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## **ASX ANNOUNCEMENT/MEDIA RELEASE**

## Cuadrilla Resources releases Geo-mechanical Study of Bowland Shale Seismicity

Cuadrilla Resources Holdings Limited (**Cuadrilla**), the Company's 42% owned associate, exploring for natural shale gas in the Bowland Basin in North West England, has released its report, "The Geo-mechanical Study of Bowland Shale Seismicity". A copy of the report is available on Cuadrilla's website, www.cuadrillaresources.com

This report concluded that the hydraulic fracturing of the Preese Hall #1 well earlier this year did trigger a number of minor seismic events. These occurred due to an unusual combination of geology at the well site coupled with the pressure exerted by water injections as part of the operations. The combination of the geological factors was, however, extremely rare and would be unlikely to occur together at future well sites.

If the geological factors were to occur together in another location, the report concluded that any seismic event would be limited to around magnitude 3 on the Richter scale as a worst case scenario. Further, because Cuadrilla's water injection operations take place at a depth of over 3km, this significantly reduces the likelihood of a seismic event of this magnitude having any impact at the surface.

The report also sets out a proposed early detection system to monitor seismic activity at Cuadrilla's drilling sites and a series of mitigation measures to prevent the escalation of future seismicity.

The report has been submitted to the Department of Energy and Climate Change (DECC) and the British Geological Survey (BGS), the latter acting in its capacity as advisers to DECC.

Cuadrilla has stated that it is working with the relevant local and national authorities to implement the report's recommendations in order that it can safely resume its fraccing operations.

## For further information please contact:

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## **About AJ Lucas Group Limited**

Lucas is a leading provider of specialist infrastructure, construction and mining services to the energy, water and waste water resources and property sectors. In particular, it is the largest supplier of drilling and gas management services to Australia's coal and coal seam gas industries. Other divisions provide construction and civil engineering services together with facilities management.

AJ Lucas is also a proven developer of unconventional hydrocarbon properties. Current investments include a 41% shareholding in Cuadrilla Resources, an exploration and production company focused on unconventional hydrocarbons, and a 25% direct interest in the Bowland Basin shale prospect in North West England. Past projects successfully developed and exited include the Company's investments in Gloucester Basin, Sydney Gas and ATP651 in Queensland's Surat Basin.