

Leigh Pettingill

RECEIVED 7 JULY 2015

Mr Kier Delany,  
Secretary, Environment & Planning Committee  
Parliament, Spring Street, Melbourne VIC 3002

Re: Inquiry into unconventional gas in Victoria

Dear Sir,

I bring to your attention the admission by Lakes Oil in regard environmental risk that Lakes Oil "could become subject to liability if, for example, there is environmental pollution and consequential clean-up costs at a later point in time." And "it is not possible to quantify any such contingent liability."

See:

<http://lakesoil.com.au/index.php/reports-and-announcements/item/prospectus-listed-unsecured-converting-notes>

The same document describes the working capital of Lakes Oil at January 31<sup>st</sup> 2015 as:  
"The estimated working capital of Lakes Oil at 31 January 2015 (based on unaudited financial statements) is approximately \$1.457 million not including a debt outstanding to a third party of \$1 million payable in July 2015. "

Having observed the assets and liabilities of Lakes Oil over the past ten years I am significantly concerned that the business model of Lakes Oil does not permit there to be sufficient resources within the company at any time to adequately cover any contingent liability. As a land holder and primary producer this is of significant concern to me.

Thank you consideration of my concerns,  
Sincerely,



Leigh Pettingill