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ASX ANNOUNCEMENT/MEDIA RELEASE

Resignation of CEO and Cuadrilla Board appointments

- **Allan Campbell resigns as CEO**
- **Phil Arnall to act as interim CEO**
- **AJ Lucas to nominate Phil Arnall and Ivor Orchard to the Cuadrilla Board**

AJ Lucas Group Limited (ASX:AJL) (**Lucas** or **the Company**) announces that Allan Campbell, the Company's Chief Executive Officer, has today resigned from the Company.

Pending the appointment of a new CEO, Phil Arnall, Lucas' Chairman, will act as interim CEO. The Board has formed a committee to commence a search for a permanent successor.

Mr Arnall is an experienced business executive with a distinguished career and track record in the mining and industrial sectors in both executive and Board capacities. In his early career, he led a successful mining services business. In more recent times, in his various Board roles, he has gained considerable experience in corporate restructuring including as Chairman of Capral Limited, where he served as interim CEO during a change of senior management.

Brett Tredinnick, Lucas' Chief Operating Officer, will continue to be responsible for the Company's Australian operating activities. Mr Tredinnick has a deep and extensive knowledge of all aspects of the Company's activities having worked at Lucas for fourteen years, initially serving as General Manager, Drilling, before being promoted to COO.

Lucas' shale gas portfolio will continue to be managed under the stewardship of the Lucas Board and the Company's nominees on the Cuadrilla Board, together with the continued input of Andy Lukas to the Bowland and Bolney technical advisory committees.

Resignation of Allan Campbell as Chief Executive Officer

Mr Campbell has been instrumental in directing the growth of Lucas serving as its CEO since he acquired the business in 1995 and then listing it on the ASX in 1999. He was responsible for the diversification of the Company's operations from a small HDD company into a civil engineering, drilling and pipeline company including overseeing several key acquisitions between 2006 and 2008 resulting in the Company becoming the largest provider of drilling services to the Australian coal industry.

Mr Campbell was also an early visionary of unconventional hydrocarbons as the transition energy source to a reduced carbon environment. Under his direction, Lucas was an early stage investor in coal seam gas acreage in each of the Gloucester Basin, Sydney Basin and Surat Basin all of which were successfully sold. More recently, this investment activity was extended to the UK emerging shale gas industry where Lucas was a founding shareholder in Cuadrilla Resources as well as having direct investments in each of the Bowland and Bolney Licences.

Phil Arnall, Chairman of the Board, stated:

"I would like to thank Allan for his significant contribution to the Company. An industry visionary, he has made a vital contribution to the growth and commercialisation of the coal and coal seam gas drilling industry in this country.

Allan has established AJ Lucas as a leading provider of infrastructure, construction and drilling services in Australia. He also originated our unconventional oil and gas investments, including our current shareholding in Cuadrilla Resources and direct interests in the Bowland and Bolney prospects. We wish him all the best in his future endeavours."

Allan Campbell said:

I have really enjoyed the people at AJ Lucas but, after 19 years of sustained pressure and now the Company has a significantly strengthened balance sheet, it is time for me to move on to the next chapter of my life.

I wish the Company well and thank all employees and members of the Board for their efforts and support over the years."

Cuadrilla – proposed AJ Lucas nominations to the Cuadrilla Board

Lucas also announces today its intention to nominate Phil Arnall and Ivor Orchard to the Cuadrilla Board.

In addition to being a director of Lucas since August 2010, Mr Arnall has served as an adviser to and director of several other companies: he is currently a non-executive director of Bradken Limited and was formerly Chairman of Ludowici Limited, whose successful sale he oversaw to a global mining services company.

Mr Orchard is Executive Chairman of Kerogen Capital (Kerogen), the Company's largest shareholder with a 49.6% interest. Kerogen is an independent private equity fund manager specialising in the international oil and gas sector. Prior to co-founding Kerogen in 2007, he was a Managing Director of JPMorgan, with responsibility for its Energy and Natural Resources investment banking business in Asia. Mr Orchard also spent 10 years with the Royal Dutch Shell group in various senior management positions.

Cuadrilla expects to be in a position to announce its proposed new sites for the next stage of its exploration programme early in 2014.

Phil Arnall commented:

"The Board and management team are fully committed to the implementation of AJ Lucas' strategy. While industry conditions remain challenging in the drilling division, we believe the refocus on our core competencies provides a more robust service offering and positions us well for an eventual rebound in demand. The performance of our current engineering and construction contracts is satisfactory and we are tendering on a number of other significant prospects.

"We remain excited by the potential of the Bowland shale gas project. We believe the proposed Cuadrilla appointments will bring valuable commercial and industry experience required to move our European shale gas portfolio up the development curve. We look forward to working with Cuadrilla going forward."

About AJ Lucas Group Limited

AJ Lucas is a leading provider of specialist infrastructure, construction and drilling services to the energy, water and waste water, resources and public infrastructure sectors. In particular, it is the largest supplier of drilling and gas management services to Australia's coal industry.

AJ Lucas is also a proven developer of unconventional hydrocarbon properties. Current investments include a 45% shareholding in Cuadrilla Resources Holdings Limited, an exploration and production company focused on unconventional hydrocarbons, and direct interests of 18.75% of the Bowland Licence and 25% of the Weald Licence shale in respectively North West and South East England. Past projects successfully developed and sold include AJ Lucas' investments in the Gloucester Basin in NSW, Sydney Gas Limited, ATP651 in Queensland's Surat Basin and a 6.25% interest in the Bowland prospect.