



TOWARDS ONE BILLION

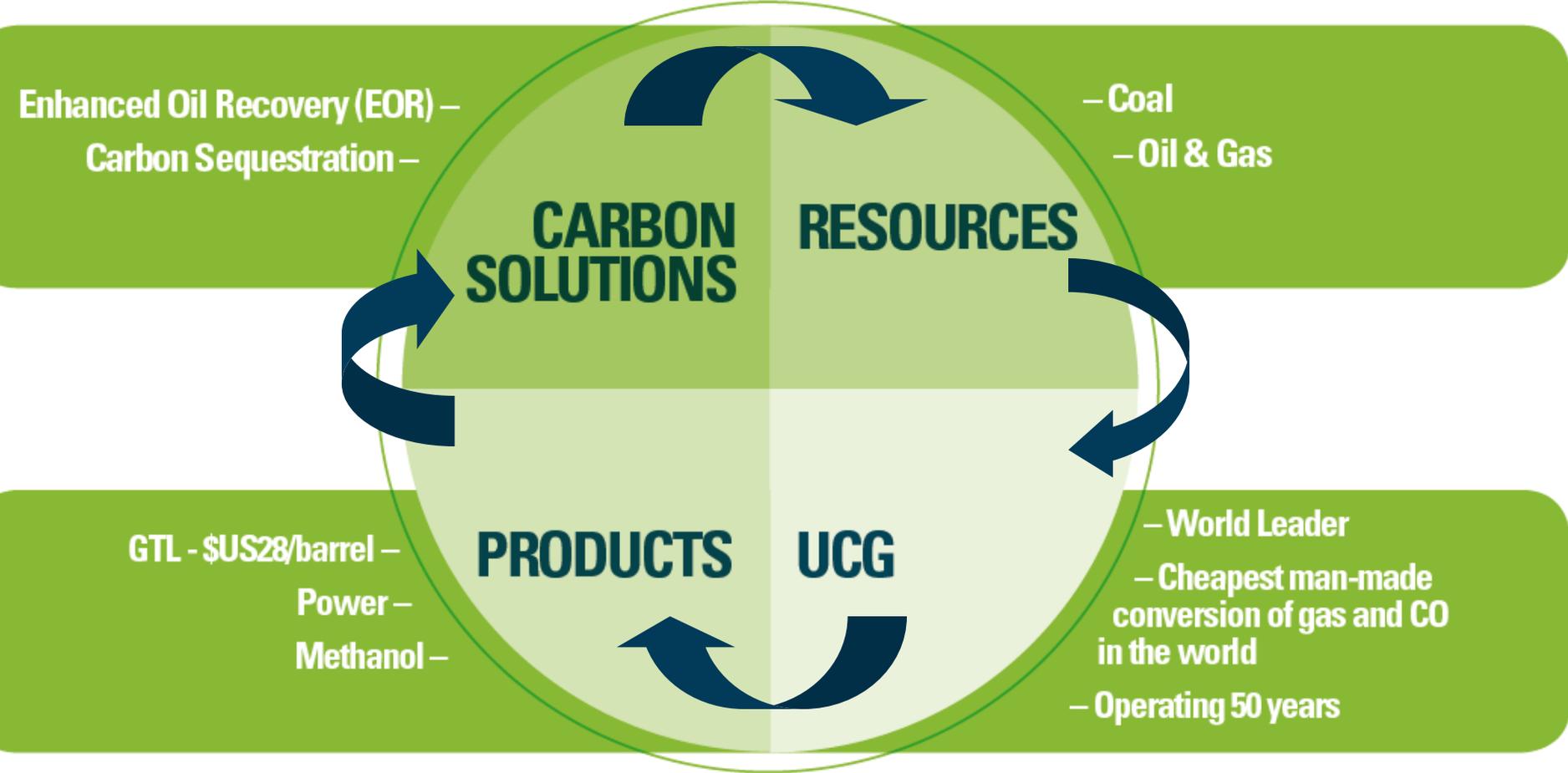
Annual General Meeting

2010

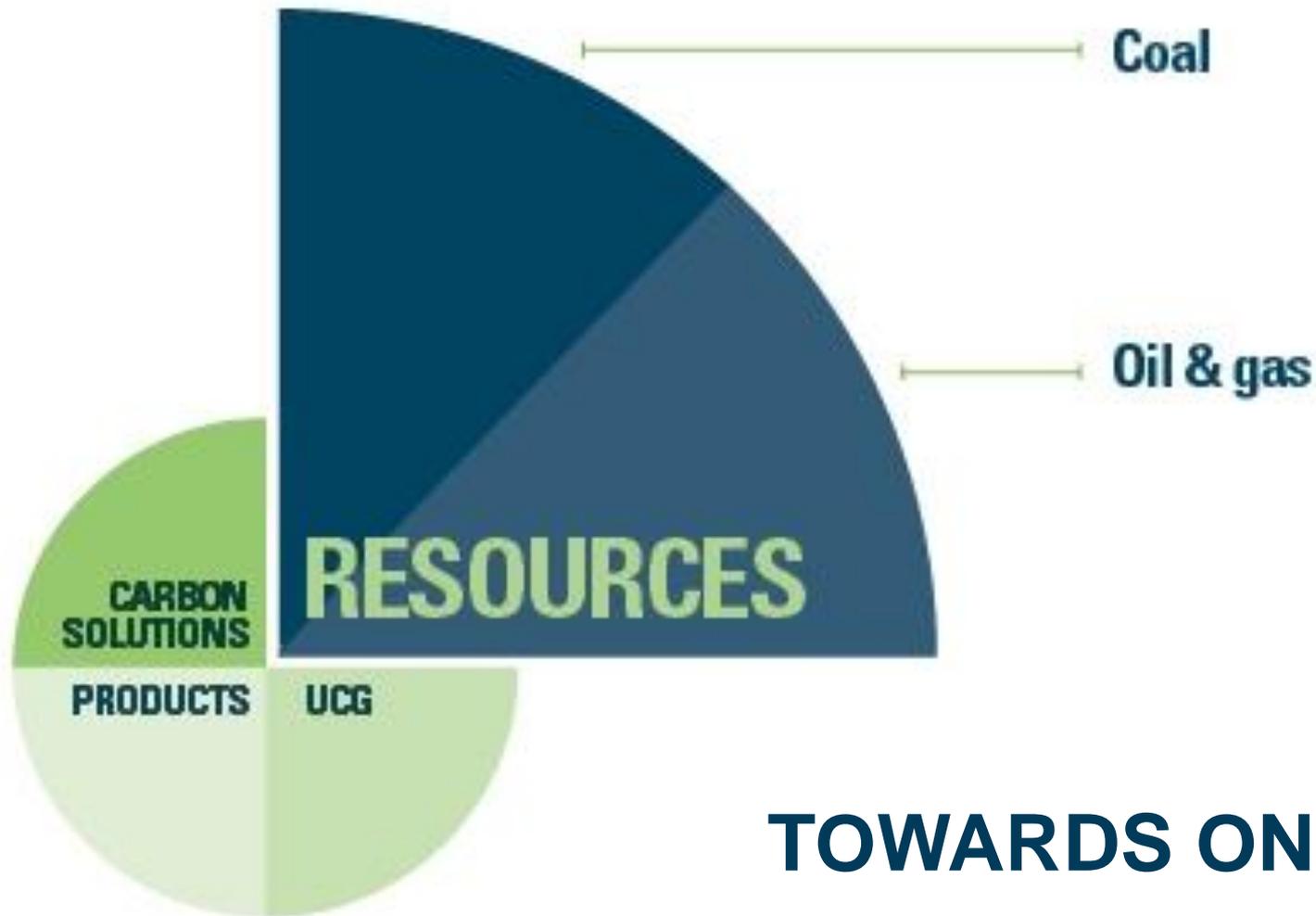
