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ASX ANNOUNCEMENT

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LINC ENERGY COMPLETES HIGGINS #18 IN TEXAS WITH 144BOPD OIL FLOW

- **Linc Energy has completed its first new production well in Barber's Hill field, Texas, USA (since the acquisition of ERG Resources assets)**
- **Production tests in the first perforated zone at 5300' have established the initial production rate from the well is 144BOPD with 340psi flowing tubing pressure (FTP) on a 12 by 64 inches choke from the "306" sand**
- **Appointment of Scott Broussard as General Manager, Texas/Gulf Coast, Linc Energy Operations Inc**

Linc Energy Ltd (ASX:LNC) (OTCQX:LNCGY) is pleased to announce the commencement of production from the Higgins #18 oil well in the Barbers Hill oil field of Chambers County, Texas, USA. This is the first well to be completed by Linc Energy since acquiring the Gulf Coast assets of ERG Resources on 11th October 2011. Initial production rate from the well is 144 barrels of oil per day (BOPD) from the "Frio 6" sand which was intersected at a depth of 5355' in the well.

At total depth the well had penetrated over 60' of potentially oil productive sands in 4 intervals, based on log analysis. Geophysical logs were used to identify the potential pay zones with greatest potential and to select the exact depth in the well to be put on test. The currently producing "Frio 6" sand was the deepest of these intervals and is up-dip from a well that produced over 266,000 barrels of oil from that same interval. The rest of the potential zones intersected higher in the well will be available for development in the future when the current zone is depleted.

The Barber's Hill field was originally discovered in 1916 and is related to the Barbers Hill salt dome. It has produced over 130 million barrels of oil and reached maximum annual production levels in excess of 8 million barrels in 1931. The oil produced from Barber's Hill accounts for approximately 50% of Linc Energy's daily production in the Gulf Coast Region.

Linc Energy's Chief Executive Officer Peter Bond said, "The completion of Higgins #18 demonstrates Linc Energy's commitment to the use of drilling technology to maximise production and our determination to extract the full value from the assets acquired from ERG Resources. This first completion program has resulted in the best initial production rate from this field in many years – a credit to our Texas based team."

Linc Energy is also pleased to announce that Mr Scott Broussard has joined the Company as General Manager of its Gulf Coast Region operations based in Houston, Texas.

Peter Bond, Chief Executive Officer of Linc Energy, said, "A critical component of our success in the Gulf Coast Region is to build an outstanding team of professionals and Scott Broussard epitomises this term. It is a testament to the underlying value and quality of the ERG Resources asset package that someone of Scott's calibre is eager to join our operations."

Mr Broussard has a proven track record of building successful oil companies with strong leadership and extensive experience in drilling, production engineering and operations.

As General Manager, Mr Broussard will be responsible for developing Linc Energy's Gulf Coast assets acquired earlier this month from ERG Resources. He is looking forward to quickly building a team focused on safe operations and increasing production.

Prior to joining Linc Energy, Mr Broussard served as President and CEO of Probe Resources, LLC, where he led the Canadian public start-up exploration and production company in the Gulf of Mexico. He was Vice President of Drilling and Production with Spinnaker Exploration Company/Hydro Gulf of Mexico and Senior Vice President and Co-Owner of HTK Consultants. Mr Broussard holds a Bachelor of Science in Petroleum Engineering from Louisiana State University.

"Linc Energy is thrilled to welcome Scott Broussard to our management team," added Don Schofield, President of US Operations. "Scott's broad management experience in the energy industry combined with his technical expertise in drilling operations will allow him to hit the ground running."

For more information visit www.lincenergy.com or contact our office on +61 7 3229 0800.



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About Linc Energy

Linc Energy is a globally focused, diversified energy company with a strong portfolio of coal, oil and gas deposits. It is Linc Energy's purpose to unlock the value of its resources to produce energy to fuel the future.

A publicly listed company, Linc Energy is the global leader in Underground Coal Gasification (UCG), which delivers a synthesis gas feedstock to supply commercially viable energy solutions – such as electricity, transport fuels and oil production – through gas turbine combined cycle power generation, Gas to Liquids (GTL) Fischer-Tropsch processing and Enhanced Oil Recovery.

Linc Energy has constructed and commissioned the world's only UCG to GTL demonstration facility located in Queensland, Australia. This facility produces the world's only UCG to GTL synthetic diesel fuel. Linc Energy also owns the world's only commercial UCG operation, Yerostigaz, located in Uzbekistan. Yerostigaz has produced commercial UCG synthesis for power generation for 50 years.

Linc Energy is on a rapid global expansion path to commercialise its portfolio of resources, with established offices across three continents in the United States, the United Kingdom and Australia.

Linc Energy is listed on the Australian Securities Exchange (LNC) and can also be traded in the United States via the OTCQX (LNCGY).

