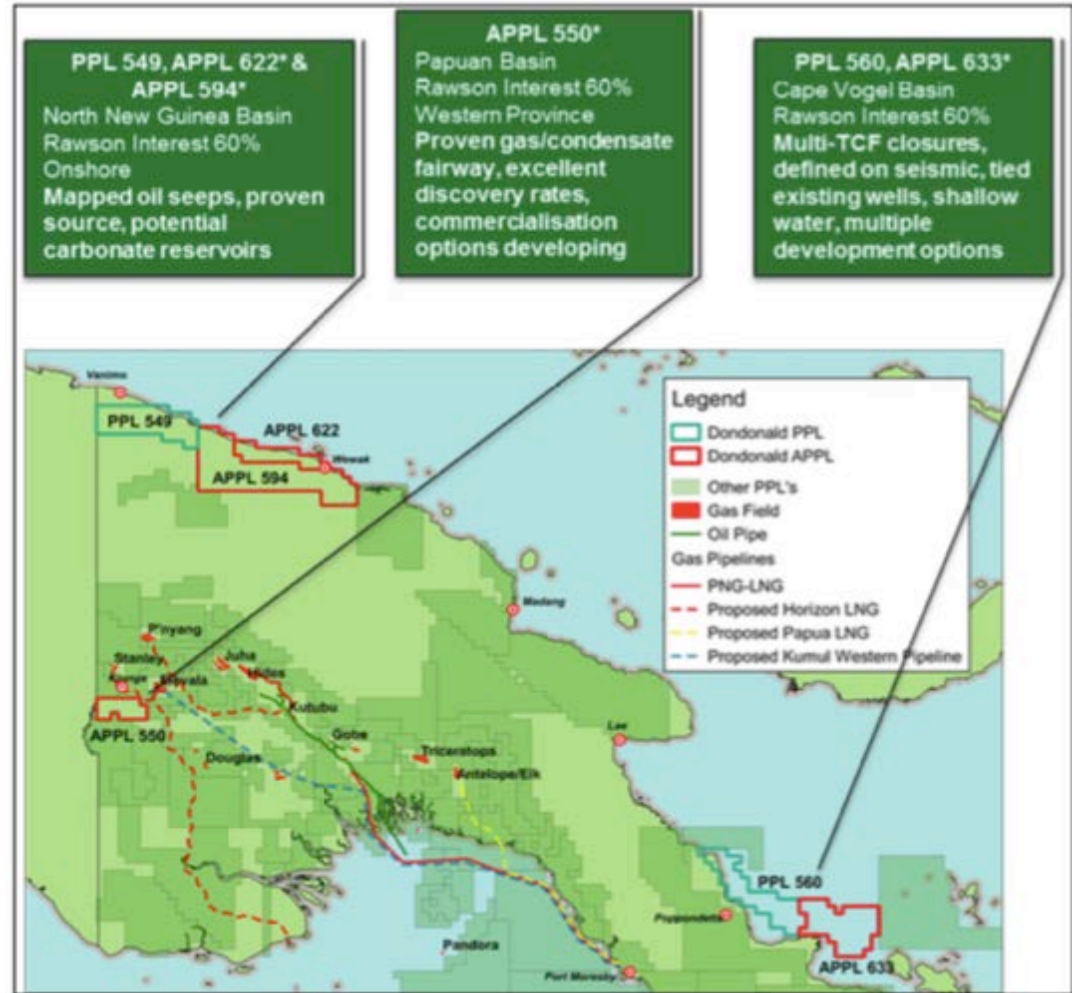


Future Exploration

Papua New Guinea

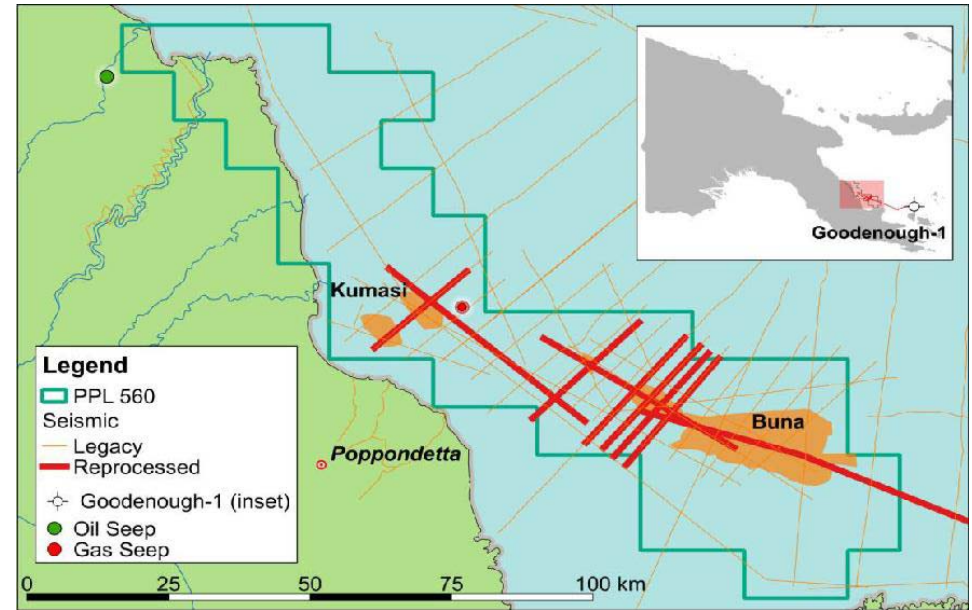
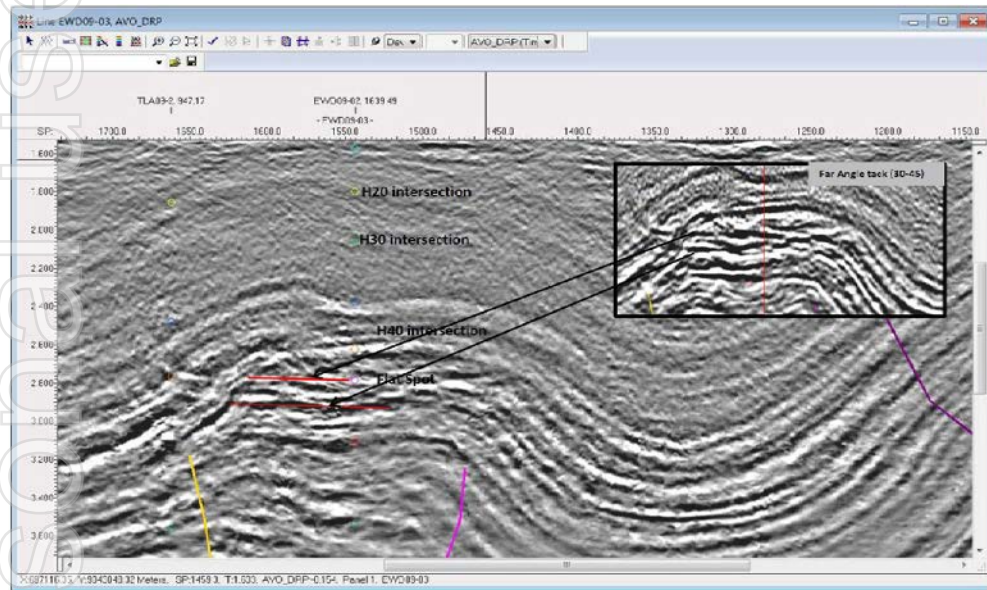
Papua New Guinea

