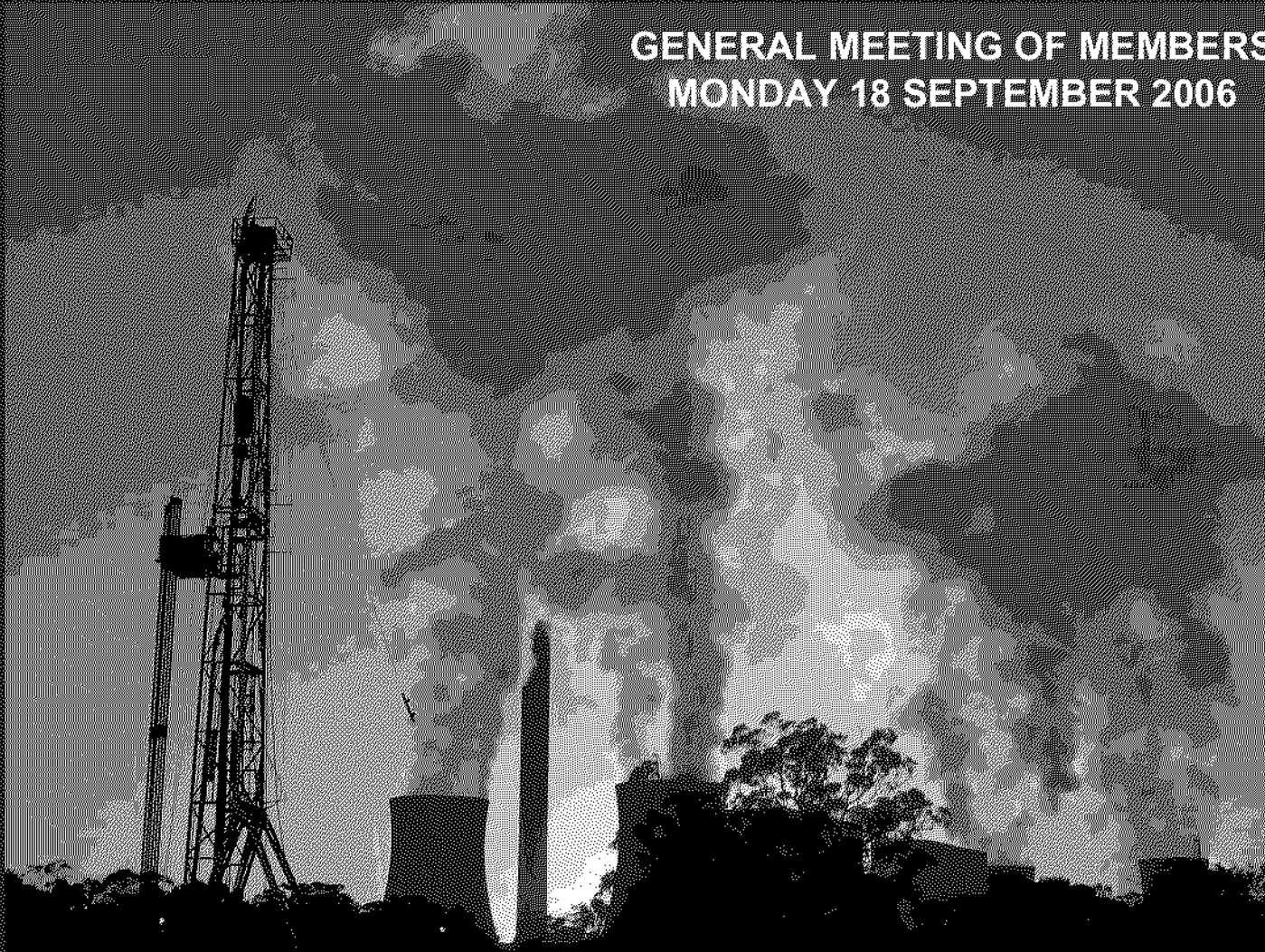




LAKES OIL N.L.

