

Quarterly Activities Report

Period Ending 31 March 2023



19 April 2023

ASX: LML and LMLND

Advanced graphite explorer, **Lincoln Minerals Limited** ("LML" or "Company") (ASX:LML) is pleased to provide its quarterly activities report for the period ending **31 March 2023**.

Highlights

- **Lincoln Minerals ordinary shares reinstated to trading status on ASX on 20 January 2023**
- **Exploration and Infill resource drilling programs completed on its graphite tenements on South Australia's Eyre Peninsula**
- **Visual indications of graphite mineralisation evident from geological logging of two drill holes at the Kookaburra Gully Extended target; assays pending**
- **LML to work towards a Mineral Resource Estimate update in 2023, adding to its resources inventory for the Kookaburra Gully Graphite project**
- **Successful capital raise via Rights Issue of \$4.6M before costs and repayment of loan secures cornerstone investor with Evolution Capital Pty Ltd acting as underwriter**
- **Quotation of Rights Issue shares under ASX ticker LMLND due to Quantum Graphite Limited (ASX: QGL) off-market script takeover offer for LML shares.**

Kookaburra Gully Graphite project

The Company's flagship asset, the Kookaburra Gully Graphite project, is located approximately 35km north of Port Lincoln on the Eyre Peninsula in South Australia. The most advanced graphite asset within the Kookaburra Gully Graphite Project is the Kookaburra Gully Measured, Indicated and Inferred Mineral Resource of 2.03 million tonnes at 15.2% total graphitic carbon (TGC) (using 5% TGC cut-off) estimated by a Competent Person as defined by the JORC 2012 Code (*ASX Release 17/05/2017: Improved graphite Mineral Resource Status at Kookaburra Gully on South Australia's Eyre Peninsula*).

The Company is working to update this resource during 2023 and add to its graphite inventory, with the main target areas being:

- **Kookaburra Gully Mineral resource** and immediate strike extensions to the north
- **Kookaburra Gully Extended** prospect in which previous drilling has intersected significant graphite mineralisation under EM conductive areas, along an 8km strike to the south,
- **Koppio Prospect** which has an Inferred Graphite Resource (refer LML ASX announcement 13 July 2015: *Maiden Graphite Resource*).

Graphite is a key component in the manufacture of batteries and Lincoln's cornerstone Kookaburra Gully Graphite project has the potential to contribute graphite products to the growing demand for batteries and their component minerals, driven by the increase in Electric Vehicle production and battery storage facilities.



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In March 2023, the Company commenced its 2023 exploration program to continue to define and increase geological confidence in its Graphite Mineral Resource base.

March 2023 drilling program

Kookaburra Gully's highly prospective graphite mineralised areas (Figure 1) are known, from previous drilling, to be associated with areas of conductive response indicated from reprocessing of Airborne EM geophysical data (ASX Release 16/12/2022: *Geophysics identifies graphite targets for 2023*). During the quarter, the Company also completed a ground-based Electromagnetic (EM) survey over key graphite prospects to assist in target definition for a drilling program comprised of 5643 metres of aircore drilling.