www.lincenergy.com.au



BUSINESS MODEL



RESOURCES |



TOWARDS ONE BILLION

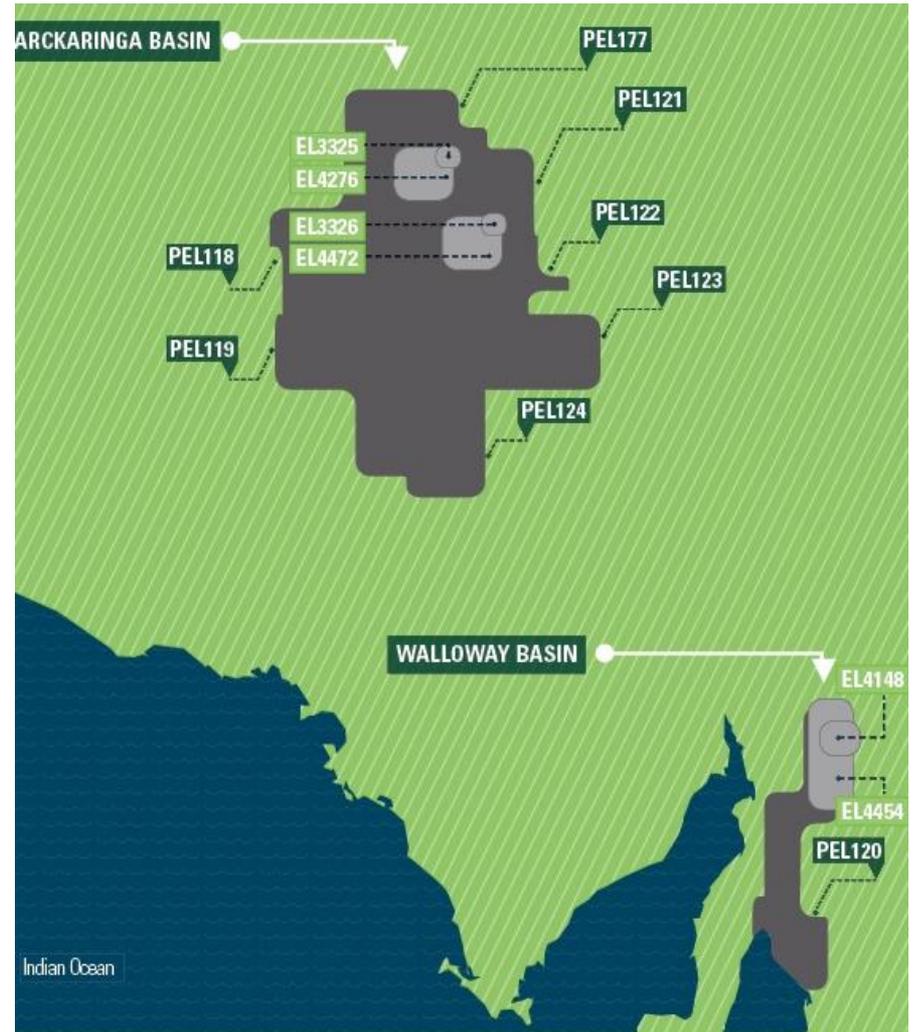
RESOURCES | WHY OUR COAL?



