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## Preston New Road Update

AJ Lucas Group Limited (ASX: AJL) ("Lucas") advises that Cuadrilla, as operator of the Preston New Road exploration site ("PNR"), detected a minor seismic event at 8.30 am Monday 26 August in the area of PNR, details of which appear below. This follows on from a number of smaller seismic events since the last hydraulic fracture ("HF") on Thursday 23 August and as a result the Oil and Gas Authority ("OGA"), the UK Government regulator, has instructed Cuadrilla to suspend further HF activity until a full investigation into the events is completed. This is as expected and Cuadrilla will work with the OGA to expedite the investigation.

Cuadrilla notes that minor seismic events are not an uncommon by-product of the HF process and the seismicity measurements are occurring over 2000 metres below the surface and the most significant event of 2.9 ML translates to an approximate average ground motion of 5mm per second, which is around a third of the limit permitted for construction projects.

A copy of Cuadrilla's media release is appended to this announcement. The OGA release can be accessed on <https://www.ogauthority.co.uk/news-publications/news/2019/hydraulic-fracturing-at-preston-new-road-suspended/>. The company will keep the market informed of material developments.

**For further information, please contact:**

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## **Seismic Event Monday August 26, 2019**

We can now confirm the event detected at 8.30am in the area of our exploration site in Preston New Road, near Blackpool, was magnitude 2.9 on the Richter scale.

We appreciate this this has caused concern for local people and by way of reassurance it is worth noting that this event lasted for around a second and the average ground motion recorded was 5mm per second. This is about a third of that permitted for construction projects.

As previously stated, we were not operational this morning and no hydraulic fracturing has been carried out this weekend.

We are working with the team of regulators who intensely monitor our activity at Preston New Road to investigate the event and will provide more updates in due course. Hydraulic fracturing operations will remain suspended during this time.

We have verified that the well integrity is unaffected.

Please continue to follow our social media channels for all the latest updates as they become available.

**Ends**