

6 January 2016

The Manager  
ASX Announcements

## **Commonwealth Government approval for Lincoln Minerals' proposed Kookaburra Gully graphite mine on SA's Eyre Peninsula**

Lincoln Minerals Limited (ASX:LML) ("Lincoln" or "the Company") is pleased to advise that the Commonwealth Government has announced a favourable ruling supporting the Company's proposed development of its wholly-owned Kookaburra Gully Graphite Project on Eyre Peninsula, South Australia.

The Department of the Environment has ruled that under sections 75 and 77A of the *Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act)*, Lincoln's proposal to develop, operate and decommission its open-cut Kookaburra Gully graphite mine, 35 kilometres north of Port Lincoln, **is not a controlled action** if undertaken in a particular manner (EPBC 2015/7470).

This means the proposed mine does not require further Federal assessment and approval under the EPBC Act before it can proceed.

### **Lincoln Managing Director, Dr John Parker:**

*"This is an important and positive decision for Lincoln and paves the way for final assessment of our mining lease proposal (MLP) submitted to the SA Department of State Development (DSD) in February last year.*

*"The MLP was released for public comment in September 2015 and, based on the submissions received by DSD from the general public and other Government departments, a Response Document was prepared by Lincoln and lodged this week with DSD for assessment along with the original MLP."*

### **EPBC Referral**

The mining lease and referral applications were made by Lincoln under the name of Australian Graphite Pty Ltd (AGL), a wholly-owned subsidiary of Lincoln. Under the Commonwealth EPBC ruling, AGL must now ensure that:

- No clearance of Eyre Peninsula Blue Gum (*Eucalyptus petiolaris*) Woodland occurs as a result of the proposed action;
- A fence and signage is to be erected around the Eyre Peninsula Blue Gum Woodland at a distance of at least 5 metres from the identified Threatened Ecological Community (TEC as illustrated on the attached map) prior to construction;
- There is a minimum 20 metre buffer between construction and Eyre Peninsula Blue Gum Woodland; and
- Clearance on the proposed mine site is consistent with the attached map.

Dr Parker said these matters were consistent with Lincoln's approach to developing Kookaburra Gully and would not impinge on AGL's proposed development.

*"The protection of the Eyre Peninsula Blue Gum and other endangered or threatened species in the region and along transport routes has been and remains a priority for the Company,"* Dr Parker said.

### **MLP Response Document**

Following release of AGL's MLP for public review and comment, twenty five (25) public submissions were received by AGL from DSD along with submissions from other State Government departments. AGL, with the support of various third party consultants, has responded to matters raised in these



submissions that either required clarification and/or additional information. This included an additional flora and fauna survey along Kookaburra Gully's proposed transport and pipeline routes.

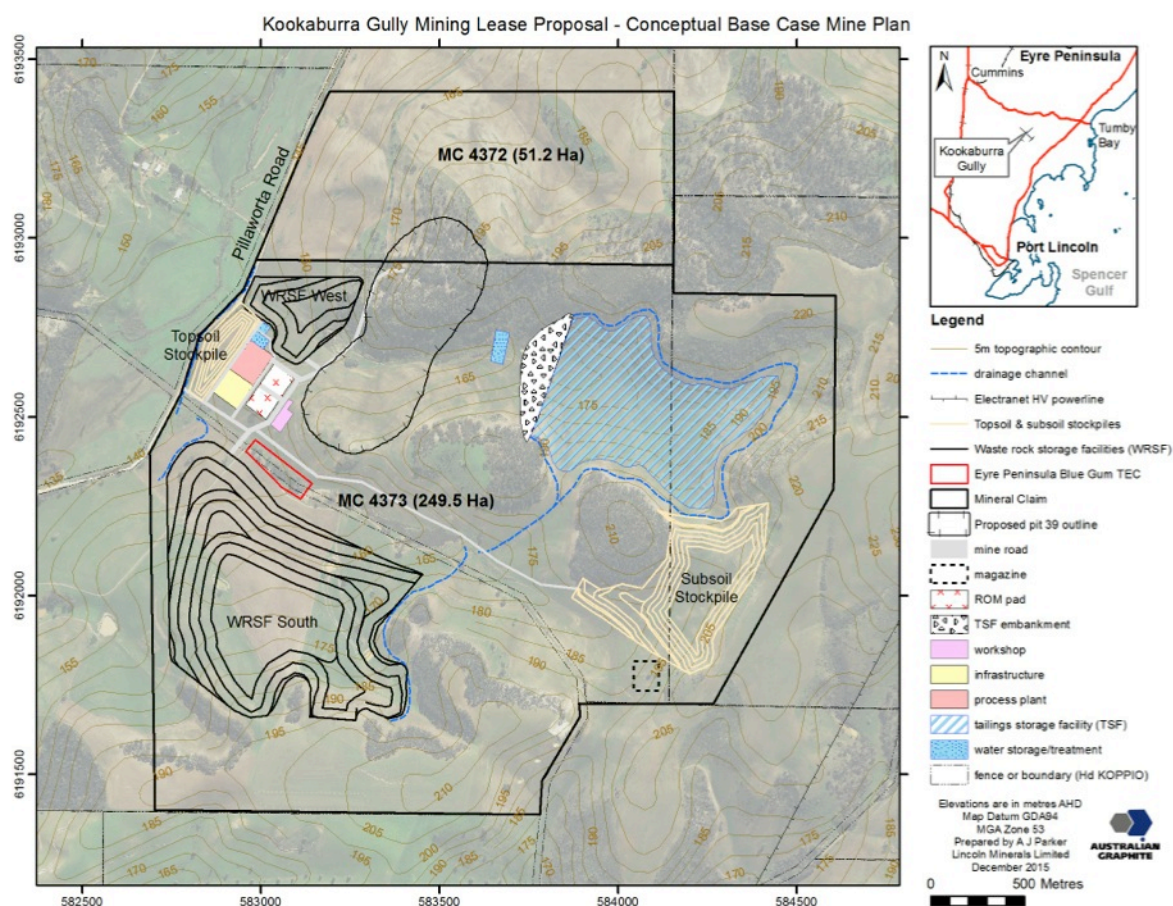
A Response Document was finalised in December 2015 and lodged with DSD on 4 January 2016. This will enable DSD to undertake a comprehensive assessment of AGL's mining lease proposal prior to final consideration by the South Australian Government. Subject to the Government assessment process, it is anticipated that a mining lease could be offered to AGL during the current quarter.

### Funds received from Barns Estate sale

As previously advised (*ASX Release 5 Novembre 2015*), Lincoln has sold its iron ore related Barns Estate property located near Coomunga, 20 kilometres west of Port Lincoln. Settlement of the sale has now been completed and proceeds have been banked. This significant cash injection will further ensure that Lincoln is adequately funded over the next 6 months while the Company pursues a mining lease for its flagship Kookaburra Gully Graphite Project.

The Company acquired the land in late 2010 as part of a deceased estate for future development of its iron ore Mineral Resources. Lincoln has used the property as its field base for storage of field equipment and drill samples. As part of the contract of sale, Lincoln will continue to lease the sheds and storage areas for the next 12 months. The sale of the land does not in any way prevent Lincoln from accessing the area for ongoing exploration or future development of its iron ore Mineral Resources should iron ore prices improve.

Dr A John Parker  
Managing Director



*This report contains forward looking statements that involve estimates based on specific assumptions and statements by third parties. Actual events and results may differ materially from those described in these statements as a result of a variety of risks, uncertainties and other factors. Forward looking statements are based on LML's beliefs, opinions and estimates as of the date the forward looking statements are made and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.*