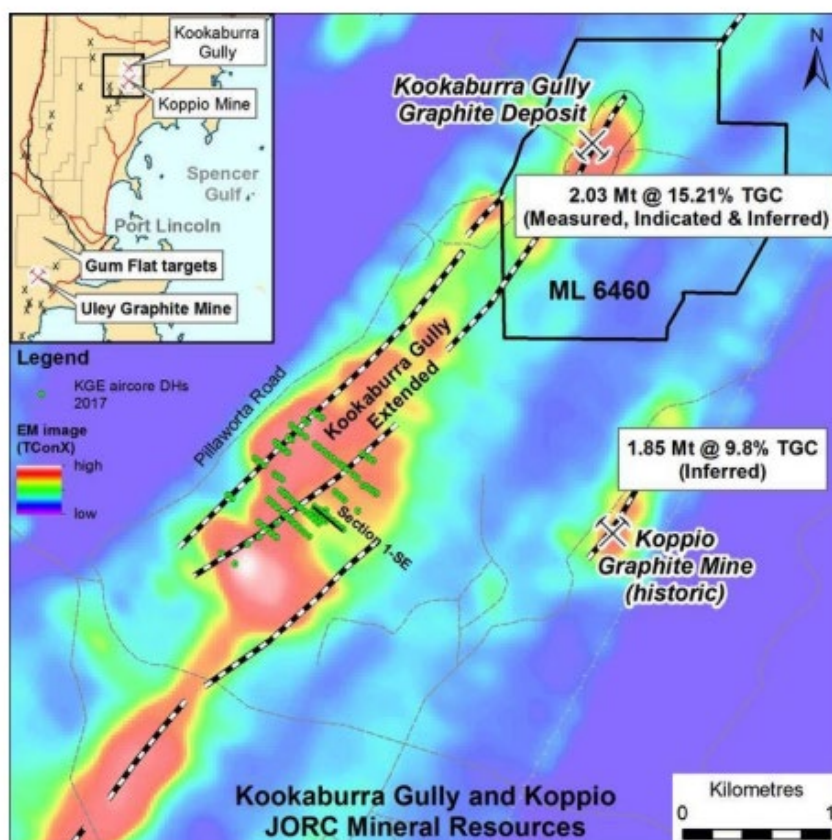


Figure 1: Kookaburra Gully Graphite Resources and Drilling over Airborne EM survey conductive areas

In March 2023, Lincoln completed a drilling program over two prospects within EL 6024 which forms one of the six tenements within the Company's Amalgamated Expenditure Arrangement (AEA). Drilling was designed to test the potential for additional graphite mineralisation, which may increase the Kookaburra Gully Graphite Project's overall graphite inventory. These prospects are:

- Koppio Prospect: The Company completed 31 holes for 2693m of infill aircore drilling program to strengthen the confidence level of the previously estimated Inferred Graphite Mineral Resource (Inferred Graphite Resource of 1.85Mt @ 9.8% TGC (Total Graphitic Carbon) at 5% cutoff) (ASX Release 13 July 2015 *Maiden Graphite Resource*); and
- Kookaburra Gully Extended (KGE) prospect: 44 aircore drill holes for 2950m targeting a previously undrilled area within the larger airborne EM conductor anomaly which extends to the south for about 5km from the Kookaburra Gully Mineral Resource. Visual indications of graphite mineralisation were evident from the geological logging of the drilling in two holes and assay confirmations are pending.

Lincoln completed an initial phase of drilling at the Koppio prospect with drilling targeted at infilling existing broad spaced drilling to approximately 40m drill sections, aimed at increasing the geological confidence of this area. Results are pending.

The second phase of drilling was completed within the KGE prospect where a ground-based EM survey was completed prior to drilling to assist in targeting the drillholes. Preliminary results indicated a subtle elongate conductive zone extending over 600m in a northeast-southwest direction.