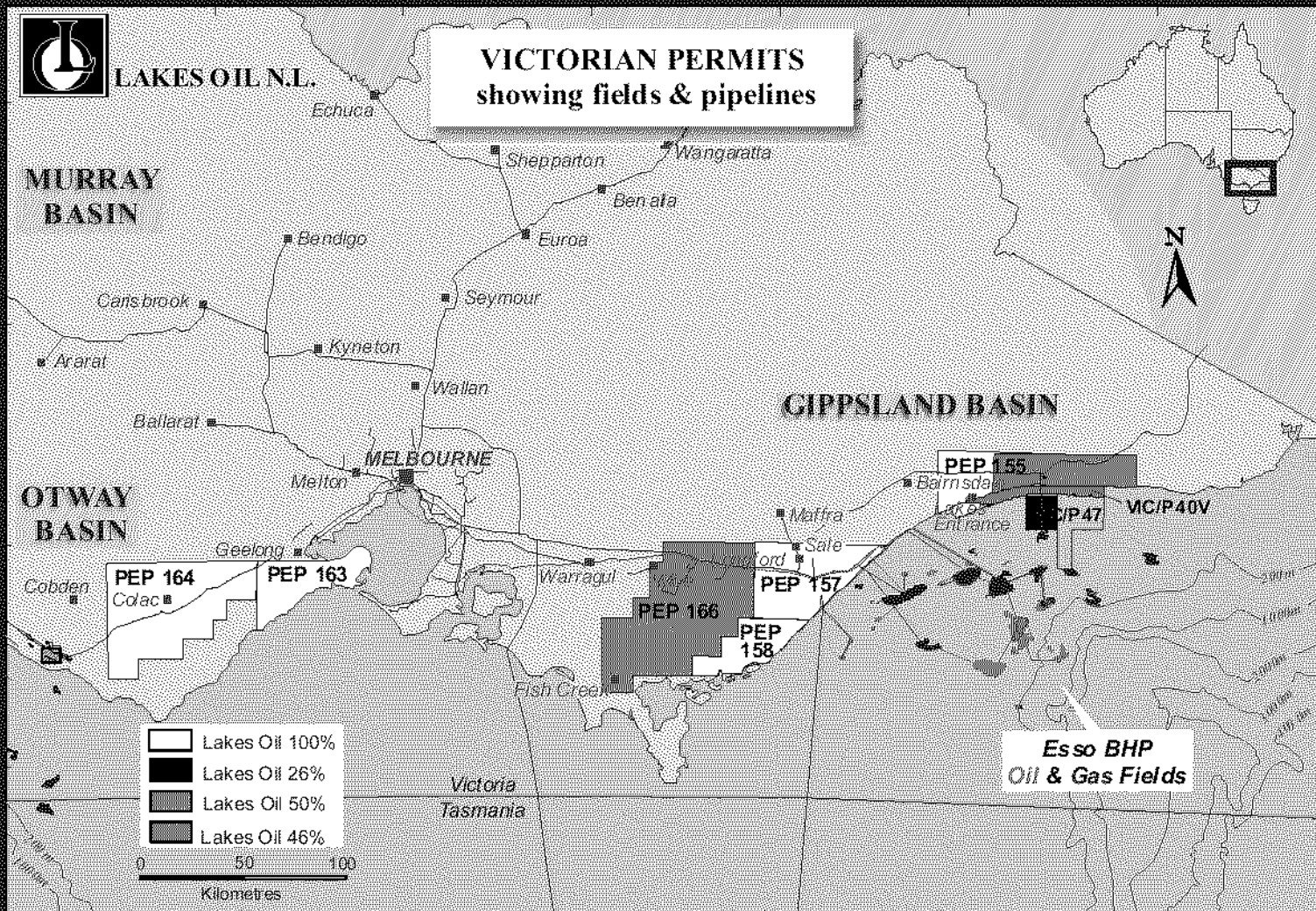
A.C.N. 004 247 214

GENERAL MEETING OF MEMBERS
MONDAY 18 SEPTEMBER 2006





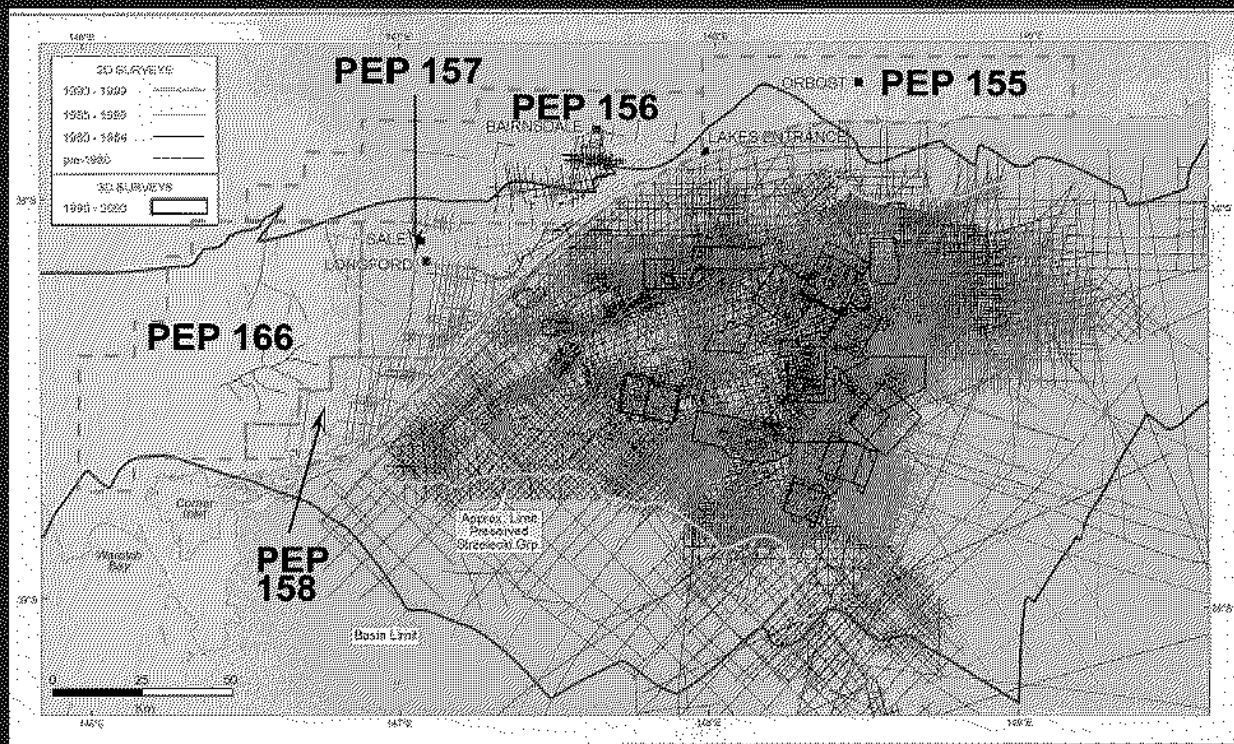
VICTORIAN PERMITS





PREVIOUS SEISMIC SURVEYS

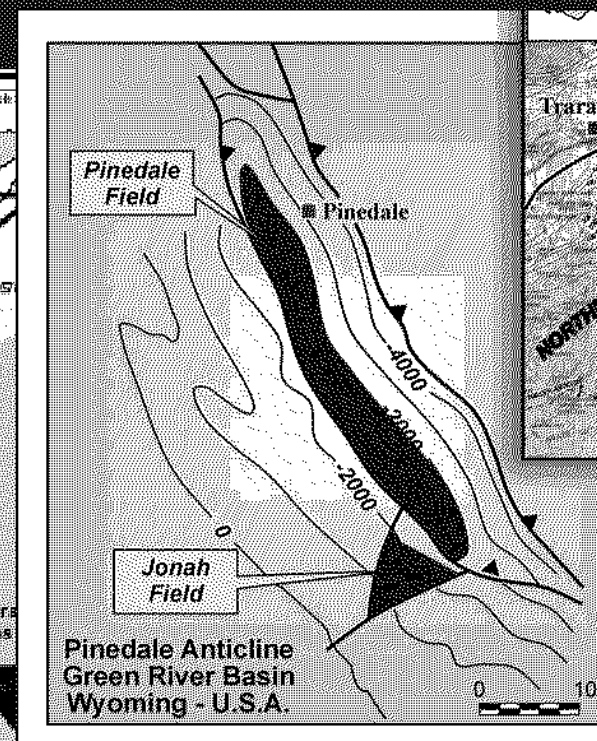
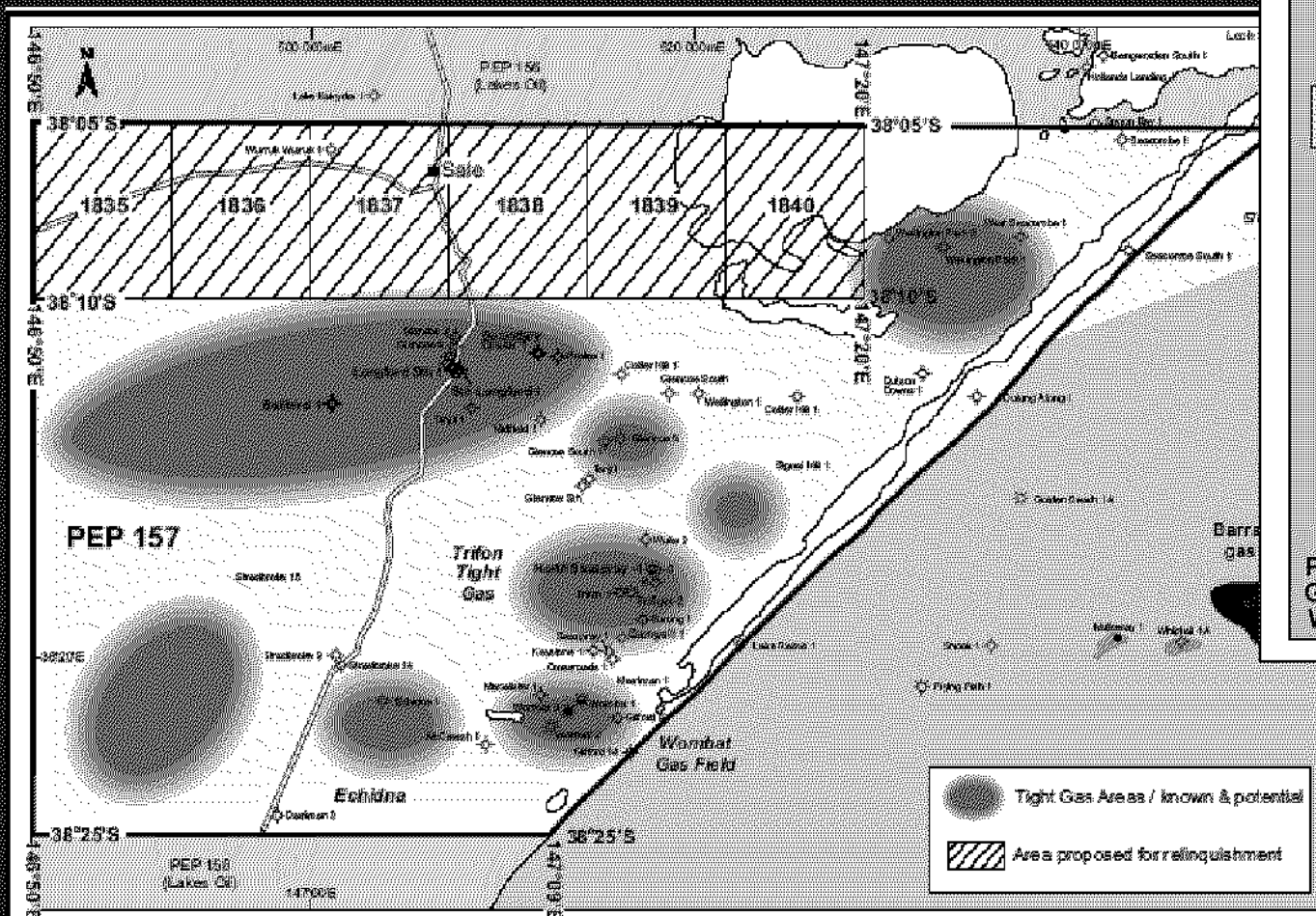
- Offshore has been extensively surveyed over a 30 year period.
- Onshore seismic coverage is sparse and old.
 - Last seismic onshore in 1984.
 - Major technological advances since 1984 not yet applied onshore.
 - Planning to acquire 3D seismic over the Wombat/Trifon fields to underpin resource estimates.



