

(Administrators Appointed)

20 July 2015

### **Commonwealth Government approves the South Galilee Coal Project**

The Company is pleased to announce that the Commonwealth Government has issued its approval permit pursuant to the Environment Protection and Biodiversity Conservation Act (EPBC Act) for the South Galilee Coal Project (Project).

The South Galilee Coal Project and MLA 70453, is owned by the South Galilee Coal Joint Venture, which is made up of Bandanna Energy (50%) and AMCI (Alpha) Pty Ltd (AMCI) (50%). AMCI is the Manager and Marketing Agent for the Joint Venture.

That permit, which covers the mine area as well as the infrastructure corridor and rail loadout, confirms the authority for the project to proceed under the provisions of the EPBC Act and provides conditions under which the project must be developed and operated. The Joint Venture has confirmed to the Commonwealth Government that it is satisfied with all the conditions that are included in that permit.

The Environmental Impact Statement for the project was also approved by the Queensland Government in Dec 2014.

This permit from the Commonwealth Government now secures both State and Commonwealth approval for both the South Galilee and Springsure Creek Coal Projects and confirms the advanced nature of Bandanna Energy's major assets.

### **Voluntary Administration Process Update**

As previously announced, Macquarie Capital (Australia) Ltd (Macquarie) has been engaged to commence a process focused on the Company, or its business, continuing as a going concern and/or maximising the outcome for all stakeholders. This process may include the restructuring or realisation of all or part of the Company and its subsidiaries.

Macquarie is currently seeking expressions of interest from potential parties. Enquiries in relation to this process should be directed to the following:

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