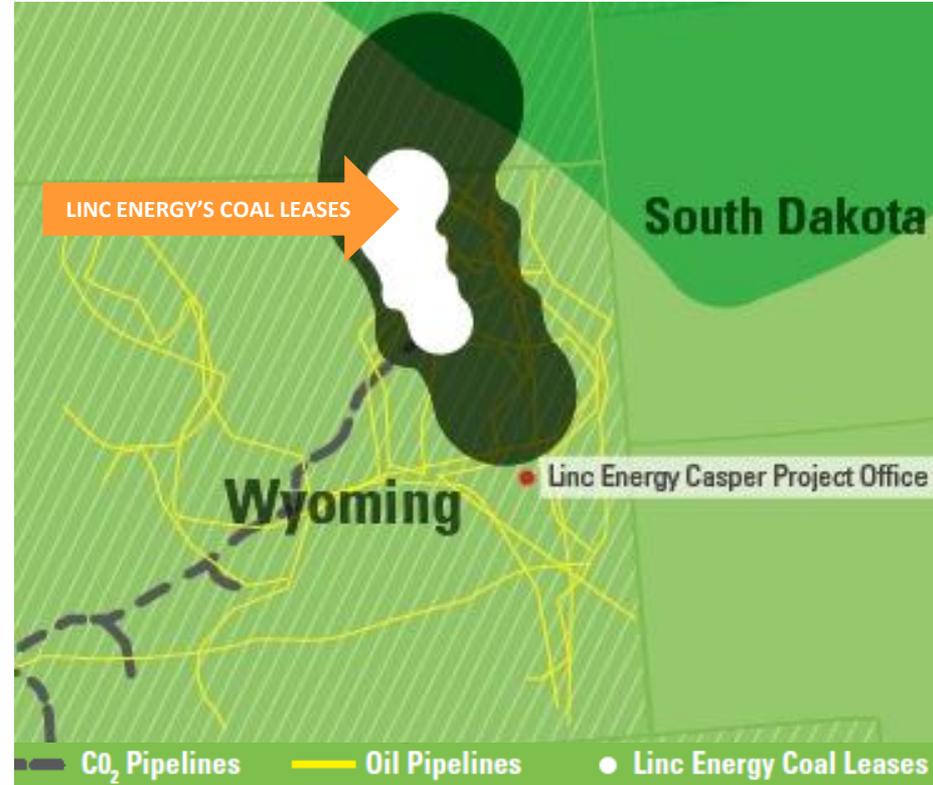
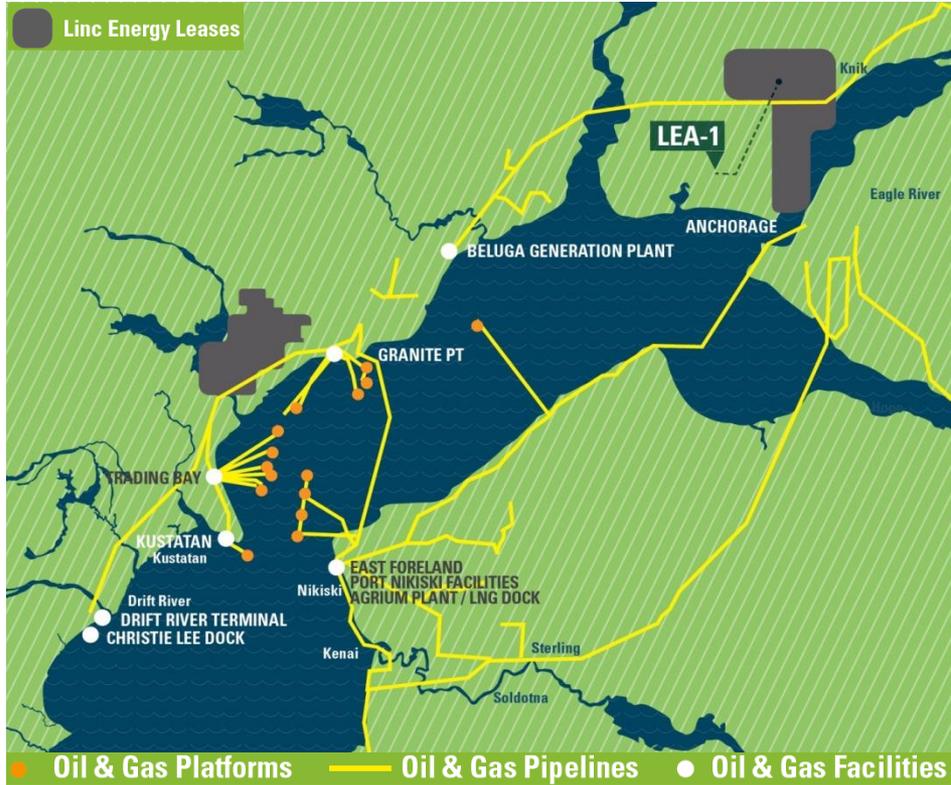
- Approx 350 coal, oil and gas leases (tenements)*
- Current total acreage = larger than Oklahoma State (22 million acres)
- Growth target of **100 billion tonnes** over next 18 months

