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BOWLAND HYDRAULIC STIMULATION COMMENCES

AJ Lucas Group Limited (ASX: AJL) (“Lucas”) is pleased to announce that Cuadrilla Resources Limited (“Cuadrilla”), the operator of our Bowland exploration license has over the weekend commenced hydraulic stimulation (“HS”) testing of its two horizontal exploration wells at Preston New Road (“PNR”) in North of England. The HS and seismic monitoring services are being carried out by Schlumberger a leading international oilfield service company.

Commencement of HS operations at PNR follows a dismissal by Mr Justice Supperstone of the High Court in London of a last-minute request for an interim injunction that was announced by Lucas on 8 October 2018. The request for a Judicial Review against Lancashire County Council’s (LCC) emergency response planning and procedures for the PNR site was also dismissed. Mr Justice Supperstone concluded that there was no evidence to support the contention that LCC had breached any of the relevant duties concerning emergency planning.

Each well is expected to be tested over up to 45 separate HS stages over a period of approximately three months, after which the wells will be flow tested for a period of up to six months.

Along with several other environmental and safety initiatives, Cuadrilla has installed seismic sensors around the site to monitor sub-surface seismic activity, as part of the license conditions. Seismic activity occurs naturally and readings in the range of 1.5-2.0 ML are relatively common in the local area. As part of Cuadrilla’s comprehensive ePortal the details of seismic activity is updated daily and can be viewed at the following website:

<https://www.cuadrillaresourcesportal.com/>

Under the conditions of the license, if sub-surface seismic activity attributable to HS reaches 0.5 ML HS operations will temporarily pause for 18 hours whilst any further seismic activity is assessed. Given such a very low threshold we anticipate temporary delays to assess seismic activity throughout the HS program.

