

## ASX release

### Progress of Springsure Creek Project approvals

**Brisbane, 23 April 2014:** Bandanna Energy Limited (ASX: BND) advises that the public notification period for the Springsure Creek Project's three mining lease applications (MLA) and associated Draft Environmental Authorities (EA) and Environmental Management Plans (EM Plan) closed on 22 April 2014.

Bandanna Energy is pleased to announce that following its collaborative approach with landowners and the local community, there have been only six objections submitted in relation to the project. Of the six objections, three were from directly affected landowners, two from remote landowners in relation to groundwater and one was from a community group.

It is noted that no objections were raised by environmental groups, confirming the comprehensive assessment of impacts in the project approvals process.

Bandanna Energy believes that the environmental impact assessment process that commenced in October 2010 fully assessed all environmental impacts of the project and concluded that there were no negative impacts that could not be satisfactorily managed or mitigated. The Queensland Government's approval of that EIS in November 2013 supported this conclusion. Bandanna Energy has worked extensively throughout the past three-and-a-half year approvals process to demonstrate the overwhelming benefits of the project and remains confident that the small number of issues raised in the objection process can be resolved.

Bandanna Energy is working closely with each of the objectors to address issues raised in the objections. In parallel, the objections submitted will now be considered by the Land Court. At this point, the duration of this process and its impact upon the timing for the grant of the mining leases is uncertain. Bandanna Energy will continue to keep shareholders informed regarding the progress of this matter.

Bandanna Energy's Managing Director, Michael Gray, said that Bandanna Energy took its environmental management responsibility very seriously and had completed an extensive and very thorough environmental assessment.

"Bandanna Energy is very pleased with the continued broad support from the community for the Springsure Creek project. The company has received overwhelming interest from contractors, suppliers and potential employees in relation to future opportunities. That interest, the rigorous impact assessment process and the small number of objections submitted demonstrates the substantial benefits of the project to the region.

"Three of the objections received were from landowners directly affected by the project. It is noted that Bandanna Energy has secured consent from the remaining nine directly affected landowners and the Central Highlands Regional Council. This support from the substantial majority of landowners demonstrates a clear indication of the benefits generated from the project," said Mr Gray.

Bandanna Energy is in active negotiation with the remaining three landowners and believes the issues raised in those objections can be addressed to achieve mutually agreeable outcomes to ensure the project can proceed to the benefit of the broader community.

Two objections were raised by landowners remote from the project site seeking the provision of a 'makegood' agreement in relation to any potential groundwater impacts from the project. Bandanna Energy has to date executed makegood agreements with a number of landowners across a broad area and will continue to engage with the two objectors in relation to similar agreements.

"Bandanna Energy is committed to ensuring the coexistence of mining and agriculture in the region, and our Springsure Creek Agricultural Project is being undertaken as part of the overall project to demonstrate how agricultural productivity in the area is at least maintained whilst the mining takes place to ensure the ongoing viability of the land for agricultural uses.

"In addition the Springsure Creek Project brings much needed regional investment including upgraded infrastructure such as roads and facilities, as well as new jobs, not just at the mine but in the local area as well." said Mr Gray.

Joint venture discussions have been ongoing as part of finalisation of funding for the project, and the completion of the notification process and progress towards granting of the mining leases are important steps in securing that funding.

"Our discussions with potential JV partners continue to progress well, and as we move closer to securing a mining lease we expect these discussions to be expedited. The size of the Springsure Creek Project's resource and the long production life it provides, the high coal quality, low capital and operating cost structure, proximity to existing rail lines and secure port capacity, uniquely position this project and Bandanna Energy to become Australia's next coal producer," said Mr Gray.

The timing of commencement of construction and first production from the Springsure Creek Project is dependent upon the timing of the finalisation of project approvals and the finalisation of project funding. Bandanna will keep all stakeholders informed about the progress of these processes.

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## About us

Bandanna Energy Limited (ASX: BND) is uniquely positioned to become Australia's next coal producer. The company's core activities are exploration, project evaluation and development of thermal and PCI coal assets located in Queensland, Australia.

Bandanna Energy is the only ASX listed company with substantial coal assets in both the Bowen and Galilee basins subject to EIS and advanced mine studies. The company is committed to working constructively with the communities in which it operates, and delivering growing returns to shareholders, government and the community.

Bandanna is a 14% shareholder in Wiggins Island Coal Export Terminal (WICET) Stage 1 at Gladstone, with port allocation of 4Mtpa for the Springsure Creek Project, and has also secured the necessary infrastructure capacity for the integrated rail haulage of coal from the Springsure Creek Project to port.

Further information can be found at [www.bandannaenergy.com.au](http://www.bandannaenergy.com.au)