Lakes Onshore
Gippsland Basin
permit locations



Producing Equivalent: Pinedale Anticline



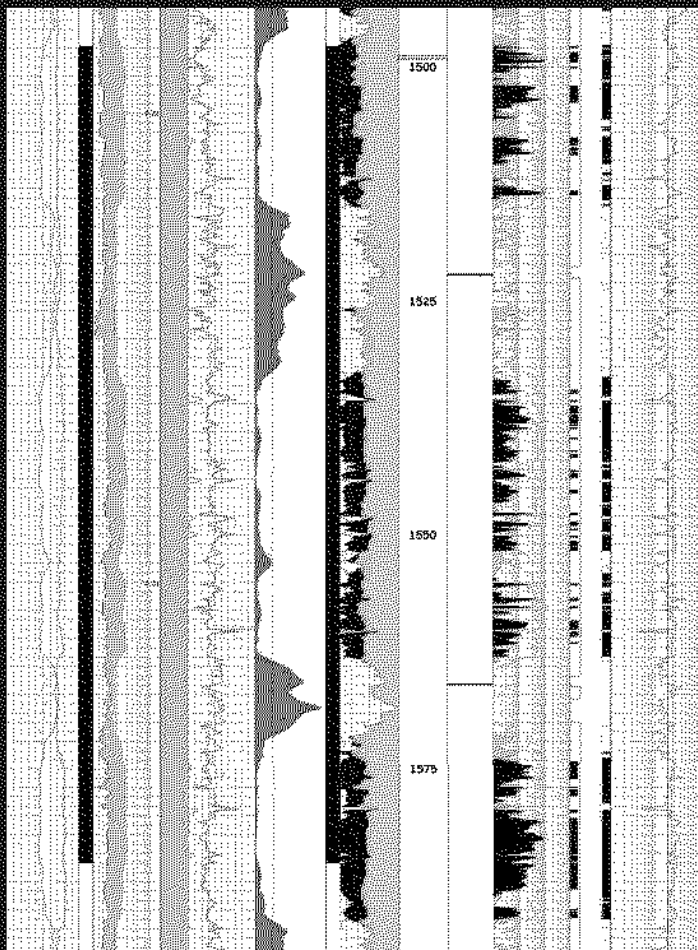
LAKES OIL N.L.



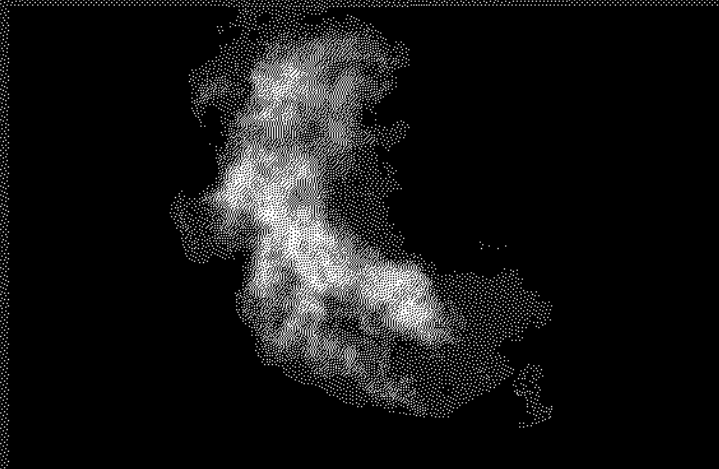
PEP 157
Onshore Gippsland Basin, Victoria
RETENTION LEASE APPLICATION



WOMBAT-1

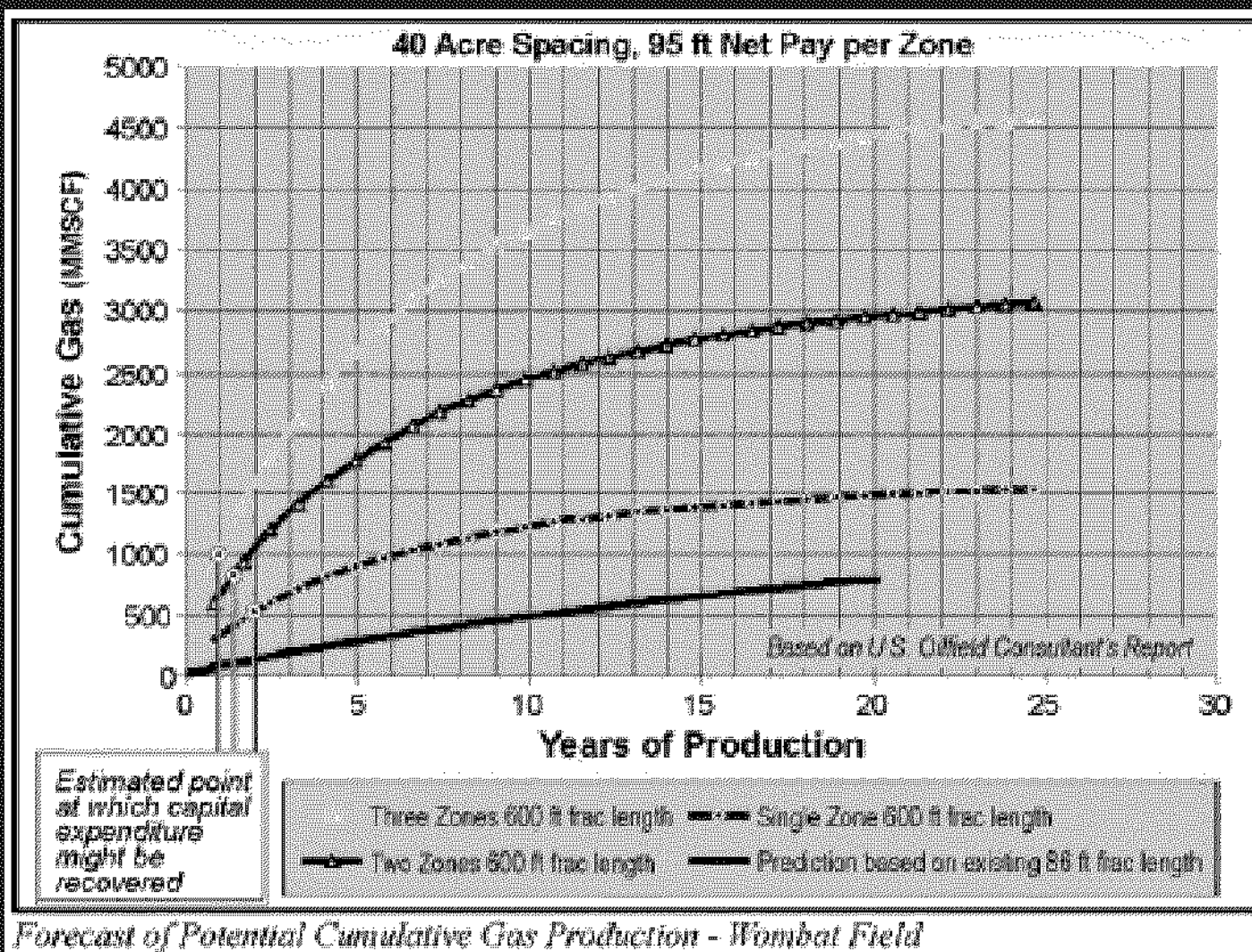


- 1st Strzelecki gas flow
- Highest Strzelecki gas flows 2 mmcfd (max)
- 500m net gas column
- Estimated 0.875TCF gas





