

AJ LUCAS MARKS 50 YEARS IN BUSINESS

AJ Lucas Group Limited is pleased to announce that today marks the beginning of the 50th year since the Company commenced business. Founded by the father of Andrew Lukas, the Company's Technical Director, as a civil engineering concern focusing on water and waste water, it has since grown to become a leading and highly respected specialist mining and infrastructure services provider in Australasia.

Since listing on the Australian Securities Exchange in August 1999, the Company has experienced dramatic growth and expects to turn over a record amount this financial year of in the order of \$220 million. Despite this growth, the Company continues to share the vision of its founder, that of having a fundamental understanding of the underlying assets thereby ensuring delivery of a superior finished product fit for purpose and fit for market.

Lucas has been prescient in identifying market trends. Years ago, we correctly predicted the restructuring of the water and energy industries and positioned the Company to take advantage of the trend towards outsourcing in these activities. Building on this experience and technical knowledge, the Company has now established a major presence in the mining services industry, most particularly in the coal and coal seam gas industries, providing a range of drilling, workover and completion services.

Our building and civil division, trading as Lucas Stuart, has also undergone strong growth. Annual revenue from this business has increased from about \$25 million when Stuart was purchased in 2003 to an expected amount in the current financial year approaching \$100 million. Again, our philosophy of working closely with the client throughout every stage of the project has greatly contributed to their successful completion on a timely basis and with minimal claims experience.

Lucas is also directly involved in meeting New South Wales' energy requirements with its coal seam gas prospect at Gloucester Basin just north of Newcastle. This has the potential to turn into a substantial resource sufficient to meet the energy requirements of Newcastle and Sydney for many years to come. Shortly a major drilling programme will commence to quantify the amount of gas in situ and its recoverability. It is hoped to receive the first results of this programme by the end of September 2007.

Lucas is very pleased to make such a vital contribution to the development of Australia's infrastructure in a time of much uncertainty over our future water supply and the emergence of the coal seam gas sector as an important alternative energy source. The recognition of Lucas' expertise in these fields is apparent from our record order book which now amounts to in excess of \$240 million.

We therefore face the future with considerable optimism and look forward to many more years of strong growth and contributing to building Australia's prosperity.



Allan Campbell
Chairman & Chief Executive Officer

17 April 2007

About AJ Lucas Group Limited

AJ Lucas is Australia's leading specialist infrastructure services provider. Activities include the construction of long distance gas pipelines, horizontal directional drilling, an advanced technology for the installation of underground conduits without excavation, drilling and gas management services to the coal industry, construction, civil and facilities management.