
28 February 2012

ASX RELEASE/ MEDIA RELEASE

Terms of Reference for Dingo West Project

Highlights

- Public exposure of draft Terms of Reference concluded with DERM receiving and accepting 11 comments; 8 from Government and 1 on behalf of a landowner.
- Responses pave the way for Bandanna to respond as part of finalisation of the TOR's for the Environmental Impact Statement
- EIS submission will form part of Bandanna's Mining Lease Application.

Details

Bandanna Energy Limited (Bandanna – ASX code “BND”) is pleased to announce that it is now finalising the Terms of Reference (TORs) for its Environmental Impact Statement (EIS) for Dingo West Project following closure of the advertising period for the draft TORs.

In all the Department of Environment and Resource Management (DERM) received and accepted eleven (11) comments on the draft TORs following their advertising between 8 December 2011 and 8 February 2012. Of the eleven, 8 were from Government agencies and one was on behalf of a landowner.

Bandanna intends to respond to these submissions within the statutory 20 business days and expects that the Dingo West Project Environmental impact Statement (EIS) TOR's will then be finalised by DERM in accordance with section 46 of the Environmental Protection Act 1994 (EP Act). The completed EIS will then form part of the application for its Mining Lease over the Dingo West Project.

About Dingo West

The Dingo West Project consists of EPC 881 and an application for Mining Lease (MLA 80180). These are currently held 100% by Dingo West Coal Pty Ltd, which is a wholly owned subsidiary of Bandanna. Coal quality data indicates a potential PCI product. Complex geology makes Dingo West more amendable to development via a number of smaller satellite pits rather than a single large open cut mine. Production is anticipated to be initially within the 500,000 tpa to 1 Mtpa range. Subject to approvals processes, first production is expected 2013.

The project area is located around, and to the west of, the township of Dingo in central Queensland. The area has excellent infrastructure, being traversed by the Blackwater rail corridor which links major source mines to the west with export port facilities at Gladstone. It is closer to the RG Tanner and Barney Point coal terminals at Gladstone port than any currently operating mine serviced by the Blackwater rail corridor.

ENDS

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