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LINC ENERGY WELCOMES ISP REPORT ON UCG IN QUEENSLAND

- **ISP Report provides clarity on path to UCG commercialisation in Queensland**
- **Chinchilla Demonstration Facility operations continue unchanged with commitment to implementation of Linc Energy's decommissioning program on-track.**

Linc Energy (ASX: LNC) (OTCQX: LNCGY) has welcomed the recommendations contained in the Queensland Government-appointed Independent Scientific Panel (ISP) Report on Underground Gasification Pilot Trials (Report).

The ISP Report is the culmination of a process of extensive, detailed technical engagement with the ISP members over the past four years. During this period Linc Energy has successfully demonstrated its technical competence in all aspects of UCG site selection, design, construction, commissioning and operation to the high standards demanded by the ISP.

Linc Energy's CEO, Peter Bond, said the announcement today firmly puts commercialisation of UCG back on the agenda in Queensland, however the business case now needs to stack up on a global basis following the significant progress the Company has made over the past four years in places such as South Africa, Ukraine, Poland and Russia.

"UCG is already blossoming as an emerging energy platform in various countries around the world. It has 50 years of commercial operating experience in Uzbekistan and over 12 years in Australia at the Chinchilla site," he said.

Importantly, the ISP's key recommendations include that the Queensland Government permits Linc Energy to continue its current trials at its facility in Chinchilla.

The Report further recommends that a process be established to demonstrate successful 'decommissioning' of the UCG gasifiers upon completion of gasification trials before commercial UCG operations can commence. Decommissioning is and continues to be an important part of Linc Energy's long-term demonstration program at the Chinchilla site following conclusion of its current gasification operations.

"We have already begun preparations for decommissioning of a gasifier at Chinchilla and see that as a very straightforward process," Mr Bond said.

"We also continue to work proactively with our commercial partners and regulators internationally in defining a robust and transparent remediation method."

Mr Bond acknowledged the willingness of the Newman Government to consult industry throughout this process.

“This day has been a long time coming and I’m grateful to the Minister and the Premier for their collaborative approach to ensuring that we have now got a definitive path forward for the UCG industry in Queensland.”

“I also note that at various times throughout the ISP’s review, they acknowledge the UCG technology we’ve been creating here in Australia is indeed world-best and cutting edge which is a message the rest of the world has understood now for a while,” he said.

Linc Energy’s President - Clean Energy, Adam Bond, said the report was a positive step towards the commercialisation of UCG in the State.

“As noted by the ISP, Queensland is a world-leader in UCG technology development and testing and we are proud of the extensive work we have done at our Chinchilla Demonstration Facility over the last 12 years.”

“Although the Company does not agree with some content in the Report we welcome the independent recommendations of the ISP and we look forward to demonstrating our decommissioning processes as planned, in due course.”



Linc Energy's UCG to GTL Facility at Chinchilla

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Company Profile

Linc Energy is focused on both conventional and unconventional oil and gas production. The Company owns a diverse and world-class commodity portfolio that includes oil, gas, shale and coal.

Conventional oil and gas is focused onshore USA (Alaska, Texas, Louisiana and Wyoming) with current production expected to grow significantly from the Company's existing reserves.

Unconventional oil and gas is focused on our world leading capability in Underground Coal Gasification, the process of converting coal into a valuable synthetic gas in situ. Linc Energy has constructed and commissioned the world's only UCG to GTL demonstration facility near Chinchilla, Australia. The Company also owns and operates the world's only commercial UCG operation in Uzbekistan, which supplies syngas to a nearby power station.

Linc Energy is listed on the ASX (Australia) and the OTCQX (USA).

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