Wombat Field Production





Volumetrics

Estimated Volumes Wombat, Trifon and Gangell Fields*

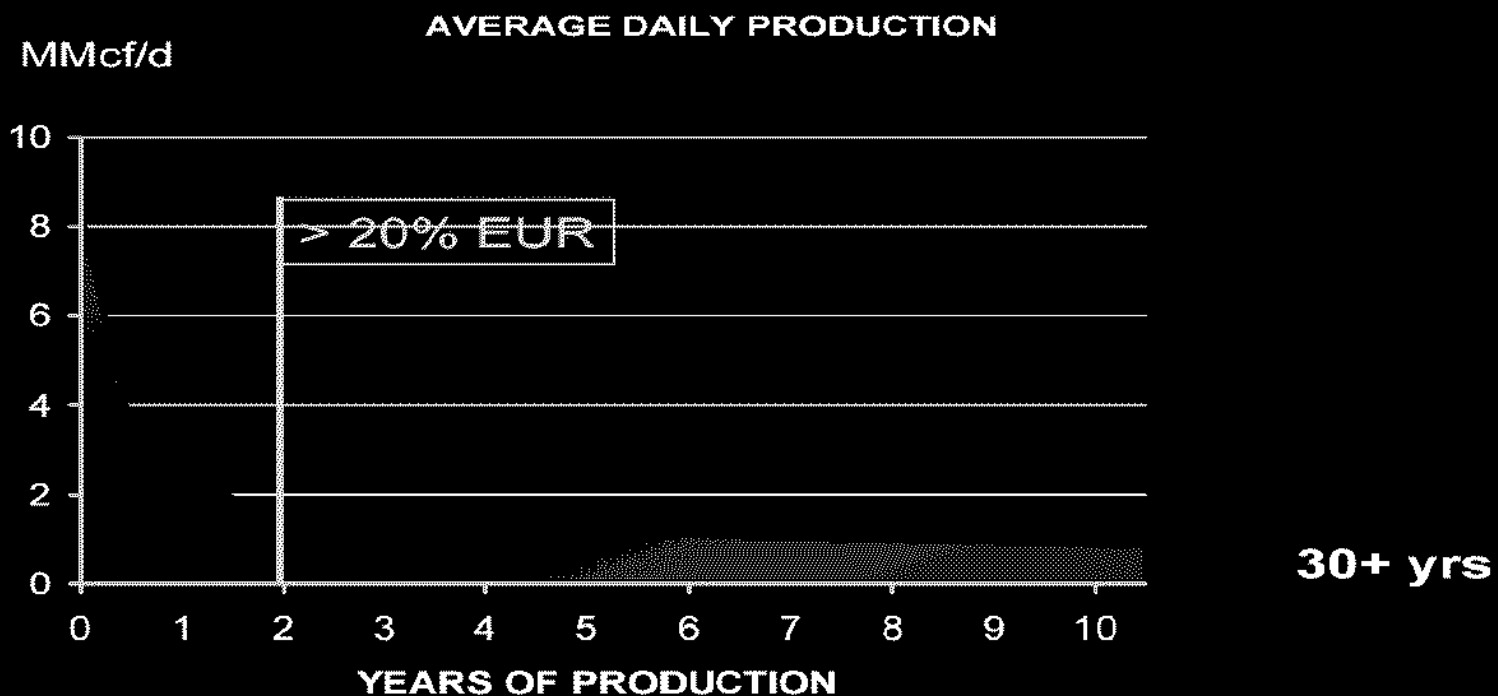
- ❖ **Wombat structure** appears to have the best porosity and has estimated gas-in-place volume of 535.4 bcf.
- ❖ **Gangell structure** is smaller with an estimated gas-in-place volume of 375.4 bcf
- ❖ **Trifon structure** has an estimated gas-in-place volume of 32.0 bcf based on limited, shallow DST data. However, post-frac gas flowed to surface from the deeper 2350m reservoir sand in Trifon 2 and could enlarge the gas-in-place volume to 559.5 bcf.

A recovery factor of 50% - 60% is given for these fields

** Source: Report prepared by U.S. Oilfield Consultant*



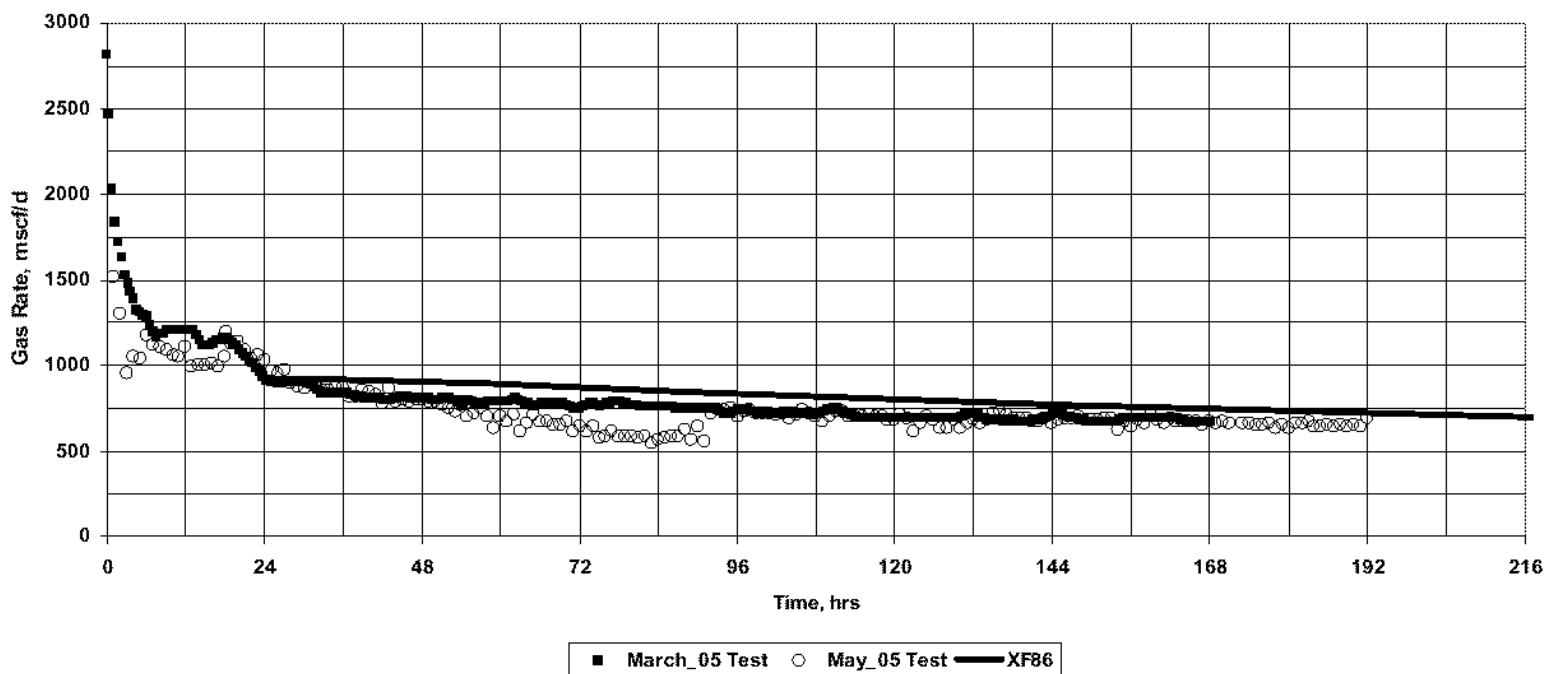
Typical Pinedale Well Production Profile