** Indicative only – non JORC compliant*

COAL | QUEENSLAND & SOUTH AUSTRALIA



COAL | ALASKA & WYOMING



OUR FUTURE WITH OUR RESOURCES



UCG |

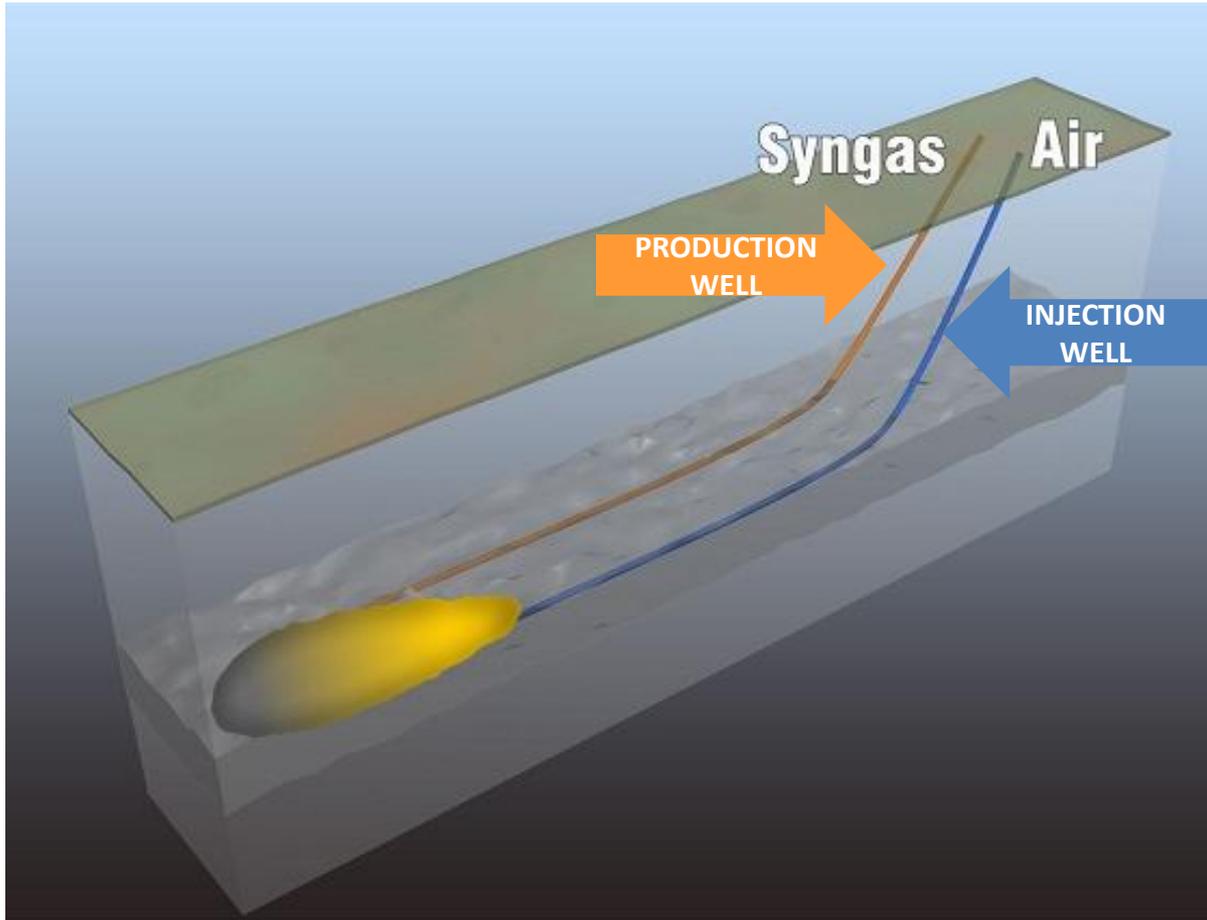


- 10 years of successful UCG operations at the Chinchilla facility
- 2011 marks 50 years of commercial UCG operation at Yerostigaz, Uzbekistan
- UCG is the next big unconventional energy story
- UCG strategic Joint Ventures for EOR/GTL and power generation opportunities in USA, Alaska, Europe, China and India.

OUR FUTURE WITH OUR UCG



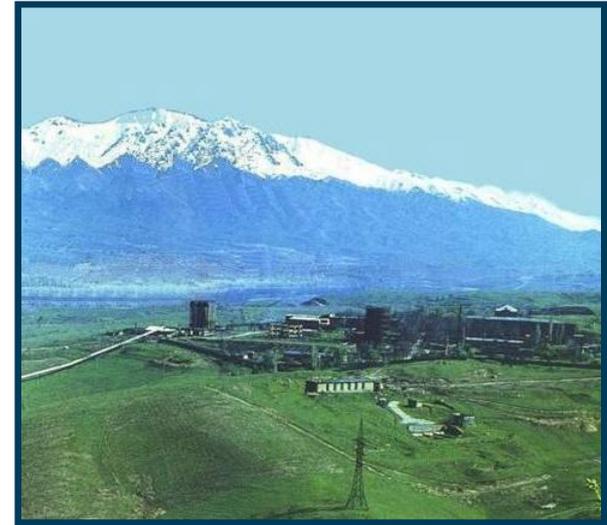
THE UCG PROCESS



- UCG converts coal into gas while it is still deep underground
- Two parallel holes are drilled into the coal seam and connected
- Heat (at 1200 degrees) is introduced where the wells connect creating a chemical reaction called gasification
- Produces synthesis gas (syngas), and leaves a void where the coal has been consumed.

