

Monday, 21 January 2019: ASX ANNOUNCEMENT (ASX: LCK)

Operations Progress Update

- Gas flow rapidly increasing towards commercial flow rates
- Syngas quality excellent

Leigh Creek Energy Limited (ASX: LCK) ("LCK" or "the Company") announces that its LCEP PCD is rapidly maturing towards commercial flow rates.

Managing Director's comments

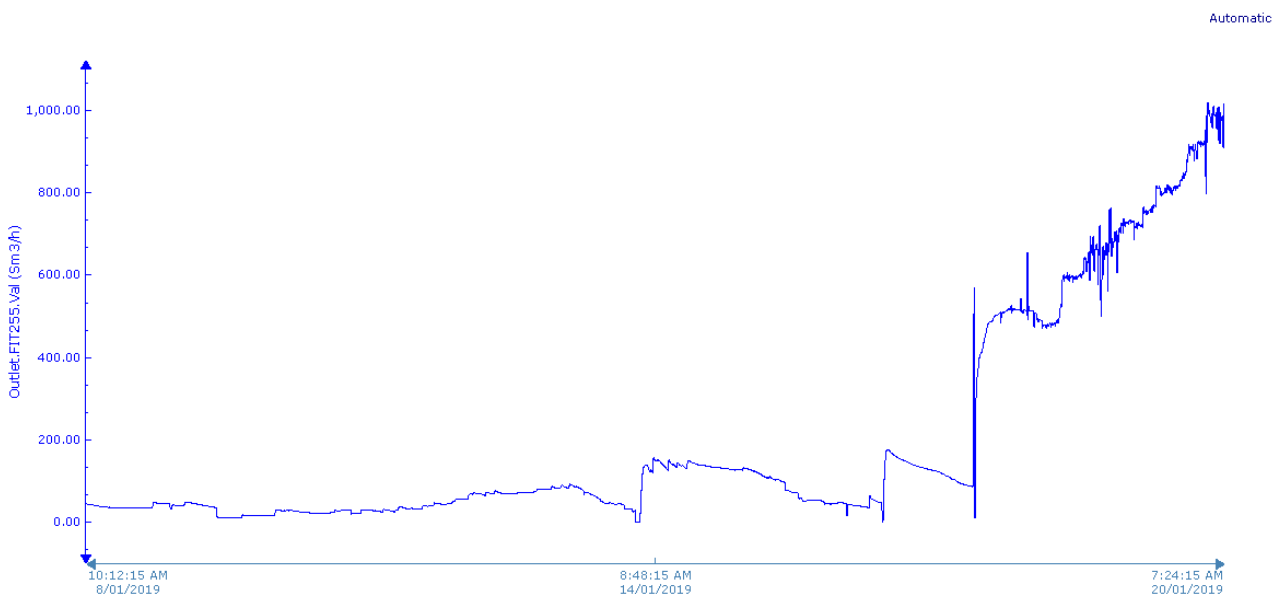
LCK Managing Director Phil Staveley commented: *"We are continuing increasing the syngas flow rates whilst maintaining quality. The quality of the gas and flow rates are extremely encouraging, and we target meeting full commercial flows and quality in the very near future, when we will be performing the pre-commercial tests at commercial flow rates. We will keep the market informed as it develops."*

Syngas flow rate increasing, quality stable

LCK previously reported (see ASX announcement 8 January 2019) that the LCEP had successfully reached stable production within the gasification phase whilst operating at low flow rates and that the Company would commence increasing flow rates to commercial quantity.

As of 20 January 2019 the flow rates are consistently in excess of 1,000 standard cubic metres per hour (Sm³) which equates to 8,760,000 Sm³ per year – a twenty-fold increase since the 8 January 2019 announcement of first Syngas quality. Syngas composition is consistently recorded up to 20% methane and between 5% and 10% hydrogen – values which clearly align with our previous announcements.

The chart below shows the development of the flow rates since the last announcement in January.



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About Leigh Creek Energy

Leigh Creek Energy Limited (LCK) is an emerging energy company focused on developing its Leigh Creek Energy Project (LCEP), located in South Australia. The LCEP will produce high value ammonium nitrate products (fertiliser and industrial explosives) from the remnant coal resources at Leigh Creek, utilising In Situ Gasification (ISG) technologies, and will provide long term stability and economic development opportunities to the communities of the Upper Spencer Gulf, northern Flinders Ranges and South Australia.

The Company is committed to developing the LCEP using a best practice approach to mitigate the technical, environmental and financial project risks.