

20 October 2009

ASX RELEASE/ MEDIA RELEASE

General Manager,
The Company Announcements Office
Australian Stock Exchange Limited
Electronic Lodgement System

Dear Sir,

**All conditions precedent satisfied for
SAMTAN \$22.5 million investment in Bandanna**

Bandanna Energy Limited (“Bandanna”) is pleased to announce that it has received notification from SAMTAN that the Korean Government’s Ministry of Knowledge Economy has approved SAMTAN Aures Pty Ltd’s \$22.5 million investment in Bandanna (as previously announced to the market on the 24th September 2009).

All conditions precedent have now been satisfied and Bandanna expects to complete the transaction by the end of next week.

Yours faithfully,

BANDANNA ENERGY LIMITED



Dr Ray Shaw

Managing Director