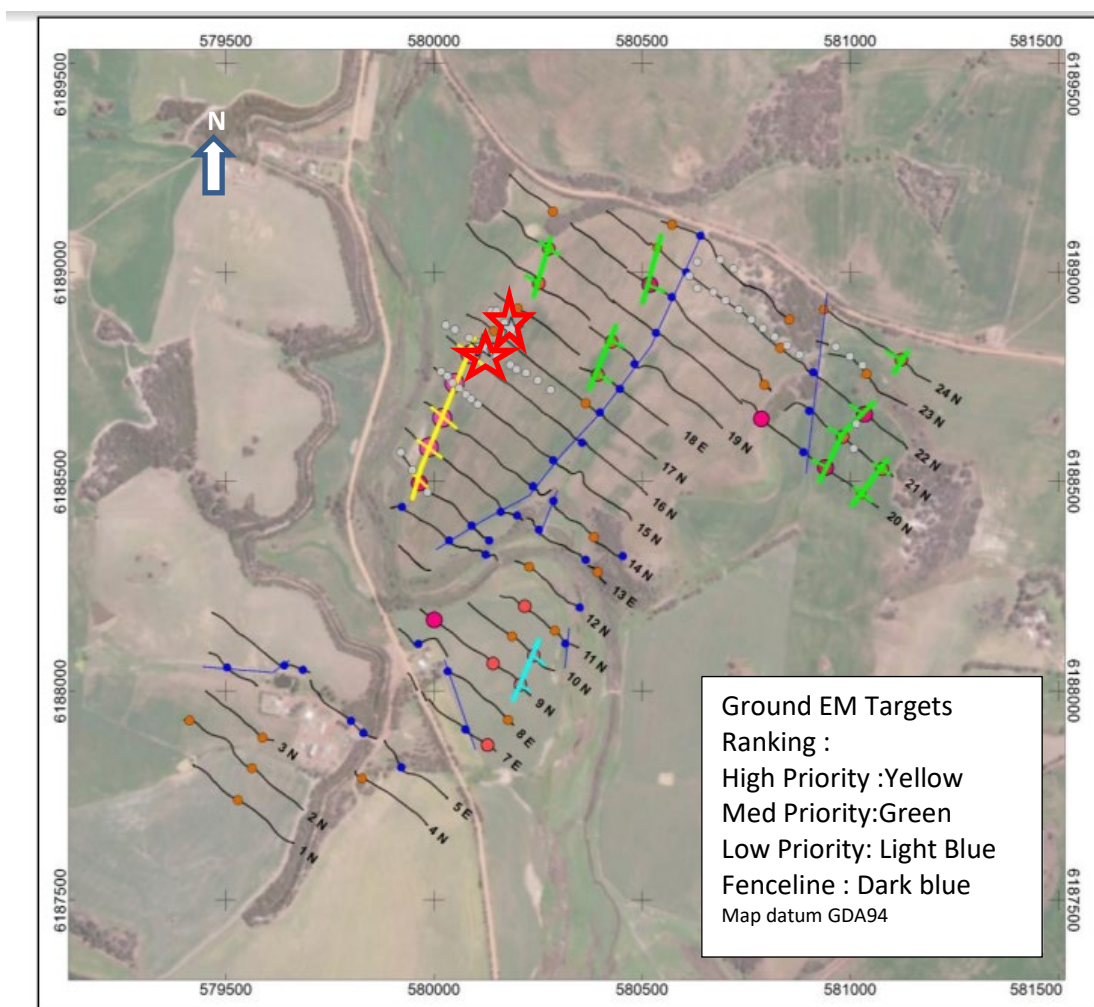


Figure 2: Kookaburra Gully Extended Drill Locations (white dots) with superimposed ground EM targets (Time Domain EM, 80m line spacings) with visible graphite intersections in drilling indicated by red stars.

As this area was untested prior to this exploration program, Lincoln drilled holes on broad-spaced lines of approximately 400m line spacing and 40m between holes across the interpreted trend of the geology and interpreted prospective conductive zones. A single interval with visible graphite content on the margin of the anomaly was intersected and additional closer-spaced infill drilling on 80m line spacing either side, along strike of the initial indication, produced another visible graphite intersection to the north (Figure 2).

This visible graphite is potentially prospective and may be open along strike to the north but may also indicate that this area contains some geological complexity and requires follow up drilling. Representative samples have been collected and submitted to Bureau Veritas laboratories in Adelaide for analysis and the Company expects results will be processed and made available in over the coming weeks.

Quarterly Activities Report – 31 March 2023



Corporate

The Company completed a successful rights issue, raising \$4.6M before costs and repayment of a \$1.6M loan. The rights issue was underwritten by Evolution Capital Limited, and the Company's shares were reinstated to trading status on the ASX on 20 January 2023 and 770,478,122 new ordinary shares were issued under ASX Code LMLND.

During the quarter, Catherine Norman was appointed independent non-executive chair of LML.

Mr Sam Barden (MD and CEO) resigned from his role, effective 23 June 2023, and was put on garden leave. Ms Norman assumed responsibility as acting CEO until a new CEO is appointed.

Payments to related parties includes directors' fees and salaries paid to directors during the quarter (including a listing bonus paid to the Managing Director). The company also issued 38m shares at \$0.006 to directors during the quarter as previously approved by shareholders at the 2022 AGM; and a further 5m shares at \$0.006 and 4m shares at \$0.012 to the Chair following her appointment to that position in February 2023.

Tenements

Lincoln holds exploration rights to South Australian licence holdings totalling 1,151km², all located on Eyre Peninsula, with 999km² of this 100% owned by Lincoln.

The status of all Exploration Licences (EL) as of 31 March 2023 for which Lincoln is the Licensee is shown under Schedule A – Tenement Schedule and map. All EL's are current with EL 6421- Uno, EL 5942-Eurilla, EL 5922-Wanilla, EL 5971-Tumby Bay and EL 6024- Mount Hill applications for renewal lodged with the South Australian Government. Exploration Licences 6441 Dutton River and 6448 Wanilla were renewed during the December 2022 quarter.

ASX Listing Rule 5.23 Statement

The references in this announcement which relate to Ore Reserves, Mineral Resources and Exploration Results of the Company are detailed in the Company's 2022 Annual Report (*released to the ASX on 17 October 2022*). The Company is not aware of any new information or data that materially affects the information in the original market announcement and all material assumptions and technical parameters underpinning the estimates in the relevant announcement continue to apply and have not materially changed.