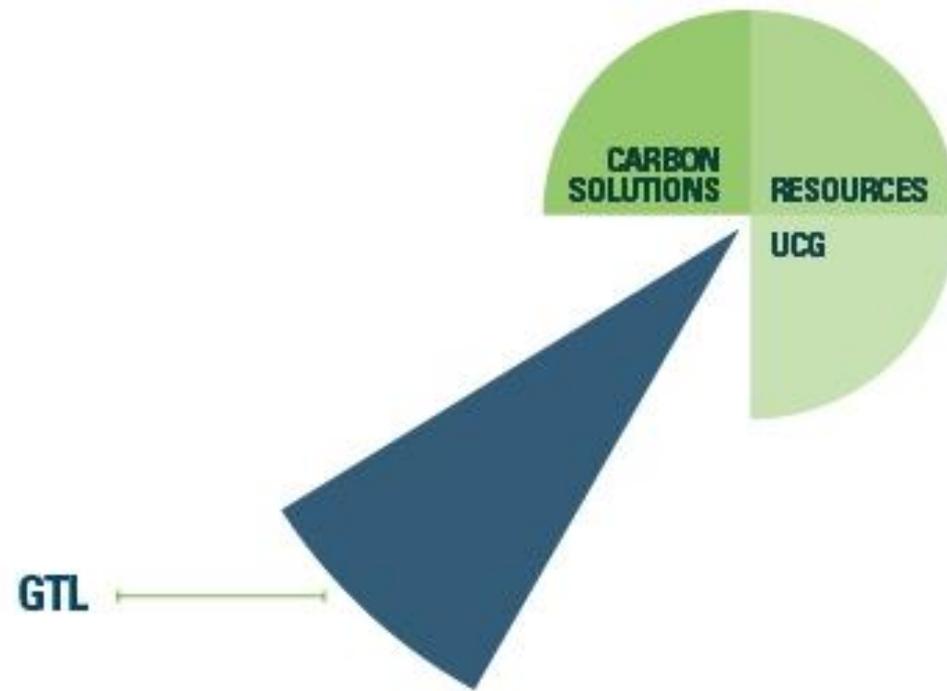
YEROSTIGAZ – UCG OPERATION

- Owned and controlled by Linc Energy
- 50 years of commercial operations
- Produces 1,000,000Nm³ of commercial gas per day into Angren Power Station



PRODUCTS | GTL

- UCG to GTL (clean diesel) for \$US28/barrel
- Modularised GTL plant (better CAPEX value, faster construction and no scale-up risk)
- GTL fuels easily distributed and compatible with cars, trucks and aircraft
- Clean and green : zero sulphur and low CO₂ emissions.

