



COMPANY ANNOUNCEMENT

For Immediate Release

7 July, 2010

Notice under Section 708A of the Corporations Act 2001

On 2nd July 2010 L&M Energy (**Company**) issued 81,159,454 ordinary shares (**Shares**) by way of private placement to institutional and sophisticated investors.

The Company gives notice under section 708A(5)(e) of the *Corporations Act 2001* (Cth) (**Act**) that:

1. The Company issued the Shares without disclosure to investors under Part 6D.2 of the Act;
2. as at the date of this notice, the Company has complied with:
 - 2.1 the provisions of Chapter 2M of the Act as they apply to the Company; and
 - 2.2 section 674 of the Act; and
3. As at the date of this notice there is no information to be disclosed which is excluded information (as defined in section 708A(7) of the Act) that is reasonable for investors and their professional advisers to expect to find in a disclosure document.

Yours faithfully,

A handwritten signature in black ink, appearing to be 'R' followed by a stylized 'X' or 'M'.

Bruce McGregor
Company Secretary

ENDS

Contact for further information:

John Bay
Managing Director – Petroleum
L&M Energy
Tel: +64 4 4730415

or

Kent Anson
Managing Director - CSG
L&M Energy
Tel: +64 3 3770045

or

Duncan Gordon
Executive Director
Adelaide Equity Partners
Tel: +61 8 8232 8800

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/>