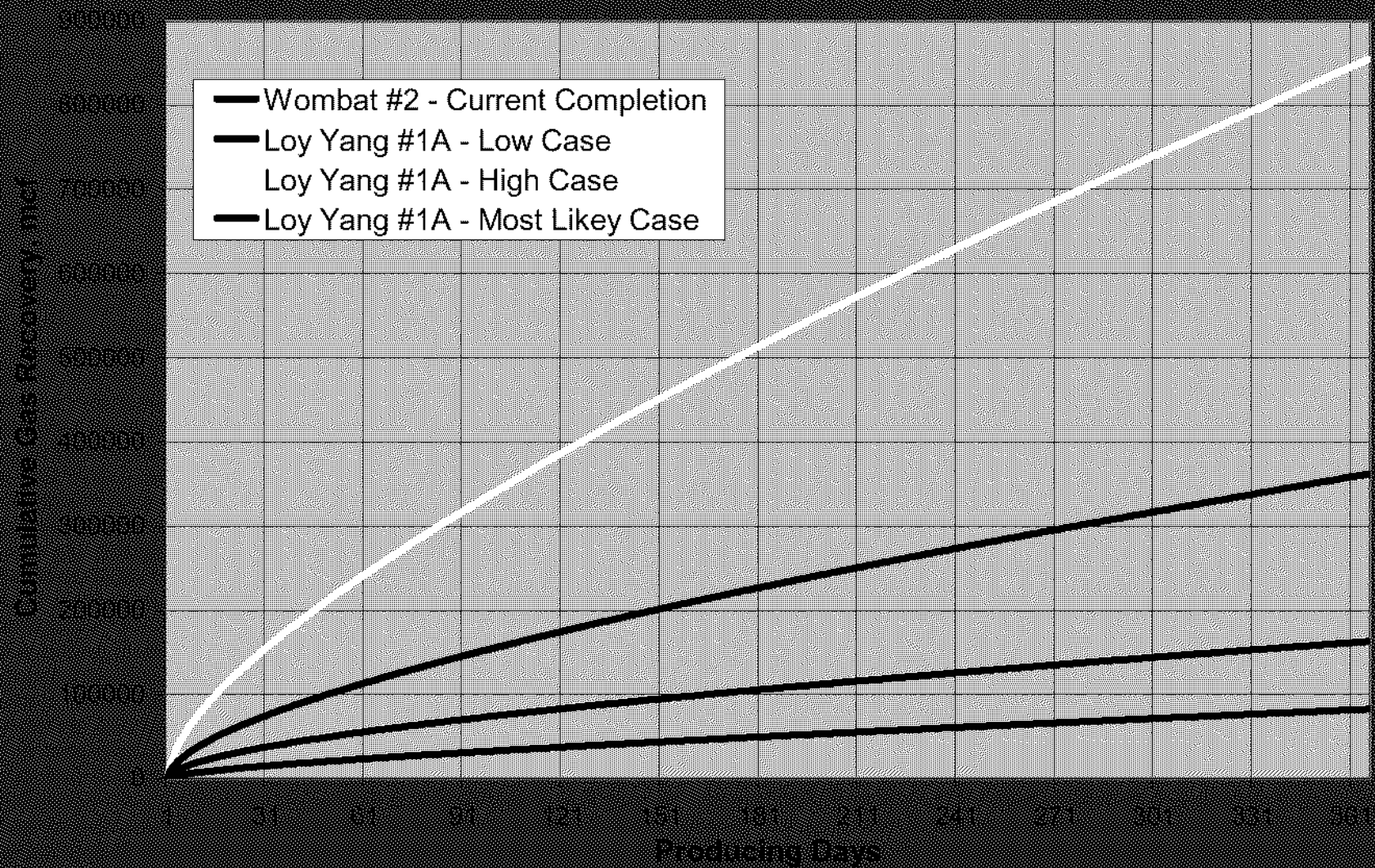
Wombat #2 Production Tests

Wombat 2 Production Rate Forecasts
200 psi FBHP





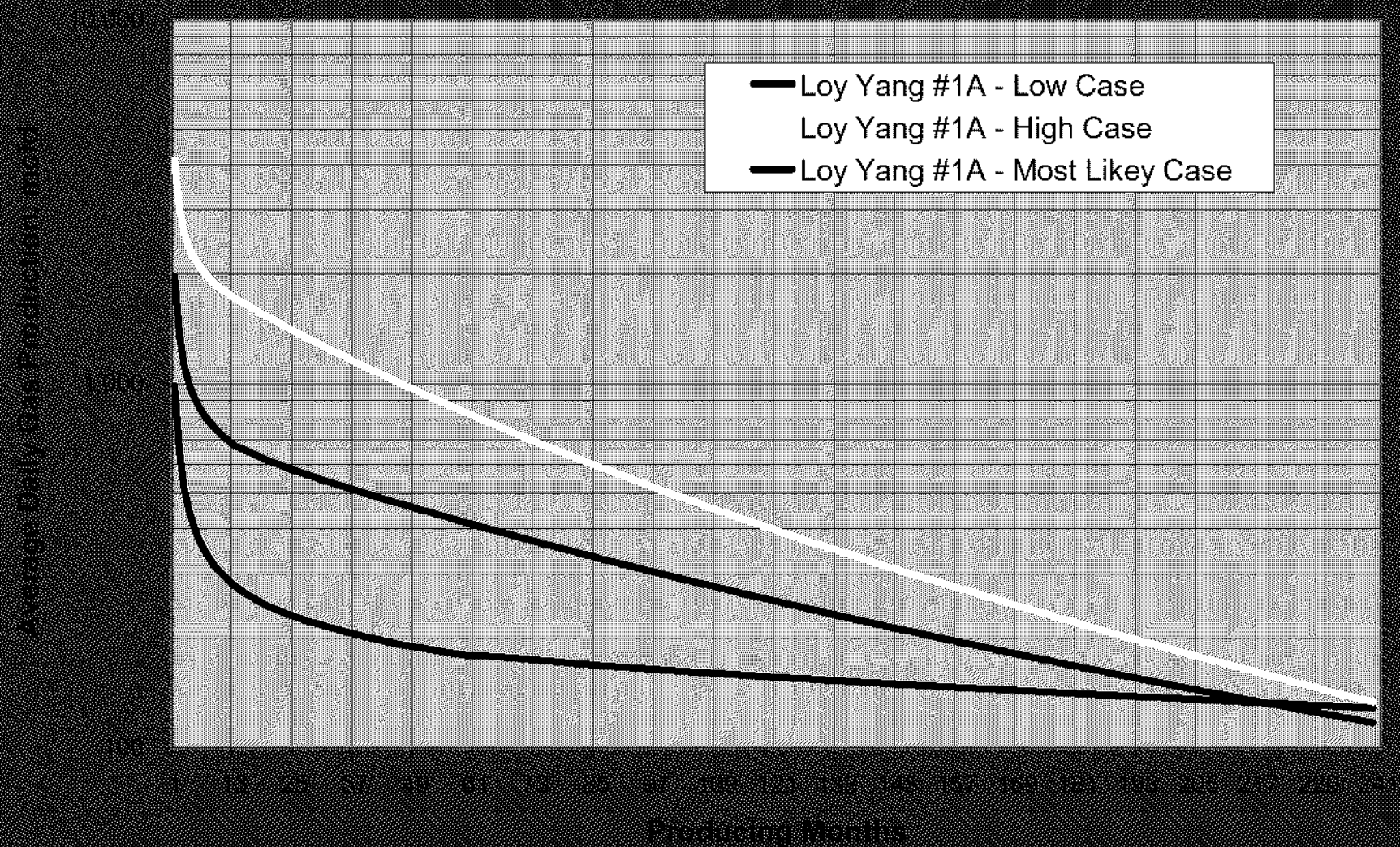
Projected 1st Year Production

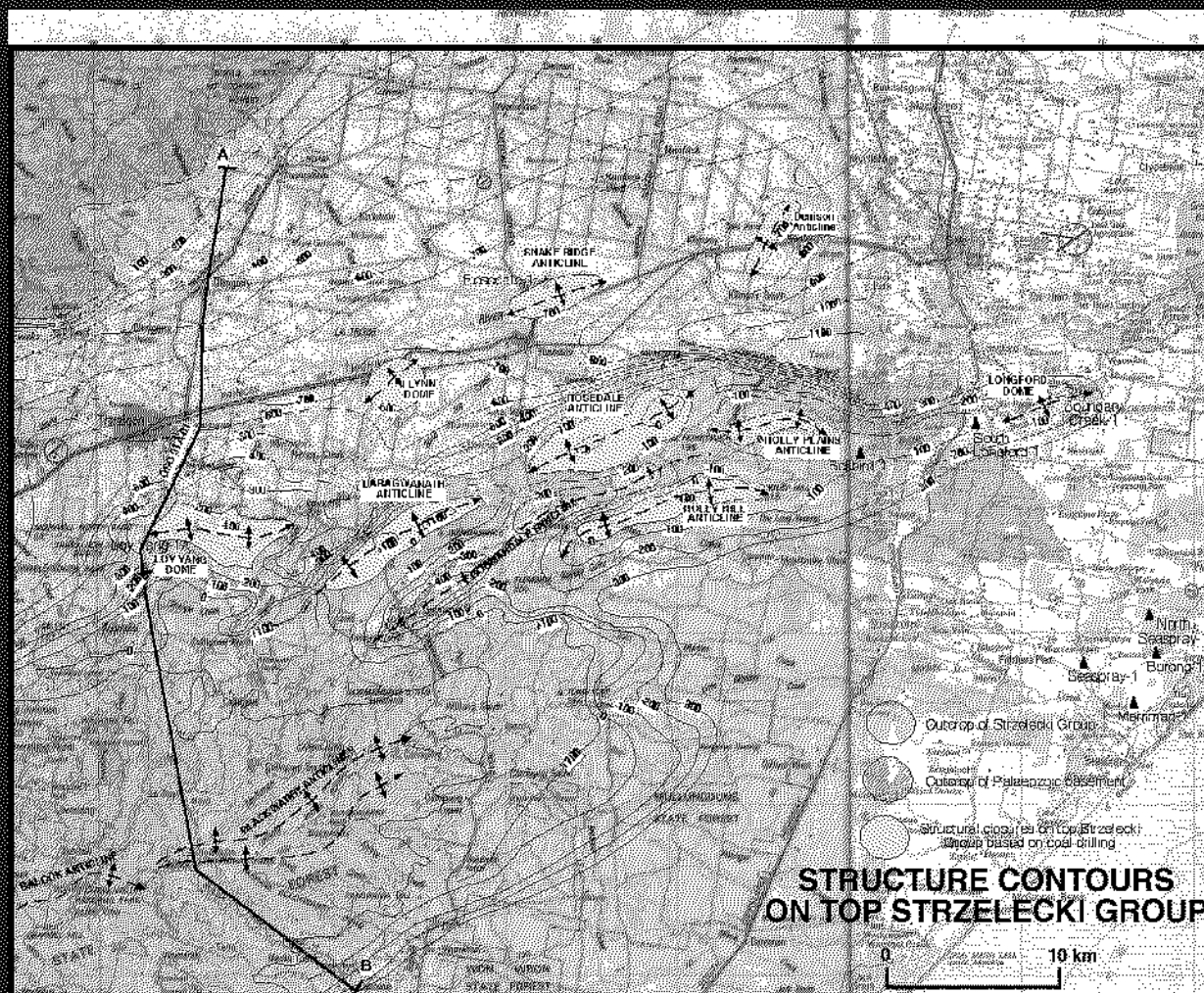