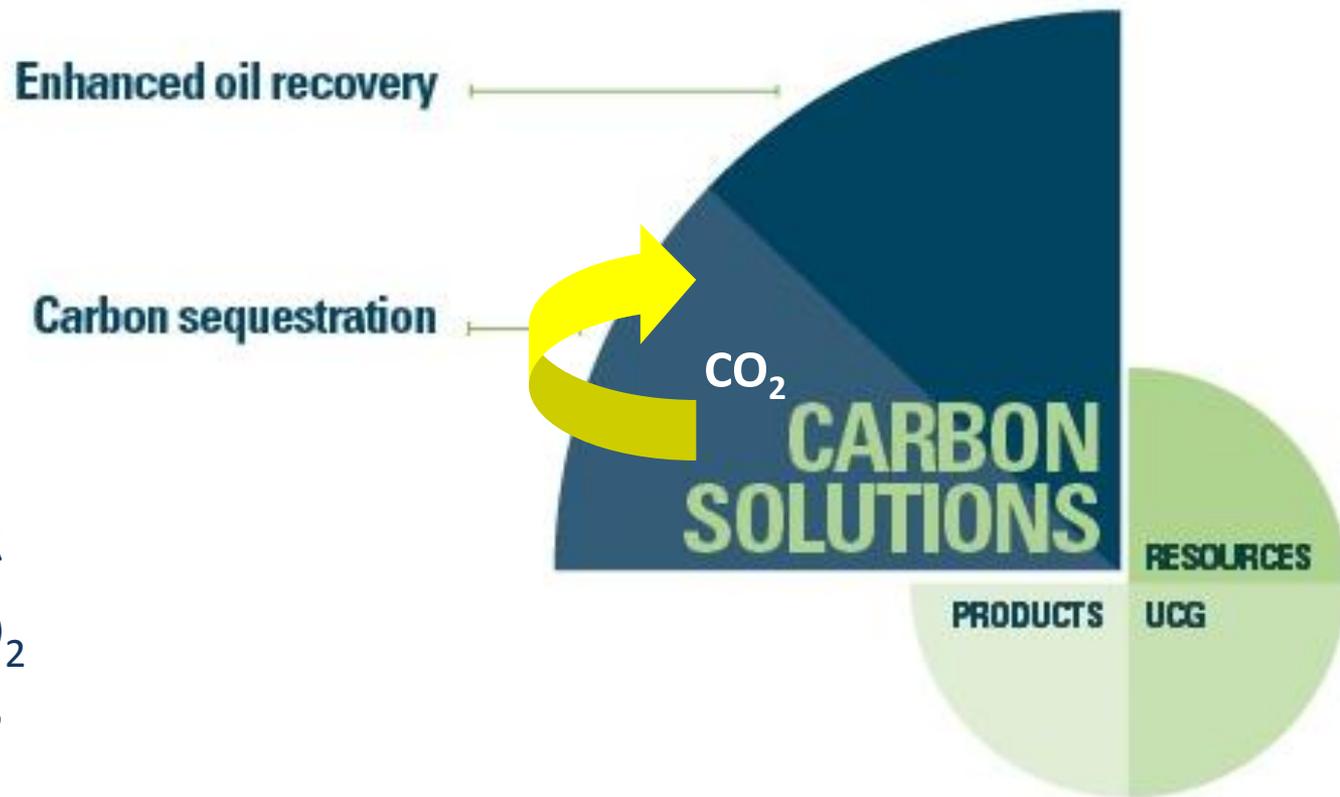


PRODUCTS | GTL



CARBON SOLUTIONS | EOR

- Carbon sequestration (GFZ)
- EOR is based on proven oil resources
- UCG provides cheap and accessible CO₂ necessary for EOR
- Every tonne of CO₂ = approx 5 barrels of oil



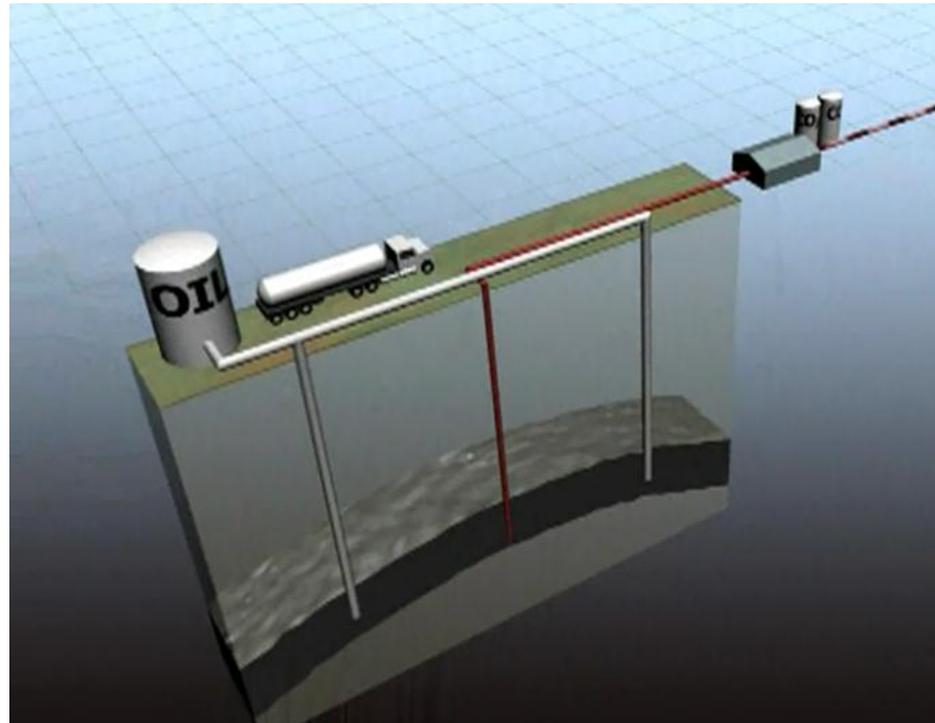
CARBON SOLUTIONS | EOR

Weyburn,

Saskatchewan

- Use of CO₂ flooding since 2001 has averaged 20,000 barrels per day
- Since CO₂ flooding began, this has resulted in an extra 67Mn barrels being recovered

