

BANDANNA ENERGY BANDANNA ENERGY LIMITED

ACN 009 356665

Registered Office :C/- DFK Richard Hill, Level 12, 32 Martin Place Sydney, 2000

Business Office : Suite 2, Level 1 80 Mount Street North Sydney, 2060

Telephone 02 9923 1520; Facsimile 02 9923 1528

Email : Info@bandannaenergy.com.au; website www.bandannaenergy.com.au

9 October 2008

**ASX Ltd
Companies Announcement Platform
Electronic Lodgement System**

Dear Sir/Madam,

Re : Further Notice of Initial Substantial Holders

Further to the completion of the acquisition of Bandanna Coal Pty Ltd announced by the Company on 7 October 2008, please find attached Form 603 Notices of Initial Substantial Holder on behalf of each of the following parties:

1. Locmaria Pty Ltd; and
2. Bruce Wood.

A copy of the Share Sale Agreement dated 2 September 2008, under which the shares were issued to the abovenamed parties, was attached to the Company's release made earlier today. For further information, please contact the Company Secretary.

BANDANNA ENERGY LIMITED

Yours faithfully,



Dr Ray Shaw,

Managing Director

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Form 603Corporations Act 2001
Section 671B**Notice of initial substantial holder**To Company Name/Scheme **Bandanna Energy Limited**ACN/ARSN **009 356 665****1. Details of substantial holder(1)**Name **Locmaria Pty Ltd**ACN/ARSN (if applicable) **709 351 474**The holder became a substantial holder on **26 September 2008****2. Details of 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 on the date the substantial holder became a substantial holder are as follows:

Class of Securities (4)	Number of Securities	Person's votes (5)	Voting Power (6)
Ordinary	40,475,516	40,475, 516	12.18%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of Relevant Interest	Nature of relevant interest (7)	Class and number of securities
Locmaria Pty Ltd	Registered Holder	24,210,391 ordinary shares
Locmaria Pty Ltd	Indirect – Shareholder in Gas Strategies Pty Ltd	16,140,125 ordinary shares
Locmaria Pty Ltd	Indirect – Shareholder in Gas Exploration Pty Ltd	125,000 ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of Relevant interest	Registered holder of Securities	Person entitled to be registered as holder (8)	Class and number of securities
Locmaria Pty Ltd	Locmaria Pty Ltd	Locmaria Pty Ltd	24,210,391 ordinary shares
Locmaria Pty Ltd	Gas Strategies Pty Ltd	Gas Strategies Pty Ltd	16,140,125 ordinary shares
Locmaria Pty Ltd	Gas Exploration Pty Ltd	Gas Exploration Pty Ltd	125,000 ordinary shares

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5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of Relevant interest	Date of acquisition	Consideration (9)	Class and number of securities
Locmaria Pty Ltd	26 September 2008	Pursuant to share sale agreement dated 2 September 2008	24,210,391 ordinary shares
Locmaria Pty Ltd	26 September 2008	Pursuant to share sale agreement dated 2 September 2008	16,140,125 ordinary shares
Locmaria Pty Ltd	30 September 2008	\$0.80 pursuant to prospectus dated 17 September 2008	125,000 ordinary shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of Association

7. Addresses

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

Name	Address
Locmaria Pty Ltd	12 College Street, College Park, SA 5069
Gas Strategies Pty Ltd	12 College Street, College Park, SA 5069
Gas Exploration Pty Ltd	12 College Street, College Park, SA 5069

Signature

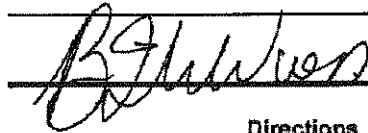
Print name

Bruce James Wood

capacity

Director

sign here



date 9/10/2008

Directions

- (1) If there are a number of substantial holders with similar or related relevant interests (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 7 of the form.
- (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 total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) 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 this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence 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).

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See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

- (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) 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.

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The Richardson Hotel

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A handwritten signature or set of initials in black ink, appearing to be 'BR' or similar, located at the bottom of the page.

Form 603Corporations Act 2001
Section 671B**Notice of initial substantial holder**To Company Name/Scheme **Bandanna Energy Limited**ACN/ARSN **009 356 665****1. Details of substantial holder(1)**Name **Bruce James Wood**ACN/ARSN (if applicable) **709 351 474**The holder became a substantial holder on **26 September 2008****2. Details of 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 on the date the substantial holder became a substantial holder are as follows:

Class of Securities (4)	Number of Securities	Person's votes (5)	Voting Power (6)
Ordinary	40,475,516	40,475,516	12.18%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of Relevant interest	Nature of relevant interest (7)	Class and number of securities
Bruce James Wood	Indirect - shareholder in Locmaria Pty Ltd	24,210,391 ordinary shares
Bruce James Wood	Indirect - controller of Gas Strategies Pty Ltd	16,140,125 ordinary shares
Bruce James Wood	Indirect - controller of Gas Exploration Pty Ltd	125,000 ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of Relevant interest	Registered holder of Securities	Person entitled to be registered as holder (8)	Class and number of securities
Bruce James Wood	Locmaria Pty Ltd	Locmaria Pty Ltd	24,210,391 ordinary shares
Bruce James Wood	Gas Strategies Pty Ltd	Gas Strategies Pty Ltd	16,140,125 ordinary shares
Bruce James Wood	Gas Exploration Pty Ltd	Gas Exploration Pty Ltd	125,000 ordinary shares

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5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of Relevant interest	Date of acquisition	Consideration (9)	Class and number of securities
Bruce James Wood	26 September 2008	Pursuant to share sale agreement dated 2 September 2008	24,210,391 ordinary shares
Bruce James Wood	26 September 2008	Pursuant to share sale agreement dated 2 September 2008	16,140,125 ordinary shares
Bruce James Wood	30 September 2008	\$0.80 pursuant to prospectus dated 17 September 2008	125,000 ordinary shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of Association

7. Addresses

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

Name	Address
Bruce James Wood	12 College Street, College Park, SA 5069
Locmaria Pty Ltd	12 College Street, College Park, SA 5069
Gas Strategies Pty Ltd	12 College Street, College Park, SA 5069
Gas Exploration Pty Ltd	12 College Street, College Park, SA 5069

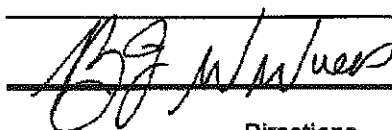
Signature

Bruce James Wood

capacity

Print name

sign here



date 9/10/2008

Directions

- (1) If there are a number of substantial holders with similar or related relevant interests (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 7 of the form.
- (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 total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) 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 this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to

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which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

- (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) 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.

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