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ASX ANNOUNCEMENT/MEDIA RELEASE

Clarification of Banking Facilities Update

The Company wishes to clarify and add further details to this morning's announcement regarding the extension of the Company's senior banking facilities.

This morning's announcement was in the context of Lucas' discussion with its senior secured financier and replacing those facilities with a structured finance facility. In this connection, the Company has been in discussions with alternative financiers in recent months over the provision of new finance facilities of up to \$75 million.

The new facilities will be used to:

- Refinance the senior lender (which mainly comprise a small overdraft and asset financing in the form of leases);
- Strengthen the balance sheet and to provide additional working capital; and
- Provide finance for the development of Lucas' share of the Bowland shale prospect.

The Company has now narrowed its selection to three financiers and is in advanced discussions with each financier regarding the terms and structure of their proposed facilities.

The Company expects to complete these discussions in the relatively near future, following which it will complete the repayment of the existing senior finance facilities. The senior lender has agreed to extend the maturity date of its facilities to 31 March 2013 while this occurs. The Company is confident of being able to complete the refinance by this date.

The recently announced equity placement will settle today (in part), with the residual new capital expected to be received the week after next.

Discussions are also advancing to conclusion with parties regarding a potential farm-in into the Bowland shale prospect in the UK.

Further details regarding the completion of the refinance and the potential farm-in into Bowland will be provided in due course.

For further information please contact:

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About AJ Lucas Group Limited

Lucas is a leading provider of specialist infrastructure, construction and drilling services to the energy, water and waste water, resources and public infrastructure sectors. In particular, it is the largest supplier of drilling and gas management services to Australia's coal industry. Other divisions provide construction and civil engineering services together with facilities management.

AJ Lucas is also a proven developer of unconventional hydrocarbon properties. Current investments include a 44% shareholding in Cuadrilla Resources, an exploration and production company focused on unconventional hydrocarbons, and a 25% direct interest in the Bowland and Weald shale basin prospects in respectively North West and South East England. Past projects successfully developed and exited include the Company's investments in Gloucester Basin, Sydney Gas and ATP651 in Queensland's Surat Basin.