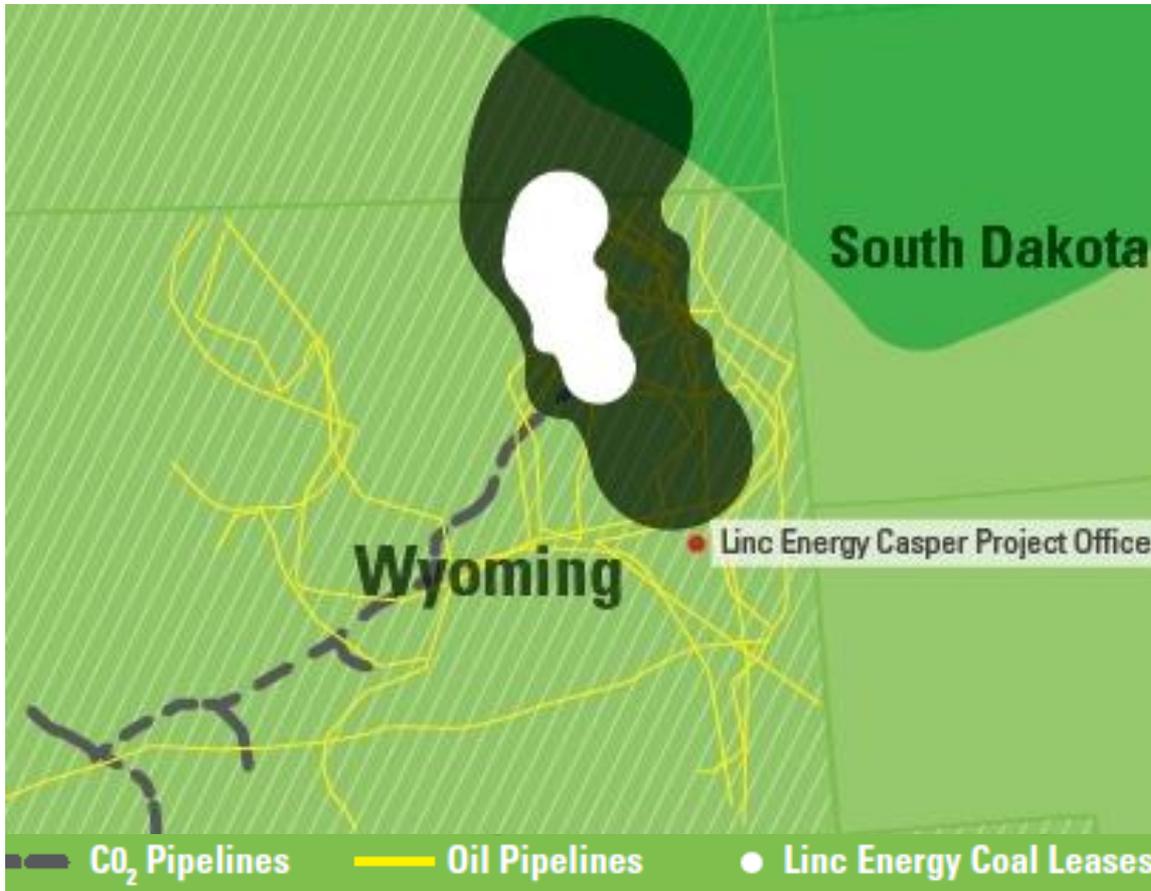
Enhanced oil recovery



Source: ptrc.ca/weyburn_overview.php

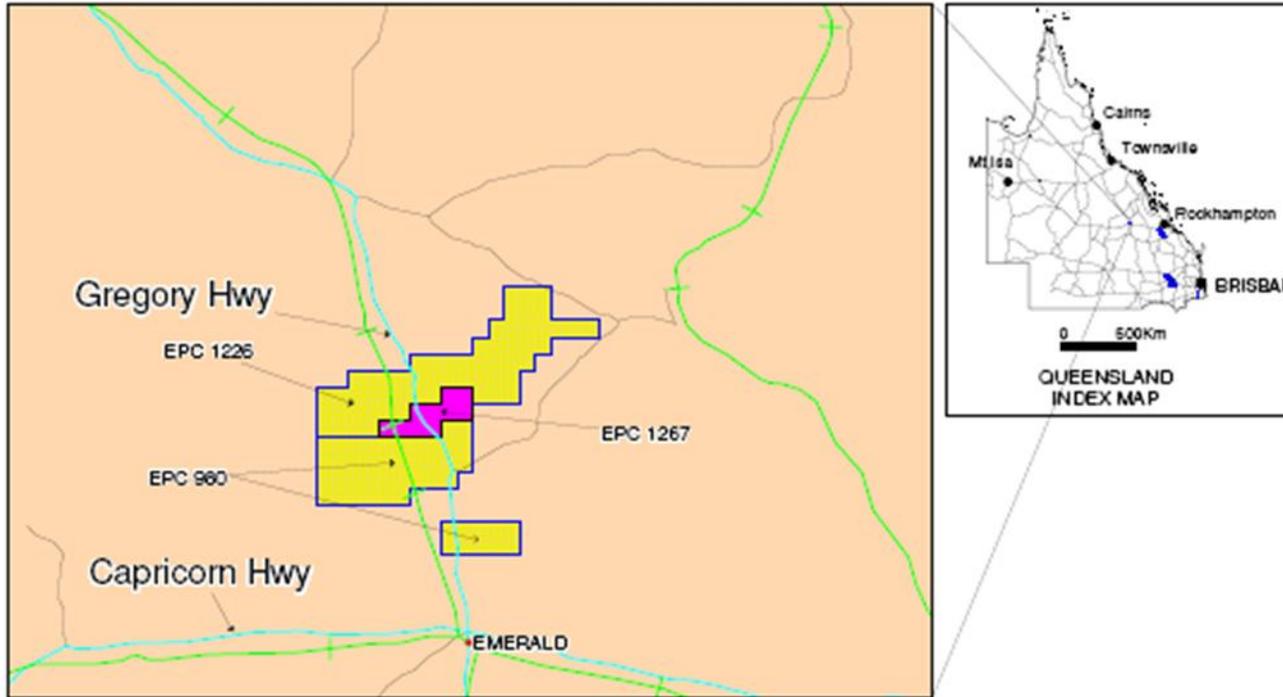
EOR STRATEGY | WYOMING

Linc Energy aims to supply 2 or 3 EOR fields in the next 12 – 18 months to produce approx 10,000 barrels/day

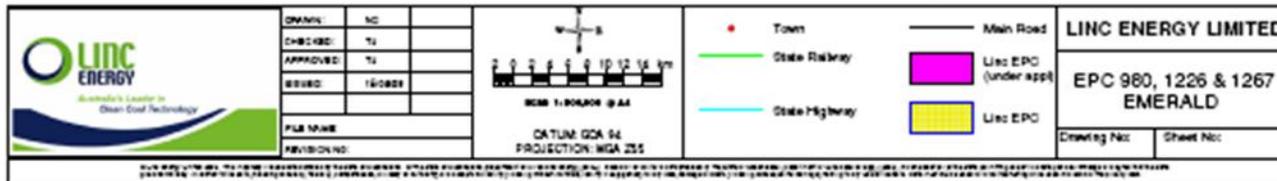


- EOR oil production costs = \$30 to \$35/barrel
- 10,000 bpd production equates to \$180 - \$200 million EBITDA
- Linc Energy's five year plan is to have over 100,000 bpd EOR oil production.

