

16 December 2008

Ms Frances Finucan  
Australian Stock Exchange  
Level 5  
Riverside Centre  
123 Eagle Street  
BRISBANE QLD 4000

By Facsimile: (07) 3832 4114

By Email: [frances.finucan@asx.com.au](mailto:frances.finucan@asx.com.au)

Dear Ms Finucan,

In response to your query of today's date regarding the price decrease in our shares, we advise as follows (adopting your numbering):

1. The Company is not aware of any information concerning it that has not been announced that may account for the recent trading in its shares.
2. Not applicable.
3. This question is not applicable as the Company is currently pre-production and therefore has not made any previous profit forecasts.
4. No.
5. The Company is aware of announcements made today by other companies regarding actions being taken in response to the weaker global demand for coking coal which has negatively affected share prices across the sector. Given this, the only explanation the Company can offer for the trading in its shares is that there is speculation in the market based on these other announcements that the completion of the Company's previously announced sale of its Emerald (Teresa) coal tenements may be affected. Based on continuing communication with the purchaser, the Company advises that it remains confident that the Emerald sale will be finalized in due course.
6. The Company is in compliance with the Listing Rules and in particular, Listing Rule 3.1.

If any further information is required, please contact our offices.

Yours faithfully



**Peter Bond**  
**Managing Director**

**Linc Energy Ltd**

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16 December 2008

Mr Craig Ricato  
Company Secretary  
Linc Energy Ltd  
Level 7  
10 Eagle Street  
BRISBANE QLD 4000

By email: [cr@lincenergy.com.au](mailto:cr@lincenergy.com.au)

Dear Craig

**Linc Energy Ltd (the "Company")**  
**RE: PRICE QUERY**

We have noted a change in the price of the Company's securities from a close of \$2.40 on Monday, 15 December 2008 to a low of \$1.93 today. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price change and increase in volume, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?

Please note that as recent trading in the Company's securities could indicate that information has ceased to be confidential, the Company is unable to rely on the exceptions to listing rule 3.1 contained in listing rule 3.1A when answering this question.

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any reason to think that there may be a change in the operating loss before abnormal items and income tax so that the figure for the half year period ending 31 December 2008 would vary from the previous half year period by more than 15%? If so, please provide details as to the extent of the likely variation.
4. Is there any reason to think that the Company may record any material abnormal or extraordinary loss for the half year period ending 31 December 2008? If so, please provide details.

5. Is there any other explanation that the Company may have for the price change and increase in volume in the securities of the Company?
6. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by e-mail at [frances.finucan@asx.com.au](mailto:frances.finucan@asx.com.au) or by facsimile on facsimile number (07) 3839 4114. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (ie **before 9.30 a.m. E.S.T, 8.30 am Brisbane time**) on Wednesday, 17 December 2008.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

### Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

### Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours sincerely,

A handwritten signature in cursive script that reads "Finucan".

Frances Finucan  
Senior Adviser, Issuers (Brisbane)