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ASX ANNOUNCEMENT

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LINC ENERGY RECEIVES POSITIVE REPORT FROM INDEPENDENT EXPERT PANEL

- **Linc Energy's Chinchilla demonstration facility goes from strength to strength**
- **Independent Scientific Panel on Underground Coal Gasification appointed by Queensland Government highlights Linc Energy's 'significant technical capacity' and 'world's leading practice'**
- **Strong endorsement of Linc Energy's technology and environmental management, as Linc Energy's UCG Gasifier 4 hits 12 months of continuous operation**

Linc Energy Ltd (ASX:LNC) (OTCQX:LNCGY) is pleased to confirm that it is business as usual for the Company's Chinchilla Underground Coal Gasification (UCG) to Gas to Liquids (GTL) demonstration facility in south west Queensland.

This follows the announcement last Friday by Queensland Minister for Climate Change and Sustainability, The Honourable Kate Jones, to end Cougar Energy's Kingaroy UCG trial on the basis that Cougar Energy could not demonstrate to the Department of Environment and Resource Management and the Independent Scientific Panel that it could recommence its operations without an unacceptable risk of causing environmental harm.

The Company is pleased to note that the same Independent Scientific Panel in its report on Linc Energy acknowledged Linc Energy's database containing a considerable quantity of information, its significant technical capacity, the fact that the Chinchilla demonstration facility is regarded as world's leading practice and its willingness and openness in discussing its operations.

The Queensland Government has accepted the Independent Expert Panel's recommendation that Linc Energy's demonstration facility continue as planned. The Company remains on track to complete its demonstration facility trials in accordance with its previously announced timelines.

Mr Peter Bond, Chief Executive Officer, said, "Linc Energy's superior technological capacity together with its dedication and commitment to professional environmental management has resulted in this pleasing outcome as we approach commercialisation of this valuable technology."

"This is an endorsement of our operations and of our unwavering commitment to environmental management and the wellbeing of the community around which we operate."

Mr Bond confirmed that Linc Energy is not currently subject to any environmental evaluation notices and that all reports provided to the Queensland Government have been accepted.

“The decision by the Queensland Government to shut down Cougar Energy’s Kingaroy UCG operation is a matter between an operator and the Queensland Government regulator and is not a comment upon UCG as an industry. The fact that Linc Energy’s technical capabilities are acknowledged as world’s leading practice reinforces this.”

For more information visit www.lincenergy.com.au or contact our office on +617 3229 0800.



Peter Bond

Chief Executive Officer

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Company Profile

Linc Energy is an innovative, forward-thinking company developing a significant energy business based on the production of cleaner energy solutions.

Linc Energy has successfully combined two known technologies, Underground Coal Gasification (UCG) and Gas to Liquids (GTL) and has demonstrated its vision of being a leading supplier of a new source of cleaner liquid transport fuels for the future.

UCG technology provides access to coal, deep underground and by in-situ gasification produces a high quality synthesis gas (syngas) containing carbon monoxide and hydrogen.

Aboveground, in the GTL process, syngas is processed via Fischer-Tropsch technology to produce high quality, sulphur free synthetic hydrocarbons.

Linc Energy plans to combine its UCG and GTL technologies commercially at sites in Australia and around the globe as it realises its vision of becoming the world's leader in providing cleaner synthetic diesel and jet fuels from stranded coal resources.

UCG produced syngas can also be used as a feedstock to generate gas turbine combined cycle power, resulting in reduced greenhouse gas emissions.

With significant coal deposits suitable for UCG technology, Linc Energy can provide alternative sources of liquid fuels and power generation well into the foreseeable future.

Linc Energy represents a new future for liquid fuels production and high efficiency energy generation.