

10 October 2011

ASX RELEASE/ MEDIA RELEASE

Strategic Review Process

We note the Dow Jones news wire released on Friday 7th October 2011 claiming “a person familiar with the project” had indicated that the Strategic Review process had been terminated. This statement is baseless and we encourage stakeholders to be guided by our announcements released on the ASX and posted onto our web site.

As previously advised in August 2011, Bandanna, in conjunction with its advisors UBS, invited a short-list of parties to progress through to a second stage of the Strategic Process. The rapid deterioration in macro-economic conditions in late July and early August 2011 introduced a heightened level of uncertainty in the outcome of this process and subsequently, in order to ensure Bandanna had the capacity to meet all of its financial commitments flowing from financial close of WICET, it announced a rights issue on 17th August 2011. The successful raising of over \$100 million has provided Bandanna with additional flexibility in its on-going Strategic Review process.

Bandanna confirms that there remain a number of parties involved in the Strategic Review process, and that requests from additional third parties to investigate potential joint venture, off-take, investment and other opportunities have also recently been received and the Company is evaluating the opportunities.

Given current uncertain economic conditions, the Company reemphasises that these discussions, may or may not, result in a proposal being made and or recommended by the Board to shareholders. The market will be advised of any such transaction and the outcome of the Strategic Review process, as appropriate.

ENDS

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