

BUDDLE FINDLAY

To
Australian Securities Exchange
Company Announcements
Office
0800 449 707

From
Grant Dunn
Montie Baskett

Date
15 November 2010

5 pages incl. cover sheet

Please telephone 64-9-358 2555 if this fax is incomplete.

This message and any attachments contain information that is confidential and subject to legal privilege. If you have received this message in error, please notify the sender immediately.

F A X**L&M Energy Limited (LME) - Form 603 Notice****LAWYERS****AUCKLAND**

PricewaterhouseCoopers Tower
188 Quay Street
PO Box 1433
Auckland 1140
New Zealand
DX CP24024
Tel 64-9-358 2555
Fax 64-9-358 2055

WELLINGTON

State Insurance Tower
1 Willis Street
PO Box 2694
Wellington 6140
New Zealand
DX SP20201
Tel 64-4-499 4242
Fax 64-4-499 4141

CHRISTCHURCH

Clarendon Tower
78 Worcester Street
PO Box 322
Christchurch 8140
New Zealand
DX WP20307
Tel 64-3-379 1747
Fax 64-3-379 5659

BUDDLE FINDLAY

To
Australian Securities Exchange
Company Announcements Office

From
Grant Dunn
Montie Baskett

By
Fax: 0800 449 707

Date
15 November 2010

Dear Sir/Madam

L&M Energy Limited (LME) - Form 603 Notice

Please find **attached** a completed form 603 notice filed on behalf of Runa Investments Limited.

Please contact the writer if you have any questions.

Yours faithfully
BUDDLE FINDLAY

LAWYERS

AUCKLAND

PricewaterhouseCoopers Tower

188 Quay Street

PO Box 1433

Auckland 1140

New Zealand

DX CP24024

Tel 64-9-358 2555

Fax 64-9-358 2055

Montie Baskett
Senior Solicitor

Direct dial: +64-9-363 1347

Email: montie.baskett@buddlefindlay.com

WELLINGTON

State Insurance Tower

1 Willis Street

PO Box 2694

Wellington 6140

New Zealand

DX SP20201

Tel 64-4-499 4242

Fax 64-4-499 4141

CHRISTCHURCH

Clarendon Tower

78 Worcester Street

PO Box 322

Christchurch 8140

New Zealand

DX WP20307

Tel 64-3-379 1747

Fax 64-3-379 5659

Form 603

Corporations Act 2001

Section 671B

Notice of initial substantial holder

To Company Name/Scheme L & M Energy Limited
ACN/ARSN N/A

1. Details of substantial holder (1)
Name Runa Investments Limited
ACN/ARSN (if applicable) N/A

The holder became a substantial holder on 10 / 8 / 2010
2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary shares	36,666,666	36,666,666	5.018%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Runa Investments Limited	Beneficial owner and registered holder	36,666,666 ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Runa Investments Limited	Runa Investments Limited	Runa Investments Limited	36,666,666

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Runa Investments Limited	10 August 2010	AU\$0.09 per share	NIL	36,666,666 ordinary shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

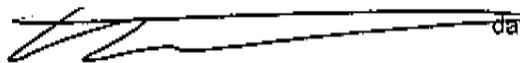
7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Runa Investments Limited	C/- Aleman, Cordero, Galindo & Lee Trust (BVI) Limited PO Box 3175 Road Town Torola BVI

Signature

print name Montgomerie James Baskett capacity: Solicitor

sign here  date: 15/11/2010

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (e.g. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
 - (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
 - (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
 - (4) The voting shares of a company constitute one class unless divided into separate classes.
 - (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
 - (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
 - (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).
- See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (e.g. if the relevant interest arises because of an option) write "unknown".
 - (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.