

16 January 2012

Mr Simon O'Brien  
Senior Adviser, Listings (Brisbane)  
ASX Compliance Pty Ltd  
Level 5, Riverside Centre  
123 Eagle Street  
BRISBANE QLD 4000

By email: [simon.obrien@asx.com.au](mailto:simon.obrien@asx.com.au)

Dear Simon,

In response to your query of 13 January 2012 in relation to an increase in price of the Company's securities of the same date, we advise as follows (adopting your numbering):

1. No.
2. Not applicable given the response to question 1.
3. The Company notes widely reported media speculation on 13 January 2012 in relation to the potential sale of certain coal tenements held by the Company in Queensland as well as media reports that same day quoting from resource analysts that the Company's stock was oversold in December 2011, so a rebound in the stock price more in line with the Company's asset valuations was to be expected. The Company advises that, with regard to the sale of its coal tenements, although it is pursuing a number of divestment opportunities it has, as yet, not entered into any binding arrangements with any party.

In addition, the Company has recently announced a restructuring of its business operations into three key divisions, being Coal, Clean Energy and Oil and Gas to enhance the Company's ability to achieve its business objectives. In line with this, each of its three key divisions continues to pursue a number of opportunities that remain at various stages of development and in respect of which the Company has no basis to believe that it is unable to rely on the exemptions contained in listing rule 3.1A. However, in the interests of ensuring the Company remains in compliance with its continuous disclosure obligations, it advises that it is engaged in discussions with a potential cornerstone investor in the Company with which it may pursue significant UCG-GTL opportunities in Mainland China. Even though those discussions are very well progressed, no binding agreement has yet been reached. The Company will keep the market informed of developments as required.

**Linc Energy Ltd**

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32 Edward Street  
Brisbane QLD Australia 4000

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Brisbane QLD Australia 4001

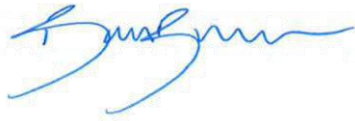
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4. The Company confirms that it is in compliance with the listing rules, in particular listing rule 3.1.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'Brook Burke', with a stylized, cursive script.

Brook Burke  
**Company Secretary**



13 January 2012

Mr Brook Burke  
Company Secretary  
Linc Energy Limited  
Smellie & Co Building  
32 Edward Street  
BRISBANE QLD 4000

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

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Dear Mr Burke

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

We have noted an increase in the price of the Company's securities from a close of \$1.13 yesterday, 12 January 2012 to an intraday high of \$1.41 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?

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 other explanation that the Company may have for the price change in the securities of the Company?

4. 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 [simon.obrien@asx.com.au](mailto:simon.obrien@asx.com.au) or by facsimile on (07) 3832 4114. It should not be sent to the Market Announcements Office (formerly 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, by **8.30am (Brisbane time), Monday, 16 January 2012**.

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

*[Sent electronically without signature]*

Simon O'Brien  
**Senior Adviser, Listings (Brisbane)**