



A.C.N. 004 247 214

Lakes Oil N.L.

**ASX
Announcement
31 August
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Rights Issue a Success

New Issue Results

The 1 for 4 entitlement issue has closed, with a total of \$9.3 million worth of applications being received from shareholders. The Company has arranged to have the share registry dispatch Shareholding statements.

The strong support which has been received from shareholders will comfortably fund the important operational activities planned for 2009 including the drilling of Wombat 4.

Wombat 2 Update

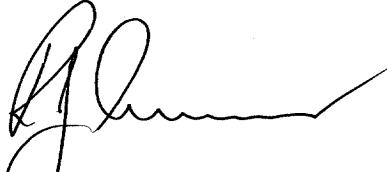
On Friday 21 August 2009 a chemical treatment was pumped into the fractured section of Wombat 2. This treatment was designed to free the emulsion blockage that our US based advisor had perceived was holding back the unimpeded flow of gas into the well bore.

To date gas and free fluid are continuing to flow at a reduced rate. The cleaning up of the well may take some time and may require further remedial action, which we are pursuing.

Wombat 4

Equipment has begun arriving at Lakes Oil N.L.'s Gippsland operations base in readiness for the drilling of Wombat 4. We are still expected to spud this well in late September.

Lakes Oil N.L.



Robert J Annells
Chairman

Lakes Oil N.L.
'an unconventional oil & gas company'
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