Long Term Production Potential

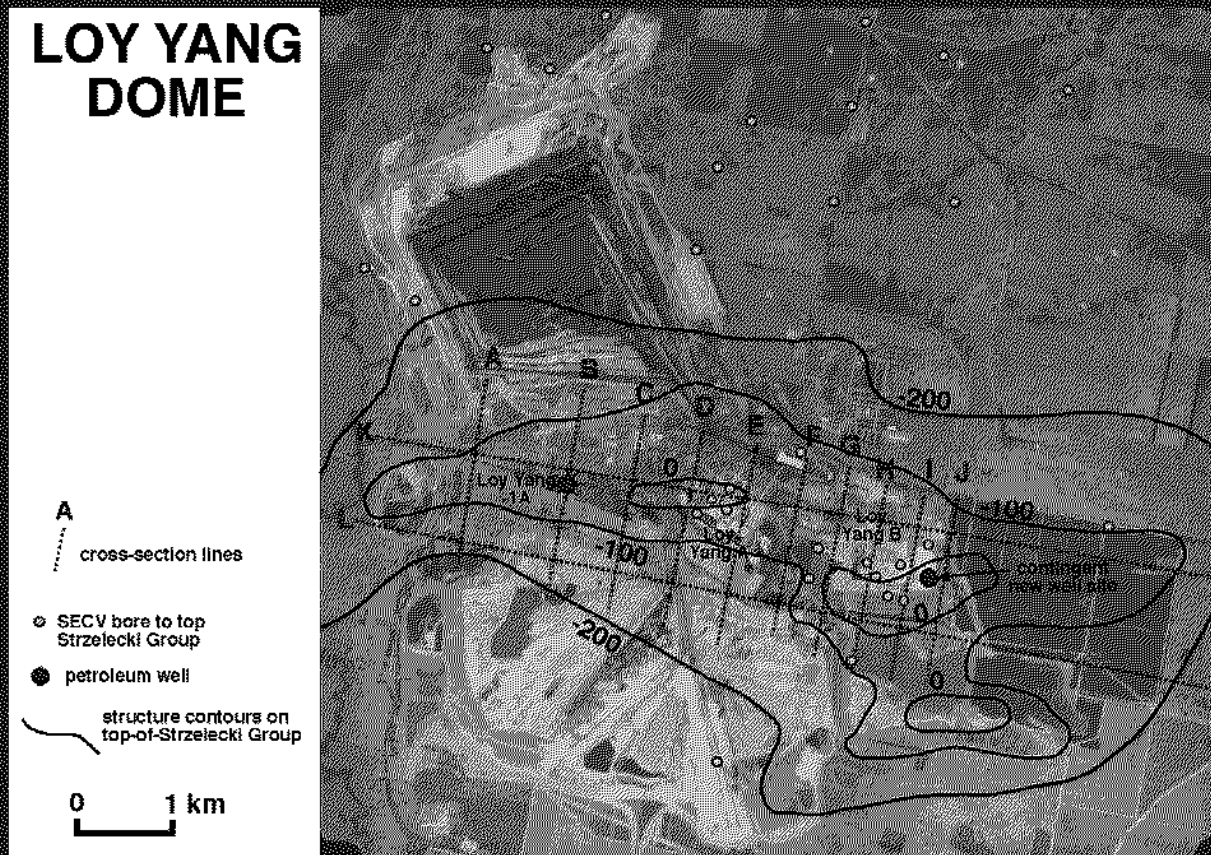
Loy Yang #1A - Stimlog Data







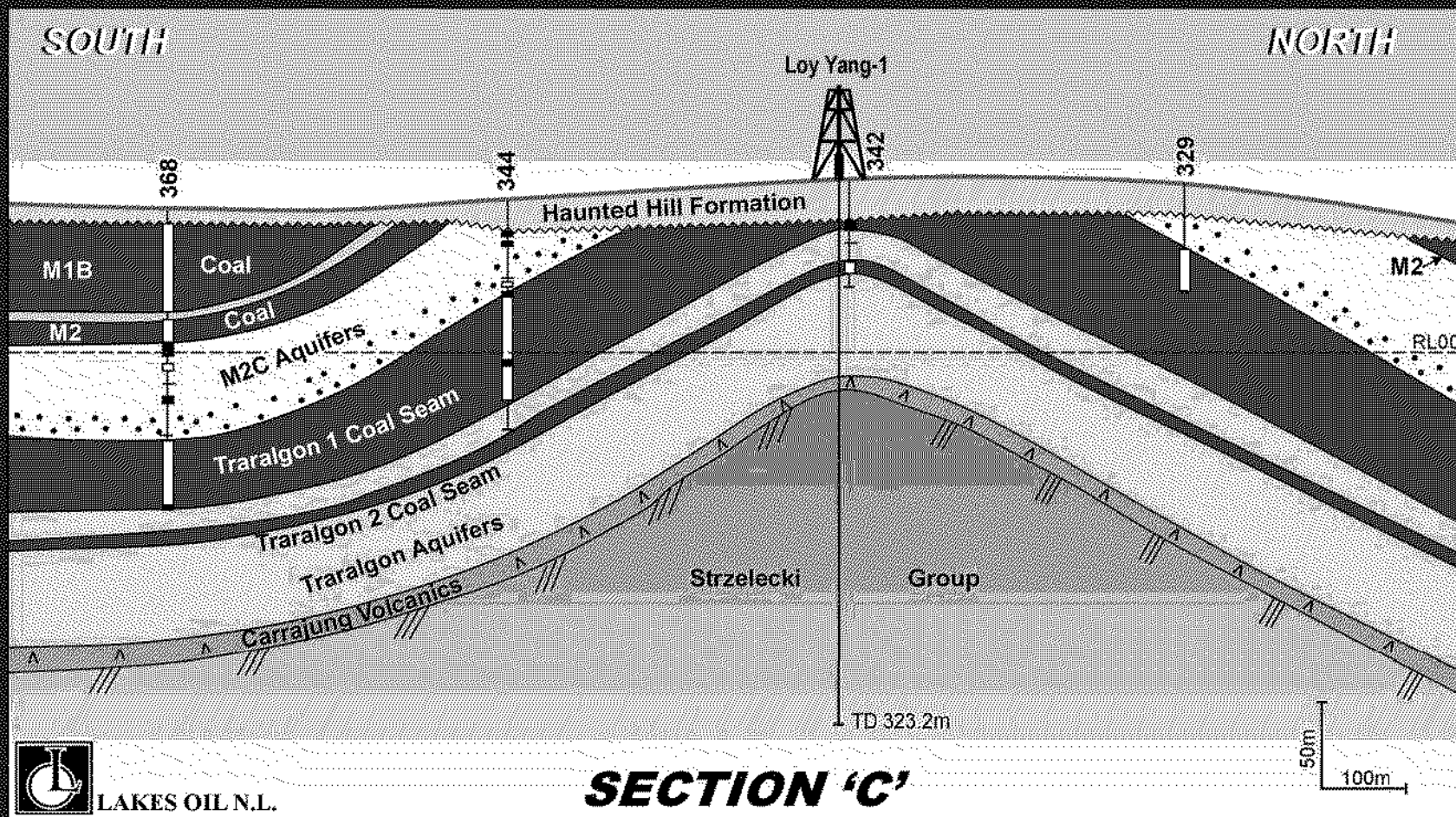
Loy Yang Dome

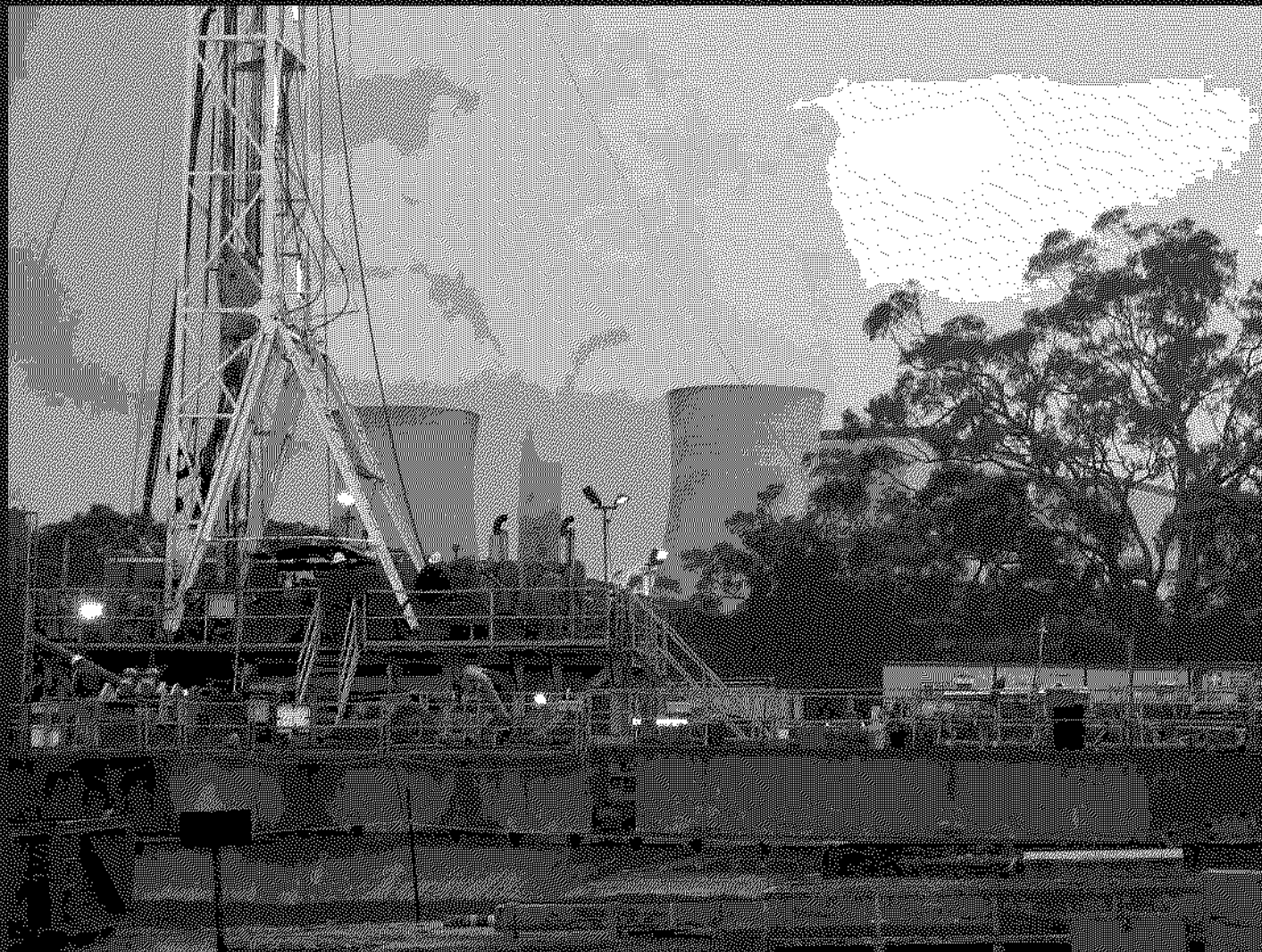


