



AJ Lucas Group Limited
ABN 12 060 309 104
394 Lane Cove Road
Macquarie Park NSW 2113
Locked Bag 2113
North Ryde BC NSW 1670
T (02) 9490 4000
F (02) 9490 4200
www.lucas.com.au

22 January 2015

Cuadrilla: Application to Drill, Fracture and Flow Test Wells

AJ Lucas Group Limited (ASX: AJL) (AJ Lucas) notes that the Lancashire County Council (Council) Planning Officers have recommended that the Council's Development Control Committee refuse consent for the applications made by Cuadrilla to drill, fracture and flow test wells at Preston New Road and Roseacre Wood. The decision on these applications is expected to be made by the end of January 2015.

In response to this recommendation, Cuadrilla released the following statement:

"We are very disappointed that Lancashire County Council's Planning Officers have recommended that the Council's Development Control Committee refuse planning consent for both our applications. Officers have recommended refusal at Preston New Road only on grounds of night-time noise and at Roseacre Road on noise and traffic concerns. We note that the Planning Officer's report is satisfied with all other aspects of the planning applications. Our applications are to drill, hydraulically fracture and test the flow of gas from up to four exploration wells at each of our proposed sites at Preston New Road and Roseacre Wood.

"After an extraordinarily lengthy period of consultation and review of around seven months we are surprised that, at this late point, the Planning team at Lancashire County Council has raised objections about background noise for both sites. We believe, supported by independent experts Arup, that we have come forward with measures that would mitigate the noise of drilling and fracturing and the proposed noise levels are within the limits set out in government guidance.

"For our application at Roseacre Wood we had already supplied within the last week extra information regarding traffic routes which we and our expert advisers believe addresses all the new issues which have recently been raised. We believe these issues should have been more widely discussed. In the end the Councillors on the Development Control Committee will have to weigh the relatively minor impacts which affect only a small number of households and for which we have proposed adequate proposals for mitigation against the wider local and national economic and energy security benefits.

"We will await the Councillors' decisions on both these applications and we believe that all of the limited issues that have been raised can be resolved."

About AJ Lucas Group Limited

AJ Lucas is a leading provider of pipelines, specialist infrastructure, construction and drilling services to the energy, water and wastewater, 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 in each of the Bowland, Elswick and Bolney Licences in the UK. 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.