

ASX release

Commonwealth Government approves Springsure Creek Coal Project

Brisbane, 10 June 2014: Bandanna Energy Limited (ASX: BND) 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 Springsure Creek Coal Project (Project).

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. Bandanna Energy has confirmed to the Commonwealth Government that it is satisfied with all the conditions that are included in that permit.

The project was assessed by the Commonwealth Government in relation to the potential impacts on threatened species and communities, listed migratory species, and water resources including surface water and groundwater. During the notification period for the Commonwealth draft Environmental Impact Statement, no submissions were received by the government from landowners, community groups or any member of the public.

Bandanna Energy's Managing Director, Michael Gray, said that the approval of the project by the Commonwealth Government was another major step towards development of the Project. "Bandanna Energy takes its environmental management responsibility very seriously and completed an extensive and very thorough environmental assessment to move the Project towards development," said Mr Gray.

"Bandanna Energy is very pleased to receive the approval from the Commonwealth Government which covers both the minesite as well as infrastructure corridor and rail loadout. Importantly, the Springsure Creek Coal Project was one of the first projects to be assessed by the Commonwealth Government's Independent Expert Scientific Committee which was established to specifically examine the impacts of coal seam gas and coal mining projects on groundwater. That Panel concluded that it was satisfied with the assessment undertaken by Bandanna Energy and its consultants and imposed no further conditions on the development," added Mr Gray.

The approval of the project Environmental Impact Statement by the Queensland Government in November 2013 and now the issue of the Commonwealth Government approval supports the comprehensive environmental impact assessment undertaken by Bandanna Energy and the conclusion of that assessment that there are no negative impacts from the Project that cannot be satisfactorily managed or mitigated.

Of the six objections received during the public notification period for the Springsure Creek Coal Project Mining Lease applications, Bandanna Energy has received constructive responses from the three outstanding directly affected landowners and is seeking to resolve all six objections in the coming weeks. Until this process of resolving objections reaches a conclusion, its impact on the timing of the grant of the Mining Leases for the Project remains uncertain.

The timing of commencement of construction and first production from the Springsure Creek Project remains uncertain, as it 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.

ENDS

Investors

Ronn Bechler
M: +61-400 009 774

Media

Duncan Macfarlane
M: +61-435 092 936

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. 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.

Further information can be found at www.bandannaenergy.com.au

