



LAKE OIL N.L.

(A.C.N. 004 247 214)

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28 September 2005

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

Dear Sir,

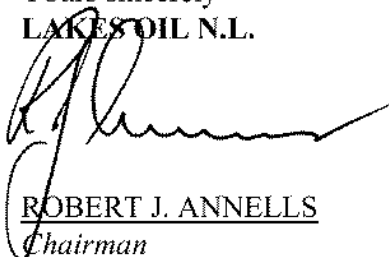
PLACEMENT OF SHARES

Lakes Oil ("LKO") advises that it has today placed through Kefu Underwriters Pty Limited a total of 50,000,000 ordinary fully paid shares at 2.5 cents each to raise a total of \$1,250,000 before brokerage. Funds are expected to be received over the next few days, and an Appendix 3B will be issued at the time of allotment.

No shareholder approval to the placement is required.

The purpose of this placement is to raise funds for additional exploration costs.

Yours sincerely
LAKE OIL N.L.



ROBERT J. ANNELLS
Chairman