

26 June 2015

AJ Lucas Group Limited ABN 12 060 309 104

394 Lane Cove Road Macquarie Park NSW 2113

Locked Bag 2113 North Ryde BC NSW 1670

T (02) 9490 4000 F (02) 9490 4200

www.lucas.com.au

Cuadrilla: Update on Lancashire County Council's decision at Roseacre Wood, Lancashire UK

AJ Lucas Group Limited (ASX: AJL) is disappointed to note that, consistent with the recommendation from the Lancashire County Council's Planning Officer, the Council's Development Control Committee has denied Cuadrilla's planning application for Roseacre Wood. The Planning Officer's recommendation to refuse the application was on grounds of traffic concerns only. The Planning Officer's report was satisfied with all other aspects of the planning applications, in particular with regard to drilling and fracking.

AJ Lucas looks forward to the Council's decision on Preston New Road, Cuadrilla's other application in Lancashire, which has already received supportive recommendations from the Planning Officer. Council is meeting on Monday to determine that application.

In response to the denied application, Cuadrilla released the following statement: "We are disappointed but not surprised that Lancashire County Council's Development Control Committee has denied planning consent for our application at Roseacre Wood, as their decision follows a negative recommendation by the Council's Planning Officers. We are committed to the responsible exploration and development of the huge quantity of natural gas locked up in the shale rock deep underneath Lancashire. We will now take time to consider our options, including our right to appeal.

After a year since our application was submitted to the Council, the Planning Officer's cited just one reason of traffic concerns for giving a negative recommendation. We remain confident that our original proposed route, together with the proposed road improvements and traffic management plan, was safe and suitable for the modest level of HGV journeys proposed and met all necessary guidelines.

We completed the most comprehensive Environmental Impact Assessments ever carried out for operations of this kind. These Assessments are the product of thousands of hours of work from independent expert environmental scientists and other engineering specialists and they demonstrate beyond question that the operations can and will be conducted safely and without damage to people's health or their environment. This view was supported by the Planning Officer's report which only cited traffic concerns as a potential issue.

If we can unlock this shale gas potential it will help create jobs, generate economic growth, help fuel and heat local businesses and homes and boost local tax revenues for Lancashire."



For further information, please contact:

AJ Lucas Group Limited +61 (0)2 9490 4000

Russell Eggers Chief Executive & Managing Director

Austen Perrin Chief Financial Officer

Financial & Corporate Relations

James Strong +61 (0)423 338 005 <u>j.strong@fcr.com.au</u>

About AJ Lucas Group Limited

AJ Lucas is a leading provider of pipelines, specialist infrastructure, construction and drilling services to the energy, water and wastewater, 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 in each of the Bowland, Elswick and Bolney Licences in the UK. 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.