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Via Electronic Lodgement

### **AJ Lucas completes Subscription for Shares in Sydney Gas**

As announced on 14 January 2008, AJ Lucas Group Limited (ASX Code: AJL) has today completed a subscription for 52,505,665 ordinary shares in Sydney Gas Limited (ASX Code: SGL) at an issue price of 34 cents per share for a total cost of \$17.9 million. The subscription, together with ordinary shares in Sydney Gas already owned, increases Lucas' total shareholding in Sydney Gas to 61,802,102 ordinary shares equivalent to 15.35% of its enlarged issued share capital.

The subscription price is less than the 38 cents per share previously announced reflecting the recent trading price of SGL's shares together with the benefits to Sydney Gas expected in the Technical Services Agreement and the Drilling Services Agreement. Otherwise the terms of the arrangements between AJ Lucas and Sydney Gas are the same as previously announced.

Mr Allan Campbell, Executive Chairman of AJ Lucas said: "We are very pleased to be working with Sydney Gas to assist it proving up more gas reserves and commercialising its coal seam gas. We have long believed in the coal seam gas potential of the Sydney Basin. Our directional drilling technology has already been instrumental in identifying coal seam gas at Camden and look forward to applying our drilling technology and expertise in other areas within the Sydney Basin, most likely in the Hunter".

For further information, please contact Allan Campbell on 02 9809 6866.

A handwritten signature in black ink that reads "Allan Campbell".

Allan Campbell  
Chairman & Chief Executive Officer

#### **About AJ Lucas Group Limited**

AJ Lucas is a leading provider of both specialist infrastructure services and mining services. It is the leading supplier of drilling services to Australia's coal and coal seam gas industries. It is also Australia's largest builder of long distance gas pipelines. Other divisions provide gas management services to the coal and coal seam gas industry, construction, civil and property services.



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