This quarterly report has been approved for release by the Board of Lincoln Minerals Limited. For further information please contact:

Cath Norman, Chair/Acting CEO	Andrew Metcalfe, Company Secretary
Lincoln Minerals Limited	Lincoln Minerals Limited
E: cath.norman@lincolnminerals.com.au	E: Andrew@accosec.com

About Lincoln Minerals Limited

Lincoln Minerals Limited (ASX: LML) is a mining exploration company, focused on graphite, gold, copper and iron ore in South Australia. The Company's cornerstone graphite project is based at the Kookaburra Gully Graphite project on southern Eyre Peninsula.

SCHEDULE A - Tenement Schedule

Tenement	Renewal Date	Area (km ²)	Location	Target Commodity
LINCOLN MINERALS 100% OWNERSHIP OF ALL MINERAL RIGHTS				
EL 5942*	28-Jan-22	52	Eurilla	Gold, Base metals
EL 5922*	12-Feb-22	188	Wanilla	Graphite
EL 6421*	28-Sep-24	26	Uno	Gold, Base metals
EL 6441	3-Nov-24	82	Dutton River	Graphite
EL 6638	6-Jan-26	92	Gum Flat	Graphite, Iron
EL 5971*	11-Apr-22	182	Tumby Bay	Graphite, base metals
EL 6024*	5-Aug-22	295	Mount Hill	Graphite, base metals
EL 6448	15-Nov-24	79	Wanilla (Bald Hill)	Graphite, Iron
ML 6460	2-June-37	300.8 ha	Kookaburra Gully	Graphite
Subtotal		999		
LML HAS 100% OWNERSHIP OF ALL MINERAL RIGHTS (EXCLUDING IRON ORE)				
EL 5851	13-Aug-27	117	Minbrie	Base metals
ML 6344	11-Aug-29	916 ha	Wilgerup	Base metals
RL 129	07-Nov-26	2,547 ha	Kimba Gap	Base metals
Subtotal		152		
Grand total		1,151		

* Exploration Licence renewals in progress



Map of Lincoln Minerals' Eyre Peninsula (SA) tenements.

Exploration Licence data based on the Department of Energy and Mining, the Government of South Australia, Exploration and Geoscientific Data, sourced on 19 January 2023

http://www.energymining.sa.gov.au/minerals/exploration/tenement_information

Disclaimers

Competent Person Statement

Information in this report that relates to Exploration Results and Mineral Resources was compiled by Dwayne Povey who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Povey is Chief Geologist for Lincoln Minerals Limited and has sufficient experience relevant to the styles of mineralisation and to the activities which are being reported to qualify as a Competent Person as defined by the JORC Code, 2012. Mr Povey consents to the release of the information compiled in this report in the form and context in which it appears.

Information in this report that relates to Ore Reserves was compiled by Dwayne Povey based on mine optimisation and schedules prepared by Mr Wilson Feltus who was a full-time employee of AMC Consultants Pty Ltd and are members of the Australasian Institute of Mining and Metallurgy. Mr Povey and Mr Feltus have sufficient experience relevant to the styles of mineralisation and to the activities which are being reported to qualify as Competent Persons as defined by the JORC Code, 2012 and consent to the release of the information compiled in this report in the form and context in which it appears.

Information extracted from previously published reports identified in this report is available to view on the Company's website www.lincolnminerals.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Forward looking statements - This document may include forward looking statements. Forward looking statements include, are not necessarily limited to, statements concerning Lincoln Minerals Limited's planned operation program and other statements that are not historic facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward looking statements. Although Lincoln Minerals Limited believes its expectations reflected in these are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements. The entity confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning this announcement continue to apply and have not materially changed.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Lincoln Minerals Limited

ABN

50 050 117 023

Quarter ended ("current quarter")

31 March 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(221)	(291)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(289)	(423)
	(e) administration and corporate costs	(284)	(1,164)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (PAYG Boost)	-	-
1.9	Net cash from / (used in) operating activities	(793)	(1,877)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	4,623	4,623
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(427)	(427)
3.5	Proceeds from borrowings	10	1,090
3.6	Repayment of borrowings	(1,600)	(1,600)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	2,636	3,716

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	38	104
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(793)	(596)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,606	530

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,851	38

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,851	38
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,851	38

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	246
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term “facility” includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A’000	Amount drawn at quarter end \$A’000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (Convertible Note)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end	Not applicable	
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	None		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(793)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(793)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,851
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1,851
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.33
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	N/A	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	N/A	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
 - 2 This statement gives a true and fair view of the matters disclosed.
- Date: 19 April 2023
- Authorised by: the Board of the Company

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: *Exploration for and Evaluation of Mineral Resources* and AASB 107: *Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.