

8 April 2022

UK Energy Security Strategy – Review of Moratorium on Shale Gas

AJ Lucas Group Limited today welcomed the announcement by the UK Govt. that it *“remains open-minded about onshore gas reserves and has commissioned an impartial technical review on shale gas by the British Geological Society to consider any further scientific updates on seismicity that the Govt. ought to consider”*

The Government announcement forms part of its British Energy Security Strategy published on 7th April. The technical review on shale gas to be carried out by the BGS will include an assessment of:

“how the seismicity caused by fracturing compares to other forms of underground energy production, such as geothermal, coal, mining or surface activities such as construction and the evidence on the different ‘safe’ thresholds for activity, whether they remain the correct ones and whether differences between them remain justified”.

The BGS is to complete its technical review before the end of June 2022.

AJ Lucas Chairman Andrew Purcell said “We are pleased that the Government has confirmed that it remains open minded and has commissioned a technical review on the latest scientific evidence around shale gas. We will be very happy to provide whatever data or technical input may be requested of us from our very extensive UK shale operational database to assist with this review.

We have long pointed out that the regulatory regime in the UK is set at an order of magnitudes more onerous for shale gas operations than it is for other industries which can cause comparable or higher levels of ground vibrations such as geothermal, mining and construction. We are particularly pleased that the review will consider, and we trust redress, this evident disparity in regulation.

It is widely acknowledged that natural gas will continue to play a key role in UK energy supply for many decades to come, even as the country transitions to a Net Zero CO² economy. We remain convinced that the Bowland shale gas resource which we have discovered has the potential to be a very significant contributor to UK energy supply and in particular a source of cost-effective fuel for heating UK homes and businesses as well as a significant contributor to UK taxation. “

This announcement has been approved by the Board of AJ Lucas Group Limited



ENDS

For further information, please contact:

AJ Lucas Group Limited +61 (0)7 3363 7333

Andrew Purcell Chairman

Marcin Swierkowski Company Secretary