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ASX ANNOUNCEMENT/MEDIA RELEASE

Cuadrilla Resources announces estimate of Gas in Place at Bowland Basin Shale Prospect

Cuadrilla Resources Holdings Limited (**Cuadrilla**), the Company's 41% owned associate, has announced estimated Gas in Place of 200 trillion cubic feet at the Bowland Basin shale prospect in North West England. The Bowland Basin prospect is 75% owned by Cuadrilla, with AJ Lucas owning the remaining 25% interest directly.

The estimate is preliminary and does not constitute certified reserves. It is based on Cuadrilla's own assessment of its results from two wells drilled to date and historical data from three 10 to 15 year old wells drilled by British Gas. The estimate, however, has not been independently verified.

Cuadrilla has cautioned that further exploration work and investment is required to confirm the estimate of Gas in Place and to assess the proportion that is likely to be recoverable.

A further five to seven exploration wells will be drilled by Cuadrilla over the next 18 months before a decision is made on whether or not to proceed with commercial development of the Bowland Basin prospect. Drilling on the third well is already underway.

On 27 May 2011, Cuadrilla voluntarily suspended fracking at its Preese Hall well site following two minor seismic tremors in the region. To enable it to determine whether its drilling operations had any linkage to the tremors, Cuadrilla commissioned its own geomechanical study to report on the possibility of a relationship between the fracking operations and the seismic tremors. The report, which is expected to be completed in early October, will be submitted to the Department of Energy and Climate Change.

Cuadrilla also has significant acreage elsewhere in Europe, including the Netherlands and Poland. It also has an option to acquire a 29.33% interest in a company exploring in the Pannonian Basin in Hungary.

Lucas recently announced an equity placement to raise \$13.4 million principally to subscribe for approximately US\$10.1 million of new equity in Cuadrilla. This is required to be paid by 30 September 2011 in order to avoid dilution of Lucas' shareholding in Cuadrilla and to maintain an equal shareholding with Riverstone Carlyle in Cuadrilla. The subscription does not affect the Company's direct 25% interest in the Bowland Basin prospect.



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About AJ Lucas Group Limited

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

AJ Lucas is also a proven developer of unconventional hydrocarbon properties. Current investments include a 41% shareholding in Cuadrilla Resources, an exploration and production company focused on unconventional hydrocarbons, and a 25% direct interest in the Bowland Basin shale prospect in North West England. Past projects successfully developed and exited include the Company's investments in Gloucester Basin, Sydney Gas and ATP651 in Queensland's Surat Basin.