



LINQ RESOURCES FUND

ASX ANNOUNCEMENT

LINQ RESOURCES FUND ANNOUNCES PROPOSAL TO DELIST

10 AUGUST 2012

For some time, the Board of the Responsible Entity for the LinQ Resources Fund (**LRF**) (**Board**) has closely monitored the effects of prevailing market conditions on the discount at which the price of the units in LRF trade in relation to Net Tangible Asset (NTA) per unit of the underlying portfolio.

Since the onset of the Global Financial Crisis the Board has noted a significant widening of the discount due largely to global market volatility.

A range of alternatives have been considered by the Board to address the prevailing discount and to allow Unitholders to realise a value for their units which is closer to NTA.

The Board believes that the best option is to delist LRF from the Australian Securities Exchange. The immediate benefit for Unitholders is that the discount to NTA will be removed as the units in LRF can be valued at NTA (less costs). With the current discount to NTA being approximately 50%, a delisting will result in an immediate uplift to a value nearly double the current trading price.

As part of the delisting proposal, there will also be an initial redemption offer and an ongoing redemption facility in order to provide Unitholders an opportunity over time to realise their investment in LRF at NTA (less costs).

Unitholders at the Record Date of 9 August 2012 will be entitled to participate in the Initial Redemption Offer in respect of units held on that date at NTA (less costs).

The Board will be shortly sending out a notice of meeting to Unitholders to approve the delisting.

The notice will be accompanied by an explanatory memorandum providing details of the redemption opportunities and the factors which are considered as relevant to the decision to delist.

The meeting of Unitholders is expected to be held in September 2012.

LinQ Capital Limited
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For further information please contact:

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About LinQ Resources Fund ('LRF') ARSN 108 168 190

LRF is a registered managed investment scheme.

LRF is an actively-managed resources fund listed on the ASX, which specialises in investments in small to medium resources companies both in Australia and overseas. The Fund may invest in companies at all stages of development from exploration through to production, although the focus on pre cash flow companies is in the later stage exploration and economic evaluation phases between discovery and completion of bankable feasibility studies. The Fund aims to provide both yield and capital growth for its investors. Interests in the Fund have been issued by LinQ Capital Ltd. Past performance is not a reliable indicator of future performance.



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9 August 2012

Andrew Shearwood
Partner
Freehills

By email: andrew.shearwood@freehills.com

Dear Andrew

LinQ Resources Fund ("Fund")

We refer to the application by Freehills on behalf of the Fund, requesting confirmation in relation to listing rule 17.11 and a waiver of listing rules 3.20 and 7.40.

ASX Limited has considered the Company's application and decided as follows:

"DECISION

1. Based solely on the information provided ASX Limited ("ASX") resolves to remove LinQ Resources Ltd (the "Fund") from the official list of ASX pursuant to listing rule 17.11 on a date to be decided by ASX in consultation with the Fund ("Delisting"), subject to compliance with the following conditions:
 - 1.1. The request for removal of the Fund from the official list of ASX is approved by an ordinary resolution of unitholders of the Fund.
 - 1.2. The notice of meeting seeking unitholder approval for the request for removal of the Fund from the official list must:
 - 1.2.1 include a statement to the effect that the removal will take place no earlier than three weeks after the date of unitholders' approval; and
 - 1.2.2 set out clearly the timetable, which must be acceptable to ASX, to be followed for the removal of the Fund from the official list of ASX.
 - 1.3 The Fund releases the full terms of this decision to the market immediately.
2. ASX has considered listing rule 17.11 only and makes no statement as to the Fund's compliance with other listing rules.

BASIS FOR DECISION

Listing Rule 17.11

Underlying Policy

3. ASX may remove an entity from official list of ASX at the request of an entity. Removal from the official list at an entity's request recognises that remaining listed may no longer be suitable for a listed entity at a particular stage in its existence. There is no requirement for ASX to act on the request. ASX's power not to agree to requests for delisting enables it to ensure that delisting is not sought for inappropriate reasons or conducted in a way that is clearly harmful to the market or to security holders' legitimate interests. ASX may impose conditions on granting the request. The power to impose conditions enables ASX to ensure that an orderly market is maintained in the period leading up to the delisting, and that the listed entity makes appropriate arrangements in connection with its delisting. These may include: giving advanced notice, of an amount of time which is adequate to the particular circumstances; seeking security holder approval for delisting; assisting security holders to trade the entity's securities in another market for a period before or after delisting;, or providing alternative arrangements for security holders to exit their investment before or after delisting.

Facts and Reasons for Decision

4. The Fund has requested removal from the official list of ASX as the Fund's units have been trading at a significant discount to its net tangible assets per unit. The Fund will offer a limited redemption facility (capped at a percentage of the total number of units on issue) in connection with the delisting, and will offer periodic redemption facilities as an unlisted entity. The Fund will seek unitholder approval by ordinary resolution for delisting. ASX does not object to the Fund's delisting on this basis."

As discussed with you, a waiver from listing rule 3.20 and 7.40 was not considered necessary in the circumstances.

If you have any queries in relation to the decision please let me know.

Yours sincerely,

[sent electronically without signature]

Shannon Nicholson

Adviser, Listings (Perth)

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