

## ASX Announcement

### South Australian Exploration Activities

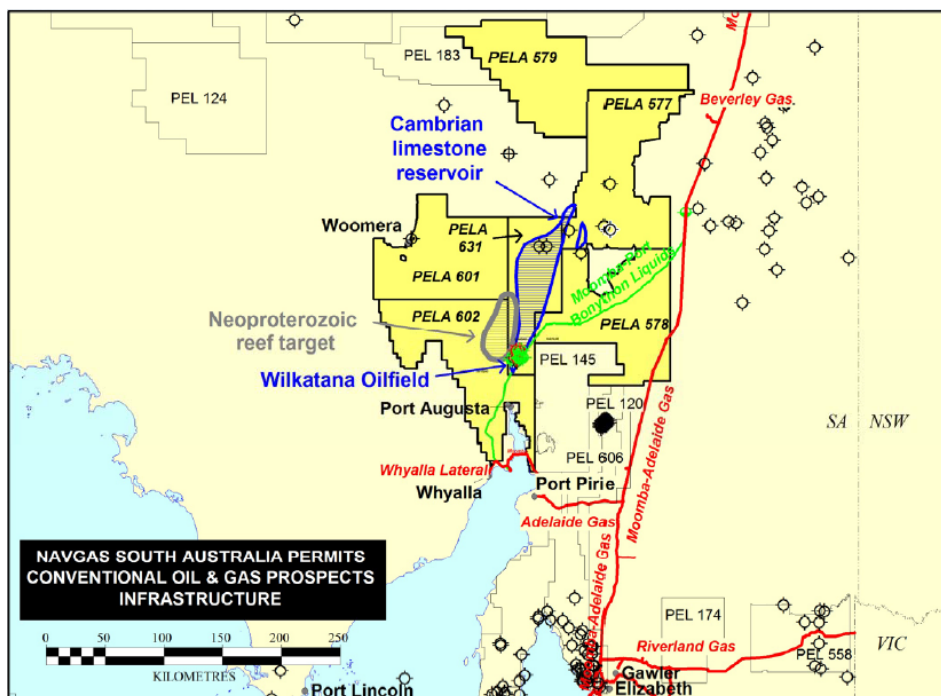
Lakes Oil NL (**Lakes Oil or Company**, ASX: LKO) notes yesterday's announcement by the South Australian Government that it intends to implement a range of energy related initiatives, including "incentivising increased gas production".

For information of Shareholders, Lakes Oil confirms it is investigating options for assessing the oil and gas production potential of the Company's South Australian exploration acreage, within the Central Flinders Ranges to the north of Port Augusta (see Figure below). Of particular interest from the perspective of gas production is the Tindelpina Shale, which has been historically shown to contain gas, but which has not been explored using modern techniques.

Lakes Oil is well advanced in discussions that could pave the way for the potential of the Company's South Australian acreage to be assessed through information sharing arrangements with other exploration companies, potentially including the drilling of stratigraphic corehole(s). If the Tindelpina Shale proves to be productive then supply of gas to meet South Australian requirements will be straightforward, given the proximity of the project to the Moomba to Adelaide Gas Pipeline.

Lakes Oil will work closely and cooperatively with the South Australian and Federal Governments toward increasing the availability of competitively priced natural gas.

#### *South Australian Petroleum Exploration Licence Application Areas*



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**Lakes Oil N.L.**

**ASX  
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and  
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