



**NZX
Level 2,
NZX Centre,
11 Cable Street,
Wellington**

cc: Australian Securities Exchange Ltd,
Sydney

30 July, 2010

I refer to the Share Purchase Plan announced to the market by L&M Energy Limited on 26 July 2010.

Please find attached for immediate release to the market a statement prepared pursuant to clauses 7(2) and (3) of the Securities Act (NZX - Share and Unit Purchase Plans) Exemption Notice 2005.

Regards,

A handwritten signature in blue ink, consisting of a stylized 'B' and 'M' with a crossbar, and a vertical line extending downwards.

Bruce McGregor
Company Secretary

L&M Energy Limited

NZ Company Number 847177

ARBN 122 323 871

('Company')

Share purchase plan

Price statement

On 26 July 2010, the Company announced a share purchase plan ('Plan') for fully paid ordinary shares in the Company ('Shares').

As the Plan is being offered simultaneously in Australia and New Zealand, the highest amount that each shareholder can invest under the Plan will be NZ\$15,000 or A\$12,000 (subject to scaleback in the case of A\$ applications in the event that A\$12,000 exceeds NZ\$15,000 at the closing date in accordance with the terms and conditions of the SPP).

The issue price under the Plan will be A\$0.09 or NZ\$0.11 per Share. Investors may choose to subscribe for Shares in A\$ or NZ\$. However, regardless of the application currency chosen, if the applicant already holds Shares on the ASX, then the applicant will receive ASX listed Shares and (conversely) if the applicant already holds NZX listed Shares, the applicant will receive NZX listed Shares.

The Board certifies that when the subscription was fixed, the Company had no information not publicly available that would, or would be likely to, have a material effect on the market price of the Company's ordinary shares if the information were publicly available.

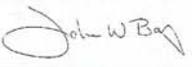
Signed:



Archibald Geoffrey Loudon
Director



Charles Patrick Lutyens
Director
by his agent Trevor William Taylor



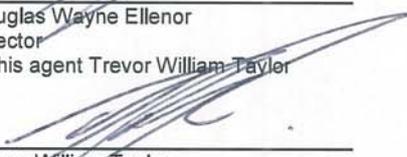
John William Bay
Director



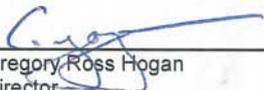
Kent Ashley Anson
Director



Douglas Wayne Ellenor
Director
by his agent Trevor William Taylor



Trevor William Taylor
Director



Gregory Ross Hogan
Director