



COMPANY ANNOUNCEMENT

For Immediate Release

15 December, 2010

Transcript of Broadcast

The transcript of the Boardroom Radio audio broadcast entitled “**Resource Consents Granted for Ohai Coal Seam Gas Pilot Project**” is now available.

The presentation details are as follows:

- **L&M Energy – “Resource Consents Granted for Ohai Coal Seam Gas Pilot Project” with Kent Anson – Managing Director**
- **Wednesday, 15 December 2010 @ 9.00am AEST**

To listen, simply see the website:

<http://www.brr.com.au/event/72506>

Transcript of interview with Kent Anson, Managing Director of L&M Energy Limited, conducted by Cameron of Boardroom Radio.

Good afternoon and welcome to Boardroom Radio. Today we welcome the Managing Director of L&M Energy, Mr. Kent Anson. Kent, thanks for your time.

Thank you.

Kent, you’ve just released an announcement showing that your resource consents have just been granted for the Ohai Coal Seam Gas Pilot Project. Can you tell us about that?

Certainly. Basically, it’s a process which we kicked off around the middle of the year, part of our programme to move some of our 3P gas reserves into 2P. Essentially, the consenting process involves both land use and environmental aspects of the pilot project, so it’s a good tick in a box to have.

What’s next on the agenda for the project?

Essentially, as per the release we’re looking at drilling the pilot wells this year. We’ll be setting the surface casing and completing the wells in the new year. We’re trialling a lateral completion method. We’ve looked at various completion methods for Ohai - both internally and had some external consultants as well - and determined that a lateral completion is well suited to the area. Early in the new year we’ll commence production once the wells are completed and hopefully book some 2P reserves towards the end of Q1, 2011.

Kent, you mentioned that commercial discussions were ongoing regarding offtake arrangements. When would you like to conclude those?

We hope to have something to market around mid-year next year. Really an essential part of the project is to demonstrate commercial gas production and that's something which the pilot should achieve.

Thank you very much for your time today, Kent - congratulations and we look forward to catching up with you in the new year.

Thanks, Cameron.

Interview ends.

ENDS

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About L&M Energy Limited

Established in the 1930's, New Zealand based L&M Energy is now dual listed on the ASX and NZX stock exchanges. LME is focused on discovering major oil, gas and coal seam gas resources in New Zealand.
<http://www.lmenergy.co.nz/>