

A wide landscape photograph showing a calm body of water reflecting the surrounding brown, hilly terrain under a clear blue sky. The text 'Leigh Creek Energy COVID-19 Update' is overlaid in white.

Leigh Creek Energy COVID-19 Update

The Board and Management of Leigh Creek Energy Limited (**ASX:LCK**) have been reviewing the impact of the COVID-19 pandemic on the financial results and resources of the Company. The Directors and Management are implementing a number of actions to preserve shareholder funds, whilst maintaining the positive business progress that has been achieved over the last year. The impacts that are being managed are, broadly, twofold: impacts on our employees and financial impacts.

First and foremost the health and wellbeing of our employees and other stakeholders continues to be our priority. In recent weeks, Company personnel have transitioned to remote working arrangements in accordance with Government requirements and continue to operate on a 'business as usual' basis, using video and teleconferencing facilities to progress project development programs and discussions with potential partners and external consultants.

Secondly, the uncertainty in financial markets means that we have to reduce our cash burn in the short term. With that in mind LCK has moved quickly to review all elements of expenditure and has immediately introduced a range of cost saving measures, which has put the organisation in a strong position for the remainder of 2020.

The single largest of these savings is an initiative whereby employees, including the Executive Directors, have accepted a reduction to their salary by up to 50% and non-executive directors have elected to forgo their director fees, for up to 6 months from 1 April 2020. Foregone salary and fees are to be paid in equity in a timely and appropriate manner.

LCK is also actively monitoring Federal and State Government COVID-19 financial incentive measures and will seek to take up these incentives where possible. All the measures we're taking reflect our commitment to aligning our interests with our long-term shareholders and stakeholders and our determination to build a successful ISG business to become a major, long-term supplier of responsibly produced syngas products such as urea.

[LCK Managing Director's comments](#)

Phil Staveley Managing Director LCK said: *"I wish to thank all the staff for their ongoing support in these uncertain times. It is encouraging to see their dedication and commitment. As a result of these initiatives LCK's financial position remains strong. Although it's difficult to predict the timeline for COVID-19 financial impacts, we continue to progress our stated plans as is witnessed by our recent announcements."*

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The Board of Leigh Creek Energy authorised this announcement to be given to ASX.

About Leigh Creek Energy

Located in South Australia, Leigh Creek Energy Limited (ASX:LCK) is an emerging energy company focused on developing its Leigh Creek Energy Project (LCEP). The LCEP will produce pipeline quality gas and/or nitrogen fertiliser products from the remnant coal resources at Leigh Creek by utilising In Situ Gasification technologies.

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

For information on the ISG process [CLICK](#)