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25 February 2016

Cuadrilla Update: Cuadrilla wins planning appeal for its Grange Hill exploration site

AJ Lucas Group Limited (ASX: AJL) (AJ Lucas) is pleased to announce Cuadrilla Resources Limited, in which AJ Lucas has a 46% shareholding, has received a positive appeal decision from the UK Planning Inspectorate for the Grange Hill shale exploration site near Singleton, Lancashire. The positive decision grants Cuadrilla planning permission for its proposed monitoring and site restoration works and allows Cuadrilla to carry out seismic and pressure monitoring on the site.

Commenting on appeal decision, Phil Arnall Chairman of AJ Lucas and non-executive director of Cuadrilla, said:

"AJ Lucas welcomes this decision by the Planning Inspectorate, as it represents a positive step in resolving the impasse for Cuadrilla and will allow it unlock the large shale gas potential in the UK.

Cuadrilla released the following statement:

Cuadrilla has received a positive appeal decision from the Planning Inspectorate granting planning permission for its proposed monitoring and site restoration works at its Grange Hill shale exploration site near Singleton, Lancashire.

The planning permission covers use of the existing well to carry out seismic and pressure monitoring after which the well will be plugged with cement and the site restored to its original greenfield status.

Francis Egan, CEO of Cuadrilla, said: "We are very pleased with today's positive decision by the Planning Inspectorate, which confirms that there will be no significant impact to the landscape from the use of monitoring equipment at the Grange Hill site. We will not be progressing any further work in the near term pending the completion of and decisions on the current appeals on our proposed monitoring and exploration sites at Preston New Road and Roseacre Wood. We will of course keep local residents informed of when any work would be undertaken."

The original planning application was turned down by Lancashire County Council's Development Control Committee in May last year, contrary to the recommendation of the Council Planning Officer, on the grounds that there would be a detrimental impact on the local landscape. Planning Inspector, Elizabeth Ord, determined that there would be no significant impact on landscape character and visual amenity, nor would it cause unacceptable harm to the character or appearance of Singleton Conservation Area. The well at Grange Hill was drilled to its target depth of 10,700ft during 2011. The well was not used to hydraulically fracture the shale rock and no flow testing of natural gas was undertaken.

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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.