

22 July 2010

Mr Patrick O'Connor
Australian Stock Exchange
Level 5
Riverside Centre
123 Eagle Street
BRISBANE QLD 4000

By facsimile: (07) 3832 4114

By Email: Patrick.O'Connor@asx.com.au

Dear Mr O'Connor,

In response to your query of yesterday's date in relation to recent price and volume increases in our shares, we advise the following:

1. The Company is not 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.

The Company notes the contents of the Dow Jones report referred to in your correspondence which proposes an association between a US\$850 million institutional capital raising by Adani Enterprises and the coal tenement sales process being undertaken by the Company.

As previously announced, the Company is aware of the media and market speculation which has resulted from an initial article published in The Economic Times in India regarding an impending sale of one of Linc Energy's non-core coal assets in Queensland to Adani Enterprises.

The Company confirms that it remains in detailed negotiations with a number of parties in relation to the sale of its non-core Queensland coal tenements and that at this stage it has not concluded any binding contract or finalised any material terms with any party. These negotiations remain commercial in confidence.

Linc Energy will immediately advise the market should this position change.

2. Not Applicable.
3. No.
4. The Company is not aware of any other explanations for the price change and increase in volume in its securities.

Linc Energy Ltd

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Australia's Leader in Clean Coal Technology

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5. The Company confirms that it 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

A handwritten signature in black ink, appearing to read 'P. Bond', with a stylized flourish at the end.

Peter Bond
Managing Director



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21 July 2010

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

By email: cr@lincenergy.com.au

Dear Mr Ricato

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

We have noted a change in the price of the Company's securities from a closing price of \$1.30 on Tuesday, 20 July 2010 to an intraday high of \$1.54 today at the time of writing.

In light of the price change 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?

In answering this question, please address the recent media report released by Dow Jones in relation to the Company being in negotiations with Adani Enterprises for the sale of the Company's coal assets in Queensland.

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.

Australian Securities Exchange

Australian Stock Exchange
Sydney Futures Exchange

Australian Clearing House
SFE Clearing Corporation

ASX Settlement and Transfer Corporation
Austraclear

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 Company's operating result before abnormal items and income tax so that the figure for the full year ending 30 June 2010 would vary from the previous corresponding period by more than 15%? If so, please provide details as to the extent of the likely variation.
4. Is there any other explanation that the Company may have for the price change and increase in volume in the securities of the Company?
5. 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 email at patrick.oconnor@asx.com.au or by facsimile on facsimile number (07) 3832 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 commencement of trading (i.e. 9.30 a.m.) on **Thursday, 22 July 2009**.

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 black ink that reads "Pat O'Connor". The signature is written in a cursive, slightly slanted style.

Patrick O'Connor
Senior Adviser, Issuers (Brisbane)