Possible vertical closure at top Strzelecki Group, 200m over an area of approximately 20 sq. km.



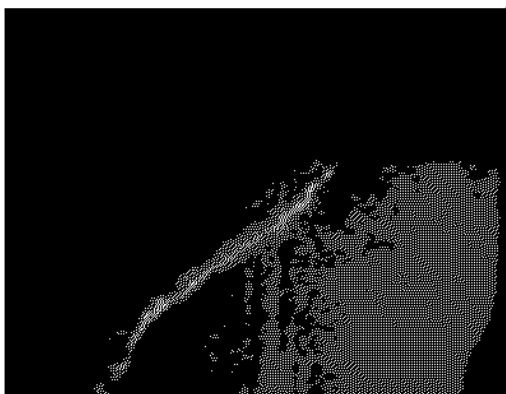
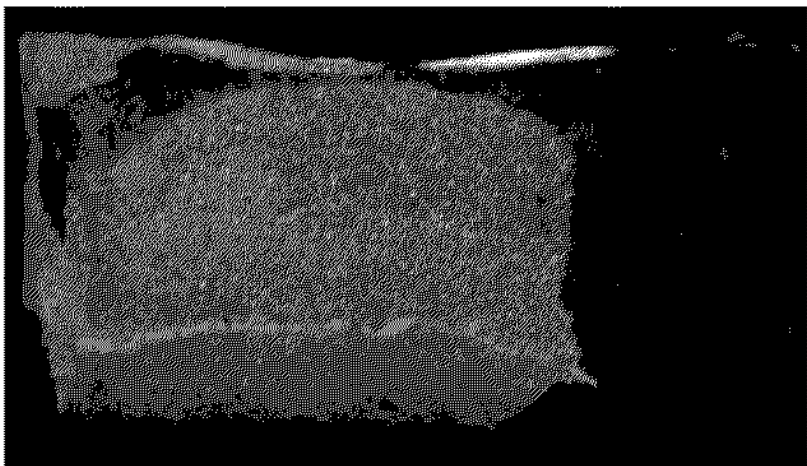
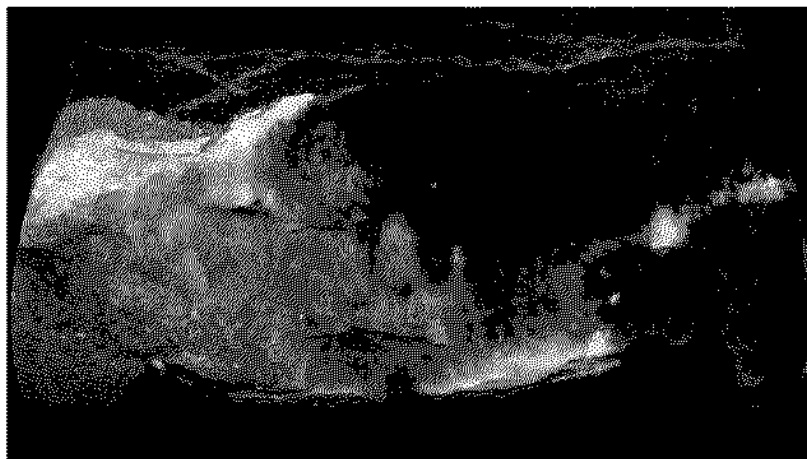
Loy Yang-1 Dip Cross-Section



