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**ASX ANNOUNCEMENT/MEDIA RELEASE**  
**Cuadrilla Drilling Application Accepted by Lancashire County Council**

AJ Lucas (ASX:AJL) is pleased to advise that the planning application recently submitted by Cuadrilla to Lancashire County Council (Council) for up to four shale gas exploration wells at Preston New Road has been formally validated and accepted. The application covers the works required to drill, hydraulically fracture and test the flow of gas from the proposed wells. The Council will now begin its own consultation regarding the proposal.

In support of the application is an Environmental Statement accessible to the public detailing the findings of an Environmental Impact Assessment of the sites, which was carried out by experts at Arup, an independent consultancy, which covers a wide range of issues including air quality, lighting, noise, transport, water and visual impact.

Cuadrilla's chief executive, Francis Egan, commented that various changes had been made to the application as a result of community consultation including:

- A 20% reduction in the use of mains water during hydraulic fracturing achieved through a revision of the hydraulic fracturing plan and the reuse of fracturing fluid;
- A reduction in the number of heavy goods vehicle movements through a reduction in the amount of flowback fluid;
- A reduction in the hours that the fracturing pumps would operate with a corresponding reduction in noise levels; and
- A reduction in the height of the flare stack with a corresponding reduction in its visual impact.

Cuadrilla has also submitted a planning application to install a network of monitoring stations within a 4km radius of the proposed site, which will be used to monitor seismicity.

The Council is expected to make a decision on both applications within a 16 week determination period.

Chairman of AJ Lucas, Phil Arnall said: "We welcome this development which is another important step in building an important asset for our company."

Cuadrilla will submit a separate application for its proposed shale gas exploration site at Roseacre Wood next week.

**About AJ Lucas Group Limited**

AJ 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.

AJ Lucas is also a proven developer of unconventional hydrocarbon properties. Current investments include a 45% shareholding in Cuadrilla Resources Holdings Limited, an exploration and production company focused on unconventional hydrocarbons, and direct interests of 18.75% of the Bowland Licence and 25% of the Weald Licence in respectively North West and South East England. Past projects successfully developed and sold include AJ Lucas' investments in the Gloucester Basin in NSW, Sydney Gas Limited, ATP651 in Queensland's Surat Basin and a 6.25% interest in the Bowland prospect.