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ASX RELEASE/ MEDIA RELEASE

Bandanna receives final EIS guidelines for Arcturus and Springsure Creek projects

Australian coal explorer Bandanna Energy Limited (BND) is pleased to announce it has received Final Environmental Impact Statement Guidelines from the Commonwealth Government for its Arcturus and Springsure Creek projects located in Queensland's Bowen Basin.

The Guidelines are based upon those contained in Schedule 4 of the Commonwealth Government's Environment Protection and Biodiversity Conservation Regulations 2000, tailored to specifically address the environmental issues particular to the Arcturus and Springsure Creek coal projects.

Managing Director of Bandanna Energy, Dr Ray Shaw, said the receipt of the final EIS Guidelines from the Commonwealth's Department of Sustainability, Environment, Water, Population and Communities was another significant step in defining the process of approval for its "Golden Triangle" projects.

"The Environmental Impact Statements will be developed through a comprehensive program of technical assessment, research and modelling, in consultation with all relevant stakeholders including government, non-government and community groups, and public meetings for the two sites," Dr Shaw said. "Importantly, the Commonwealth and State approval processes will be conducted in parallel with a single EIS for each project that addresses both Commonwealth and State requirements."

Springsure Creek and Arcturus projects are located within 14 km of each other in Bandanna's so called "Golden Triangle" of projects.

Springsure Creek: Springsure Creek Coal Pty Ltd, a wholly owned subsidiary of Bandanna Energy Limited, is assessing the viability of developing the Springsure Creek Mine located within Exploration Permit Coal (EPC) 891 in Central Queensland. The proposed mine would be an underground longwall. EPC 891 is located approximately 40 km south of Emerald. Springsure Creek Coal is seeking to establish an integrated project to develop a new coal mine linking into the existing Blackwater rail system and export thermal coal facilities located in Gladstone.

Arcturus: Springsure Creek Coal Pty Ltd, a wholly owned subsidiary of Bandanna Energy Limited, is assessing the viability of developing the Arcturus mine located within Exploration Permit Coal (EPC) 1221. The proposed mine would be both open cut and underground with a nominal capacity for five (5) million tonnes per annum (Mtpa) product coal. EPC 1221 is located approximately 60 km south-east of Emerald in Central Queensland.

ENDS

Further enquiries:

Dr Ray Shaw: (07) 3041 4400

Andrew Crook Mb: 0419 788 431