UNLOCKING VALUE | TERESA

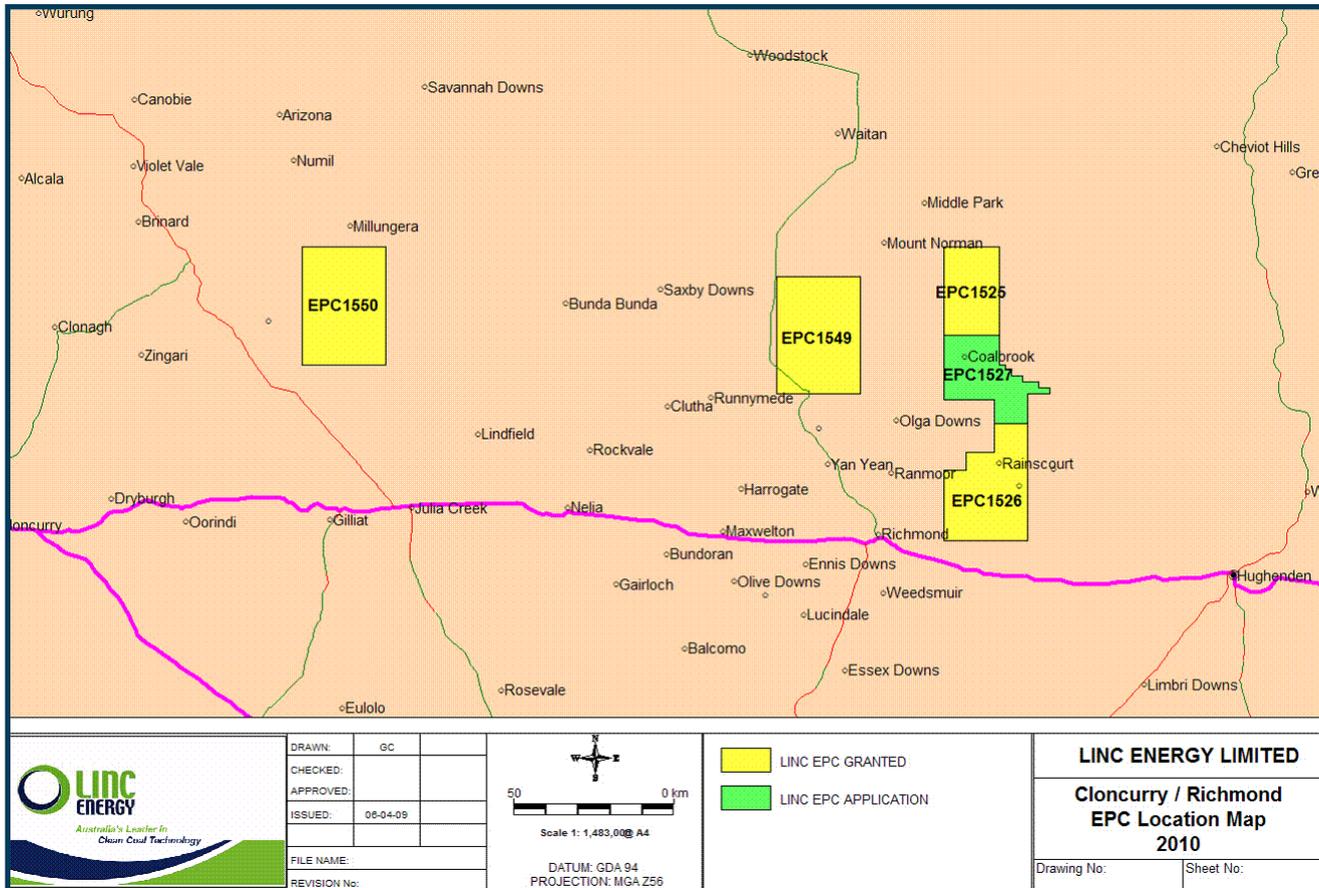


**TARGET
PRICE :
Approx
\$500M by
Q2, 2011**



... AND EVEN MORE VALUE TO COME

GREAT NORTHERN COAL LEASE



SUMMARY | MILESTONES (18 months)

- Select EOR sites in Q1 2011
- UCG to EOR project commencement Q4 2011

CARBON SOLUTIONS

RESOURCES



- To sell another coal resource in Q2 2011 – Qld
- Complete LEA-1 (Alaska) well in December 2010
- 2D Seismic and 10 exploration wells – SA, Oil
- Develop UCG and EOR in Wyoming by late 2011
- Expand oil & gas assets to 100 billion tonnes

- Contracts on GTL modularised plant – June 2011
- First steel laid for construction of GTL commercial products in Q3, 2011.

PRODUCTS

UCG

- Develop JV with companies in Asia/India/Europe/USA
- Gasifier 5 operating in Chinchilla
- First UCG gasifier in PRB in Q3, 2011
- Multiple gasifiers approved in PRB for revenue.

TOWARDS ONE BILLION



FUELING OUR FUTURE

QUESTIONS ...



Disclaimer

This presentation contains forward looking statements that are subject to risk factors associated with the petroleum and mining businesses. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, geotechnical factors, drilling and production results, gas commercialisation, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.