



LAKES OIL N.L.

(A.C.N. 004 247 214)

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The Manager - Companies
Australian Stock Exchange Limited
Stock Exchange Centre
530 Collins Street
MELBOURNE VIC 3000

Dear Sir,

**BELLARINE 1 WELL
PEP 163, ONSHORE OTWAY BASIN, VICTORIA**

Lakes Oil N.L. ("LKO") advises that at 6:00 AM this morning the Bellarine 1 well was at a depth of 2,137 metres having progressed 14 metres over the weekend.

Currently a "fishing" operation is being carried out to retrieve a stuck drill pipe. During the next twenty-four hours it is planned to retrieve the stuck drill pipe and drill ahead.

As at 11:00 AM the drill pipe had been engaged by the fishing tool and being worked out of the hole.

Jupiter Energy (Victoria) Pty Ltd is earning a 50% interest in permit PEP 163 by funding the first \$1.2 million of the cost of drilling the Bellarine 1 well.

Yours sincerely
LAKES OIL N.L.

Robert Love
Company Secretary