

28 October 2008

ASX RELEASE

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

Dear Sir/Madam

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. Mathew Consultants Pty Ltd; and
2. David Mathew.

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 on 9 October 2008.

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 **David Mathew**

ACN/ARSN (if applicable)

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	107,367,075	107,367,075	32.32%

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
David Mathew	Indirect - shareholder in Mathew Consultants Pty Ltd	19,521,287 ordinary shares
David Mathew	Indirect - controller of DJ Mining Pty Ltd	87,845,788 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
David Mathew	Mathew Consultants Pty Ltd	Mathew Consultants Pty Ltd	19,521,287 ordinary shares
David Mathew	DJ Mining Pty Ltd	DJ Mining Pty Ltd	87,845,788 ordinary shares

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
David Mathew	26 September 2008	Pursuant to share sale agreement dated 2	19,521,287 ordinary shares

		September 2008	
David Mathew	26 September 2008	Pursuant to share sale agreement dated 2 September 2008	87,845,786 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
David Mathew	Unit 3301, 21 Mary Street, Brisbane QLD 4000
Mathew Consultants Pty Ltd	Unit 3301, 21 Mary Street, Brisbane QLD 4000
DJ Mining Pty Ltd	Level 4, 100 Eagle Street, QLD 4000

Signature **David Mathew** capacity **DIRECTOR**
 Print name
 sign here  date **26/10/2008**

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).

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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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 **Mathew Consultants Pty Ltd**ACN/ARSN (if applicable) **093 011 735**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	107,367,075	107,367,075	32.32%

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
Mathew Consultants Pty Ltd	Registered Holder	19,521,287 ordinary shares
Mathew Consultants Pty Ltd	Indirect - shareholding in DJ Mining Pty Ltd	87,845,788 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
Mathew Consultants Pty Ltd	Mathew Consultants Pty Ltd	Mathew Consultants Pty Ltd	19,521,287 ordinary shares
Mathew Consultants Pty Ltd	DJ Mining Pty Ltd	DJ Mining Pty Ltd	87,845,788 ordinary shares

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
Mathew Consultants Pty Ltd	26 September 2008	Pursuant to Share Sale Agreement dated 2 September 2008	19,521,287 ordinary shares

Mathew Consultants Pty Ltd	26 September 2008	Pursuant to Share Sale Agreement dated 2 September 2008	67,845,788 ordinary shares
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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
Mathew Consultants Pty Ltd	Unit 3301, 21 Mary Street, Brisbane QLD 4000
DJ Mining Pty Ltd	Level 4, 100 Eagle Street, QLD 4000

Signature

Print name Helena Catharina Susanna Mathew capacity Director

Sign here

Helena C S Mathew date 26/10/2008

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).

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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