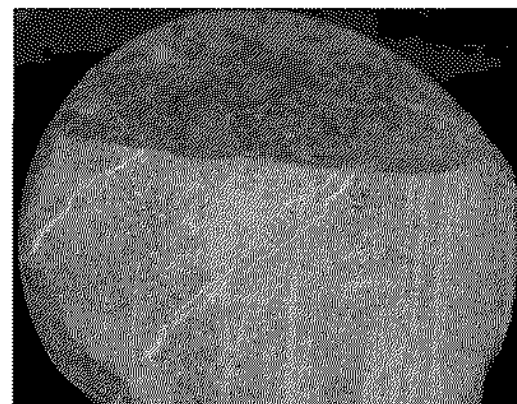
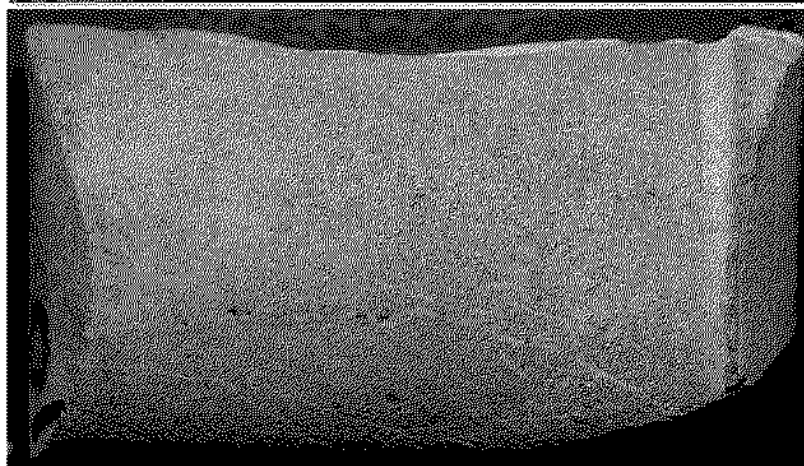
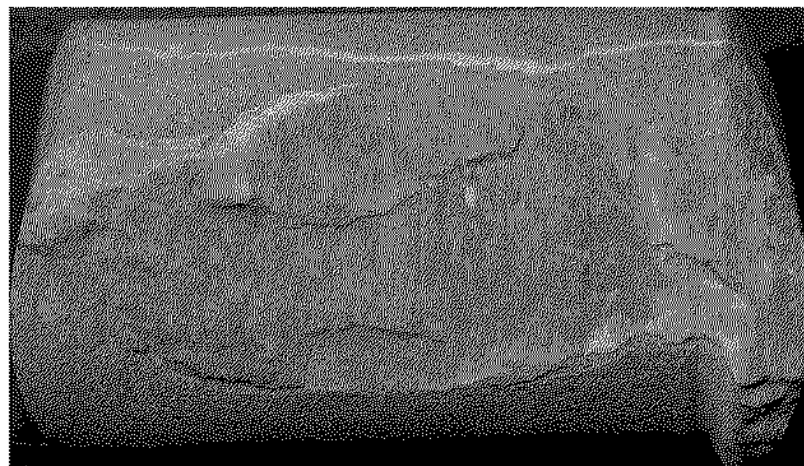


Loy Yang-2 well site with Loy Yang A power station in background and Loy Yang-1A well in foreground

66.0mm

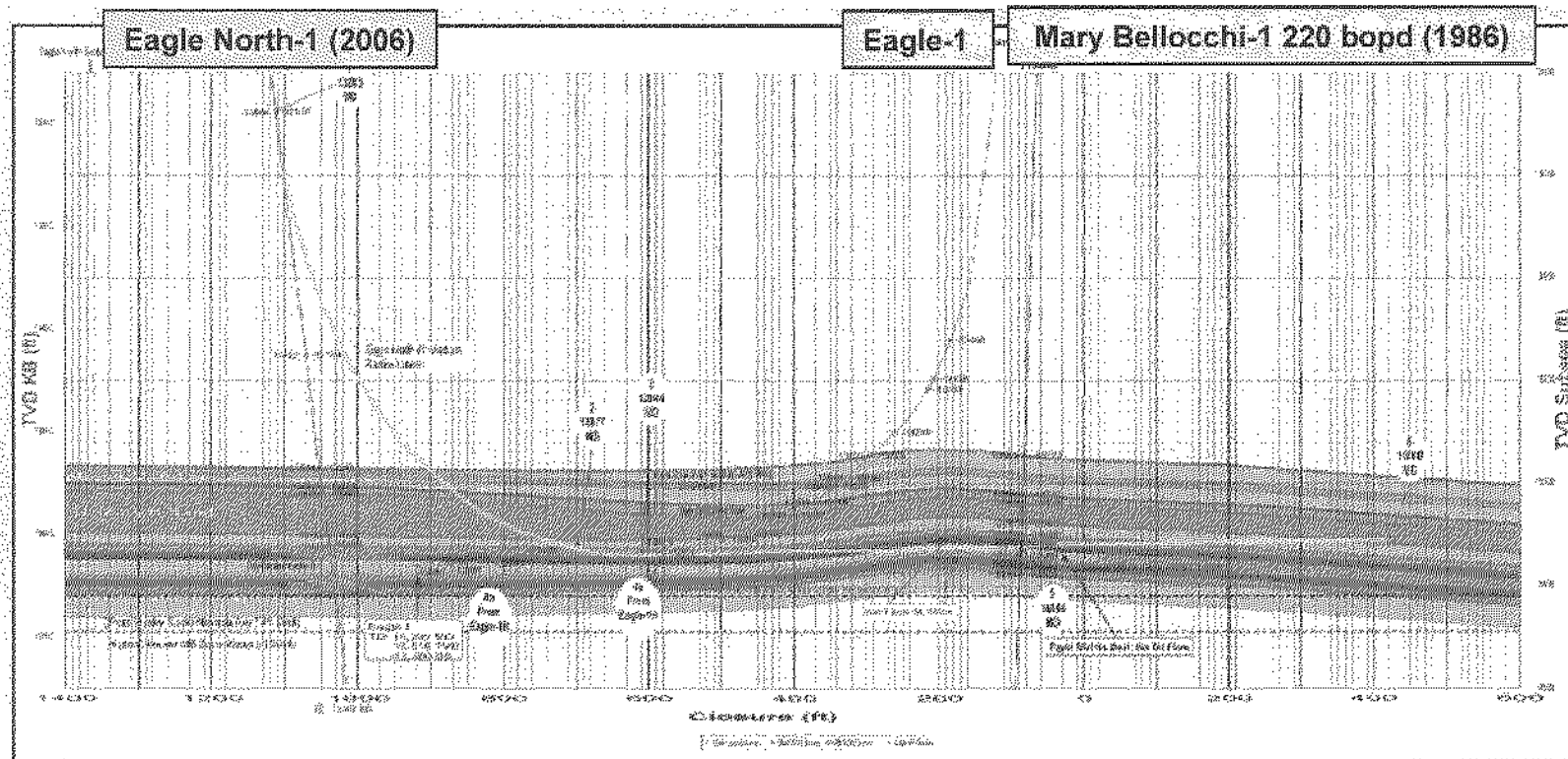


66.0mm



Eagle Oil Field Development Project

San Joaquin Basin California – 34 MMBO & 58 BCFG target



Western Petroleum USA, Inc.
Eagle Oil Field Development Project

Reservoir Engineering
Geology, Seismic, and
Well Intervention

Western Petroleum USA, Inc.
Eagle Oil Field Development Project



A.C.N.120 710 625