



LAKES OIL N.L.

(A.C.N. 004 247 214)

Registered Office:
Level 11,
500 Collins Street,
Melbourne Vic. 3000

P.O. Box 300, Collins Street West,
Melbourne Vic. 8007
Telephone: (03) 9629 1566
Facsimile: (03) 9629 1624

27 April 2004

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

Dear Sir,

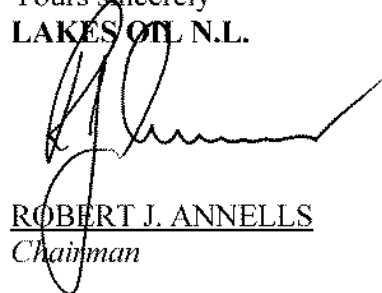
**WOMBAT 2 APPRAISAL WELL
PEP 157, ONSHORE GIPPSLAND BASIN, VICTORIA**

Lakes Oil ("LKO") advises that at 6:00 AM today the Wombat 2 well was at a total depth of 1550 metres and preparing to run a cased hole Drill Stem Test of the zone between 1355 to 1391 metres which is expected to take place late today.

The Wombat 2 well is a step out from the Wombat 1 discovery well and is located approximately 4 kilometres west of Seaspray and 2 kilometres south west of Wombat 1.

The Wombat Block is located in PEP 157. An overriding royalty of 5% of the wellhead value of any hydrocarbon production is payable to Roma Petroleum N.L. a former permit holder.

Yours sincerely
LAKES OIL N.L.



ROBERT J. ANNELLS
Chairman