LAKES OIL N.L.

RESULTS OF SHARE PURCHASE PLAN

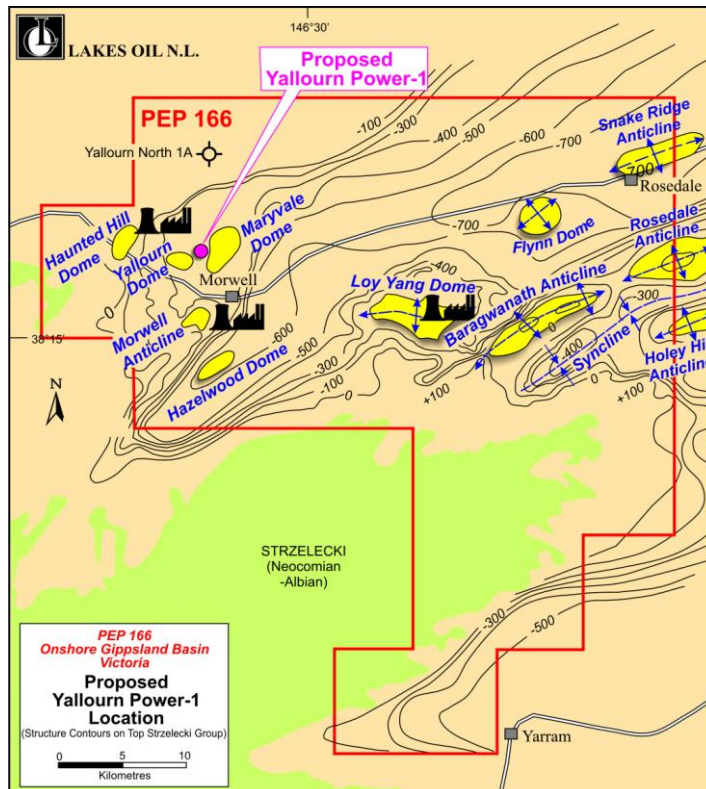Lakes Oil NL closed its Share Purchase Plan on 27 May 2011.

The Share Purchase Plan raised in the order of $1.56M from the issue of 312,226,578 ordinary fully paid shares at $0.005 per share.

The funds will be used to assist the company to achieve its vision as it strives to develop a portfolio of energy resources in Victoria including the drilling of one core hole in PEP166, Yallourn Power-1(see map below). The drilling of Holdgate-1 will need to be deferred for the moment due to the results of the Share Purchase Plan being insufficient to fund it, but will take place as soon as funds are available or a joint venture partner can be found.

Attached is Appendix 3B "Application for quotation of additional securities and Agreement" for the issue of the shares.

Lakes Oil N.L.

ROBERT J. ANNELLS
Chairman

PEP 166
Onshore Gippsland Basin
Victoria
Proposed Yallourn Power-1 Location
(Structure Contours on Top Strzelecki Group)

Lakes Oil N.L.
'An unconventional oil & gas company'
www.lakesoil.com.au

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Lakes Oil N. L.

ABN

62 004 247 214

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+ Class of + securities issued or to be issued	Fully paid ordinary shares
2	Number of + securities issued or to be issued (if known) or maximum number which may be issued	312,226,578
3	Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	As per all other ordinary shares on issue.

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Yes.
5	Issue price or consideration	$0.005
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	To enable the company to pursue its current exploration activities.
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	1 June 2011

		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the securities in clause 2 if applicable)	6,022,128,039	Ordinary Fully Paid Shares

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+ See chapter 19 for defined terms.

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (*including* the securities in clause 2 if applicable)	9,850,000	Options exercisable @ 1.5 cents each expiring 09.01.2013
	191,500,000	Partly Paid Shares issued at a price of 1.5 cents paid to 0.1 cents with the balance to be paid by 30 September 2014 to avoid forfeiture.

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The company does not presently have a dividend policy.

Part 2 - Bonus issue or pro rata issue

11   Is security holder approval required?

Not Applicable

12   Is the issue renounceable or non-renounceable?

Not Applicable

13   Ratio in which the +securities will be offered

Not Applicable

14   +Class of +securities to which the offer relates

Not Applicable

15   +Record date to determine entitlements

Not Applicable

16   Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?

Not Applicable

17   Policy for deciding entitlements in relation to fractions

Not Applicable

+ See chapter 19 for defined terms.

18 Names of countries in which the entity has +security holders who will not be sent new issue documents

Note: Security holders must be told how their entitlements are to be dealt with.

Cross reference: rule 7.7.

Not Applicable

19 Closing date for receipt of acceptances or renunciations

Not Applicable

20 Names of any underwriters

Not Applicable

21 Amount of any underwriting fee or commission

Not Applicable

22 Names of any brokers to the issue

Not Applicable

23 Fee or commission payable to the broker to the issue

Not Applicable

24 Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders

Not Applicable

25 If the issue is contingent on +security holders' approval, the date of the meeting

Not Applicable

26 Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled

Not Applicable

27 If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders

Not Applicable

28 Date rights trading will begin (if applicable)

Not Applicable

29 Date rights trading will end (if applicable)

Not Applicable

+ See chapter 19 for defined terms.

30	How do ⁺security holders sell their entitlements *in full* through a broker?	Not Applicable
31	How do ⁺security holders sell *part* of their entitlements through a broker and accept for the balance?	Not Applicable
32	How do ⁺security holders dispose of their entitlements (except by sale through a broker)?	Not Applicable
33	⁺Despatch date	Not Applicable

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34   Type of securities
      (*tick one*)

(a)   ☒   Securities described in Part 1

(b)   ☐   All other securities

        Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)
Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35   ☐   If the ⁺ securities are ⁺ equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

36   ☐   If the ⁺ securities are ⁺ equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
            1 - 1,000
            1,001 - 5,000
            5,001 - 10,000
            10,001 - 100,000
            100,001 and over

37   ☐   A copy of any trust deed for the additional ⁺securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of securities for which ⁺quotation is sought	

39	Class of ⁺securities for which quotation is sought	

40 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?

If the additional securities do not rank equally, please state:
- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
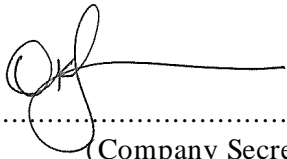
41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

Number	⁺Class

42 Number and ⁺class of all ⁺securities quoted on ASX (*including* the securities in clause 38)

.... Date: 1 June 2011
(Company Secretary)

Print name: LESLIE SMITH