- Multiple Permits and Applications covering proven hydrocarbon producing areas
- Immediate focus:
 - Resolve dispute regarding PPL 560 tenure
 - Formulate and implement exploration strategy, for example, by farmout.



Papua New Guinea – PPL 560

- **Multi Tcf Potential⁹**
- P50 recoverable resource of 3.3 Tcf⁹
- Scalable development options



- Flat spots on seismic are possible hydrocarbon indicators



Sources of Estimates

Notes

1. The tabulated figures are calculated as follows:

Victoria: sum of conventional component of Contingent Recoverable Gas Resource for PRL2 (see Note 2) and Estimated Recoverable Gas Resource for Portland Energy Project (see Note 3), converted to MMBOE on basis of 5,800 cubic feet of gas to 1 barrel of oil equivalent.

South Australia: Best estimate unrisks recoverable gas resource of the Nangwarry prospect (see Note 4) converted to MMBOE on the basis of 5,800 cubic feet to 1 barrel of oil equivalent.

Queensland: sum of prospective recoverable resources of Wellesley, Emu Apple North, Bendee Prospect and Major East Lead. (See Notes 5 to 8)

PNG: Estimated recoverable gas resource of the Buna Prospect, converted to MMBOE on the basis of 5,800 cubic feet to 1 barrel of oil equivalent, and rounded down.



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Sources of Estimates

Notes, continued

2. The Contingent Recoverable Gas Resource of the Wombat and Trifon-Gangell gas fields is estimated to be 329 PJ and 390 PJ, respectively, at 50% probability. Source: Gafney, Cline and Associates, as reproduced on pages 24-25 of “Independent Specialist Report on the petroleum assets of Navgas Pty Ltd and Lakes Oil NL”, SRK Consulting (Australasia) Pty Ltd, made public in December 2016. Lake Oil NL estimates that 250 Bcf and 280 Bcf of this gas will, respectively, be recoverable from the gas fields by conventional means.
- 2A. SPC (Stimulation Petrophysics Consulting, LLC), “Production Forecast for the Proposed Lakes Oil Wombat 5”, September 2013.
3. Source: SRK Consulting (Australasia) Pty Ltd, as reproduced on page 29 of “Independent Specialist Report on the petroleum assets of Navgas Pty Ltd and Lakes Oil NL”, SRK Consulting (Australasia) Pty Ltd, December 2016.
4. Rawson Oil & Gas Limited, Target’s Statement dated 13 September 2018, page 20



Sources of Estimates

Notes, continued

5. Best estimate prepared on a deterministic basis. Source: page 17 of “Independent Specialist Report on the petroleum assets of Navgas Pty Ltd and Lakes Oil NL”, SRK Consulting (Australasia) Pty Ltd, December 2016.
6. Best estimate prepared on a deterministic basis. Source: page 17 of “Independent Specialist Report on the petroleum assets of Navgas Pty Ltd and Lakes Oil NL”, SRK Consulting (Australasia) Pty Ltd, December 2016.
7. Best estimate prepared on a deterministic basis. Source: page 17 of “Independent Specialist Report on the petroleum assets of Navgas Pty Ltd and Lakes Oil NL”, SRK Consulting (Australasia) Pty Ltd, December 2016.
8. Source: Mr Peter Bubendorfer, an AAPG member qualified in accordance with the requirements of ASX Listing Rule 5.42, and who has consented to the use of the estimate in the form and context in which it appears. The estimate was finalised on 3 February 2015 and was published on the ASX Announcements Platform by Navaho Gold Limited, then owner of Navgas Pty Ltd.
9. Source: Rawson Oil & Gas Limited. Modified from Fekete Associates 2010 report in accordance with SPE-PRMS guidelines.



Sources of Estimates

Notes, continued

The Company is not aware of any new information or data that materially affects the information included in the relevant market announcements noted above and confirms that all the material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

