

Monday, 3 September 2018:

ASX ANNOUNCEMENT (ASX: LCK)



Final Approval Received for PCD Operations

- **Final Activity Notification for PCD Operations received**
- **PCD operations to commence within weeks**

Leigh Creek Energy Limited (ASX: LCK) (“LCK” or “the Company”) is pleased to announce first syngas production for the Leigh Creek Energy Project (LCEP) is imminent after receiving its Final Activity Notification on the 3rd of September 2018.

Final approval from the regulator means the Pre-Commercial Demonstration (PCD) stage for LCEP operations can now begin.

Activity Notification Received

The final Activity Notification (AN) for PCD Operations was received from SA Government on the 3rd of September 2018. This AN is the final of three AN’s required under the *Petroleum and Geothermal Energy Act 2000*, which allows the Company to operate, decommission and monitor the PCD.

First Gas Production imminent

With on-site construction and drilling activities complete, and receipt of the AN for Operations, the PCD is being prepared for operations and the production of syngas. At this stage, initiation and commencement of syngas is expected to commence within quarter 3 2018.



LCK Construction and Drilling personnel

LCK is mobilising the necessary resources to commence PCD operations.

We look forward to updating the market once final preparations have been completed, and initiation has occurred.

Managing Director's comments

"Now that we have received the final document from the regulator preliminary to PCD operations, final preparations for PCD initiation and first gas flow can be completed," Mr Staveley said.

"This is another significant event for LCK and completes a process we have been working on for many months.

"We look forward to advising the market on final PCD progress to initiation shortly."

- *LCK Managing Director Phil Staveley*

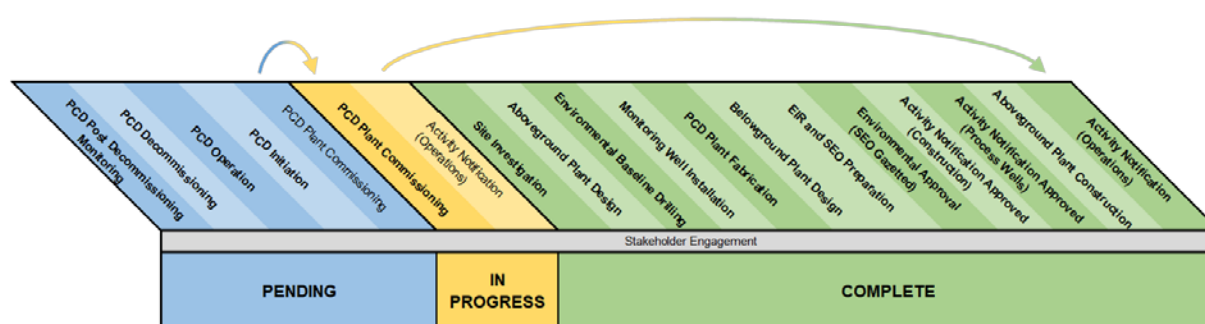


Final configuration of Pre-Commercial Demonstration plant

Summary

Successful PCD operations will be a significant milestone in LCK's progress to commercialisation and the Company's immediate near term objective of then upgrading of its 2,963.9PJ 2C resource to a 2P reserve in Q4 2018. The Company then expects to start work on the approvals process for commercial production of Syngas.

Current and expected progress is represented in the following graphic:



Leigh Creek Energy – poised for growth

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About Leigh Creek Energy

Leigh Creek Energy Limited (LCK) is an emerging energy company focused on developing its Leigh Creek Energy Project (LCEP), located in South Australia. The LCEP will produce high value products such as electricity, methane (synthetic natural gas) and ammonium nitrate products (fertiliser and industrial explosives) from the remnant coal resources at Leigh Creek, utilising In Situ Gasification (ISG) technologies, and will provide long term stability and economic development opportunities to the communities of the Upper Spencer Gulf, northern Flinders Ranges and South Australia.

The Company is committed to developing the LCEP using a best practice approach to mitigate the technical, environmental and financial project risks.

LCK acknowledges and respects the Adnyamathanha people, the Traditional Owners of the land on which its operations occur and pays its respects to their Elders past and present.

Resource Compliance Statement

The information in this announcement that relates to the 2C Contingent Syngas Resource was detailed in an announcement lodged with ASX on 8 January 2016 and is available to view at www.lcke.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in that announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. All estimates are based on the deterministic method for estimation of petroleum resources.