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Our ref 0097458-0000001/0097458-0000001
AU:1562659.1

1 March 2012

Dear Sir/Madam

Notice of becoming a substantial holder under s671B(1)(a)

On behalf of Kerogen Investments No 1 (HK) Limited we enclose a copy of a Form 604 Notice of change of interests of substantial shareholder by Kerogen Investments No. 1 (HK) Limited (**Kerogen**) and its associates in relation to AJ Lucas Group Limited (**AJL**).

In addition to the voting power in ordinary shares disclosed in the attached Form 604, Kerogen also discloses the following in relation to options to be issued ordinary shares in AJL. Each option is in respect of one AJL ordinary share.

1. As part of its mezzanine financing arrangements, Kerogen was issued 18,566,763 options.
2. Kerogen currently owns 14,694,403 options. If it were to exercise all these options (and no other options were exercised), it would have voting power of 39.99% in AJL. Kerogen's ability to exercise these options is subject to Chapter 6 of the Corporations Act.
3. Kerogen sold 3,872,360 options to Gleneagles Securities (Aust) Pty Ltd to remain within its 40% FIRB approval limit. The deferred sale price is 80% of either the sale price (on any transfer of the options by Gleneagles) or the 'in the money' value of the options (at the time of any exercise by Gleneagles). Subject to obtaining further FIRB approval to acquire such options, Kerogen will have a right to acquire those options back from Gleneagles within 2 years at an aggregate price equal to the greater of \$250,000 or 20% of the 'in the money' value of the options.

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Further information in relation to the options is contained in AJL's notice of extraordinary meeting dated 18 November 2011 and its announcements of 28 February 2012.

Yours faithfully

A handwritten signature in black ink, appearing to be 'TS', written over a horizontal line.

Tony Sparks
Partner

Form 604
Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To: Company Name/Scheme AJ Lucas Group Limited (AJL)

ACN/ARSN: 060 309 104

1. Details of substantial holder (1)

Name Kerogen Investments No.1 (HK) Limited (Kerogen Investments); Kerogen General Partner Limited (Kerogen) and each of the entities listed in "Annexure A" (Kerogen Group) and CNOOC Limited

ACN/ARSN (if applicable) _____

There was a change in the interests of the substantial holder on

28/02/2012

The previous notice was given to the company on

05 / 10 / 11

The previous notice was dated

04 / 10 / 11

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Fully paid ordinary shares (Shares)	9,917,650	13.04%	33,885,303	32.94%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
28/02/12	Kerogen Investments	Registered holder of Shares issued to Kerogen Investments as a result of taking up its rights under the rights offer announced by AJL on 18 November 2011 and taking up its sub-underwriting commitment pursuant to the sub-underwriting agreement in relation to such rights offer with Gleneagle Securities (Aust) Pty Ltd dated 17 November 2011.	\$32,356,331.55	23,987,653 ordinary shares	23,987,653
28/02/2012	Kerogen (in its capacity as general partner of the Kerogen Energy Fund LP (Kerogen Fund)) and each member of the Kerogen Group	Each entity is an associate of and controls Kerogen Investments and therefore has a relevant interest under section 608(3) of the Corporations Act	As above	As above	As above

28/02/2012	CNOOC Limited (CNOOC)	Relevant interest under section 608(8) of the Corporations Act reflecting CNOOC's initial interest in the Kerogen Fund	As above	As above	As above
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4. Present relevant interest

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (8)	Class and number of securities	Person's votes
Kerogen Investments	Kerogen Investments	Kerogen Investments	Relevant interest under section 608(1)(a) of the Corporations Act as the registered holder of Shares	33,885,303 Shares	32.94%
Kerogen (in its capacity as general partner of the Kerogen Fund) and each member of the Kerogen Group	As above	As above	Each entity is an associate of and controls Kerogen Investments and therefore has a relevant interest under section 608(3) of the Corporations Act	As above	As above
CNOOC Limited	As above	As above	Relevant interest under section 608(8) of the Corporations Act reflecting CNOOC's initial interest in the Kerogen Fund	As above	As above

6. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

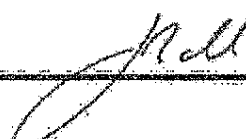
Name and ACN/ARSN (if applicable)	Nature of association
Not applicable	Not applicable

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Kerogen	Walkers Corporate Services Limited, Walkers House, 67 Mary Street, George Town, Grand Cayman KY1-9005, Cayman Islands
Each of the persons listed in Annexure A	See Annexure A
CNOOC Limited	85/F Bank of China Tower, 1 Garden Road, Hong Kong

Signature

print name JULIAN ROBERT STEVEN BALL capacity: director/secretary
 sign here  date 29/ 02/ 2012

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant issues (eg. A corporation and its related corporations; or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.

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- (2) See the definition of "associate" in Section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
- (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying the contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).
- See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

Annexure A

This is Annexure A of 1 page referred to in the Form 604 - Notice of Change of Interests of Substantial Holder lodged by Kerogen.

Name	Address
Kerogen Investments No.1 Limited	Walkers Chambers, 171 Main Street, road Town, Tortola VG1110, British Virgin Islands
Kerogen Investments Holding Limited	Walkers Corporate Services Limited, Walkers House, 87 Mary Street, George Town, Grand Cayman KY1-9005, Cayman Islands
Kerogen General Partner Limited	Walkers Corporate Services Limited, Walkers House, 87 Mary Street, George Town, Grand Cayman KY1-9005, Cayman Islands
Kerogen Capital Limited	Walkers Corporate Services Limited, Walkers House, 87 Mary Street, George Town, Grand Cayman KY1-9005, Cayman Islands
Kerogen Holding Limited	Walkers Chambers, 171 Main Street, road Town, Tortola VG1110, British Virgin Islands
Jason Cheng	Suite 3305, 33/F, Bank of America Tower, 12 Harcourt Road, Hong Kong
Ivor Orchard	Suite 3305, 33/F, Bank of America Tower, 12 Harcourt Road, Hong Kong