

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

## Appendix 3B

### New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

BANDANNA ENERGY LIMITED

ABN

34 009 356 665

We (the entity) give ASX the following information.

#### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

1	<sup>1</sup> Class of <sup>1</sup> securities issued or to be issued	Unlisted Options
2	Number of <sup>1</sup> securities issued or to be issued (if known) or maximum number which may be issued	20,000,000
3	Principal terms of the <sup>1</sup> securities (eg, if options, exercise price and expiry date; if partly paid <sup>1</sup> securities, the amount outstanding and due dates for payment; if <sup>1</sup> convertible securities, the conversion price and dates for conversion)	20,000 options exercisable at \$1.50 for five years from the Vesting Date, being a date to be determined in accordance with the Triumph Creek Infrastructure Development Agreement between Acacia Coal Limited and Springsure Creek Coal Pty Ltd dated 11 September 2012

---

<sup>1</sup> See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

---

4 Do the <sup>1</sup>securities rank equally in all respects from the date of allotment with an existing <sup>1</sup>class of quoted <sup>1</sup>securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

No

From date of exercise

5 Issue price or consideration

Not applicable

6 Purpose of the issue

(If issued as consideration for the acquisition of assets, clearly identify those assets)

As part of the consideration for Acacia Coal Limited entering into agreements with Bandanna Energy Limited and Springsure Creek Coal Pty Ltd in relation to the development and operation of a train loadout facility on Acacia Coal Limited's EPC 1230

7 Dates of entering <sup>1</sup>securities into uncertificated holdings or despatch of certificates

11 September 2012

8 Number and <sup>1</sup>class of all <sup>1</sup>securities quoted on ASX (*including* the securities in clause 2 if applicable)

Number	<sup>1</sup> Class
528,481,199	Ordinary Fully Paid Shares

---

<sup>1</sup> See chapter 19 for defined terms.

	Number	+Class
9	Number and +class of all +securities not quoted on ASX ( <i>including</i> the securities in clause 2 if applicable)	Unlisted Options 847,000 1,159,000 4,865,000 506,000 377,000 80,000 291,000 1,932,000 4,122,137 20,000,000 34,179,137
		01/03/2013 \$0.745 options# 21/06/2013 \$0.745 options# 12/11/2012 \$0.745 options# 11/10/2013 \$0.745 options# 03/11/2013 \$0.745 options# 17/01/2013 \$1.445 options# 01/03/2014 \$1.645 options# 01/12/2014 \$0.745 options# 01/06/2015 \$0.745 options# \$1.50 options# # Vesting conditions apply based on a range of Bandanna Energy Limited share prices.
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The new shares will rank equally with existing fully paid ordinary shares

## Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	Not applicable
12	Is the issue renounceable or non-renounceable?	Not applicable
13	Ratio in which the +securities will be offered	Not applicable
14	+Class of +securities to which the offer relates	Not applicable
15	+Record date to determine entitlements	Not applicable
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable
17	Policy for deciding entitlements in relation to fractions	Not applicable

---

+ See chapter 19 for defined terms.

## Appendix 3B

### New issue announcement

---

18	Names of countries in which the entity has <sup>+</sup> security holders who will not be sent new issue documents	Not applicable
	Note: Security holders must be told how their entitlements are to be dealt with.	
	Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	Not applicable
20	Names of any underwriters	Not applicable
21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of <sup>+</sup> security holders	Not applicable
25	If the issue is contingent on <sup>+</sup> security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	Not applicable
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do <sup>+</sup> security holders sell their entitlements <i>in full</i> through	Not applicable

---

<sup>+</sup> See chapter 19 for defined terms.

a broker?	<input type="text"/>
31 How do <sup>+</sup> security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable
32 How do <sup>+</sup> security holders dispose of their entitlements (except by sale through a broker)?	Not applicable
33 <sup>+</sup> Despatch date	Not applicable

### **Part 3 - Quotation of securities**

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(*tick one*)

(a)  Securities described in Part 1

(b)  All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

#### **Entities that have ticked box 34(a)**

#### **Additional securities forming a new class of securities**

*Tick to indicate you are providing the information or documents*

35  If the <sup>+</sup>securities are <sup>+</sup>equity securities, the names of the 20 largest holders of the additional <sup>+</sup>securities, and the number and percentage of additional <sup>+</sup>securities held by those holders

36  If the <sup>+</sup>securities are <sup>+</sup>equity securities, a distribution schedule of the additional <sup>+</sup>securities setting out the number of holders in the categories

1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37  A copy of any trust deed for the additional <sup>+</sup>securities

---

<sup>+</sup> See chapter 19 for defined terms.

## Appendix 3B

### New issue announcement

---

#### Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought					
39	Class of +securities for which quotation is sought					
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?  If the additional securities do not rank equally, please state: <ul style="list-style-type: none"><li>• the date from which they do</li><li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li><li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li></ul>					
41	Reason for request for quotation now  Example: In the case of restricted securities, end of restriction period  (if issued upon conversion of another security, clearly identify that other security)					
42	Number and +class of all +securities quoted on ASX ( <i>including</i> the securities in clause 38)	<table border="1"><thead><tr><th>Number</th><th>+Class</th></tr></thead><tbody><tr><td></td><td></td></tr></tbody></table>	Number	+Class		
Number	+Class					

---

+ See chapter 19 for defined terms.

### Quotation agreement

- 1     <sup>+Quotation of our additional</sup> <sup>+securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.</sup>
- 2     We warrant the following to ASX.
  - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no reason why those +securities should not be granted +quotation.
  - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
- 3     Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
  - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
  - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 4     We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

Sign here:



Company secretary

Date: 12 September 2012

Print name:     Tess Lye

====

---

<sup>+</sup> See chapter 19 for defined terms.