

2 November 2012

**COMPANY PRESENTATION MATERIAL  
MINING 2012 RESOURCES CONVENTION**

Linc Energy Ltd (ASX:LNC) (OTCQX:LNCGY) is pleased to provide a copy of a presentation made to the Mining 2012 Resources Convention in Brisbane.

## Company Profile

Linc Energy is a globally focused, diversified energy company with a strong portfolio of coal, oil and gas deposits. It is Linc Energy's purpose to unlock the value of its resources to produce energy to fuel the future.

A publicly listed company, Linc Energy is the global leader in Underground Coal Gasification (UCG), which delivers a synthesis gas feedstock to supply commercially viable energy solutions – such as electricity, transport fuels and oil production – through gas turbine combined cycle power generation, Gas to Liquids (GTL) Fischer-Tropsch processing and Enhanced Oil Recovery.

Linc Energy has constructed and commissioned the world's only UCG to GTL demonstration facility located in Queensland, Australia. This facility produces the world's only UCG to GTL synthetic diesel fuel. Linc Energy also owns the world's only commercial UCG operation, Yerostigaz, located in Uzbekistan. Yerostigaz has produced commercial UCG synthesis for power generation for 50 years.

Linc Energy is on a rapid global expansion path to commercialise its portfolio of resources, with established offices across three continents in the United States, the United Kingdom and Australia.

Linc Energy is listed on the Australian Securities Exchange (LNC) and can also be traded in the United States via the OTCQX (LNCGY).

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# **Mining 2012 Resources Convention**

**31 October – 2 November 2012**



This presentation contains forward looking statements that are subject to risk factors associated with the USA Oil and Gas business. 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.

The oil resource estimates for the Alaska Region in the announcement were compiled by Scott J. Wilson of Ryder Scott Company LP who is qualified in accordance with ASX listing rule 5.11 and who has consented to the form and content in which this statement appears.

The oil resource estimates for the Wyoming Region in the announcement were compiled by James L. Baird of Ryder Scott Company LP who is qualified in accordance with ASX listing rule 5.11 and who has consented to the form and content in which this statement appears.

The oil resource estimates for the Gulf Coast Region in the announcement were compiled by Robert L. Walker of Haas Petroleum Engineering Services, Inc. who is qualified in accordance with ASX listing rule 5.11 and who has consented to the form and content in which this statement appears.

The Valuations for the Alaska Region and Wyoming Region were compiled by Wood Mackenzie. Wood Mackenzie does not warrant or represent that the Information is appropriate or sufficient and has not taken into account the purposes for which the Information is used and you acknowledge and agree that if you use or rely upon the Information for any purpose then you shall do so entirely at your own risk.

The information in this report, where indicated, relating to coal resources is based on information compiled by Troy Turner, who is a member of the Australian Institute of Mining and Metallurgy and who is employed by Xenith Consulting Pty Ltd. Mr Turner has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a competent person as defined in the 2004 Edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves". Mr Turner consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

All \$ are presented in US\$, unless otherwise specified.



**Linc**  
**ENERGY**

**FUELING**  
**OUR FUTURE**



# USA Oil

*Linc Energy's reserves represent a well-balanced portfolio of attractive near-term cash flow opportunities as well as significant longer-term upside potential*

# Oil and Gas Asset Overview

## Gulf Coast

<b>Total Proved:</b>	12.7 MMBoe	<b>Percent Oil:</b>	97%
<b>PV-10:</b>	\$504.5 million <sup>(1)</sup>	<b>Net Production:</b>	~3,000 BOPD

## Alaska - Umiat

<b>Total 2P:</b>	154.6 MMBoe	<b>Percent Oil:</b>	100%
<b>2P PV-10:</b>	\$1,496 million	<b>OOIP:</b>	~1,000 MMBbls <sup>(2)</sup>

## Wyoming

<b>Total Proved:</b>	0.8 MMBoe	<b>Percent Oil:</b>	100%
<b>PV-10:</b>	\$12.1 million	<b>Net Production:</b>	~150 BOPD
		<b>Est. Recoverable Oil:</b>	75 MMBbls <sup>(3)</sup>

(1) Gulf Coast PV-10 values based on Haas report effective as of 1 August 2012. Alaska and Wyoming PV-10 values based on Ryder Scott reports effective as of 1 July 2012 and 30 June 2012, respectively

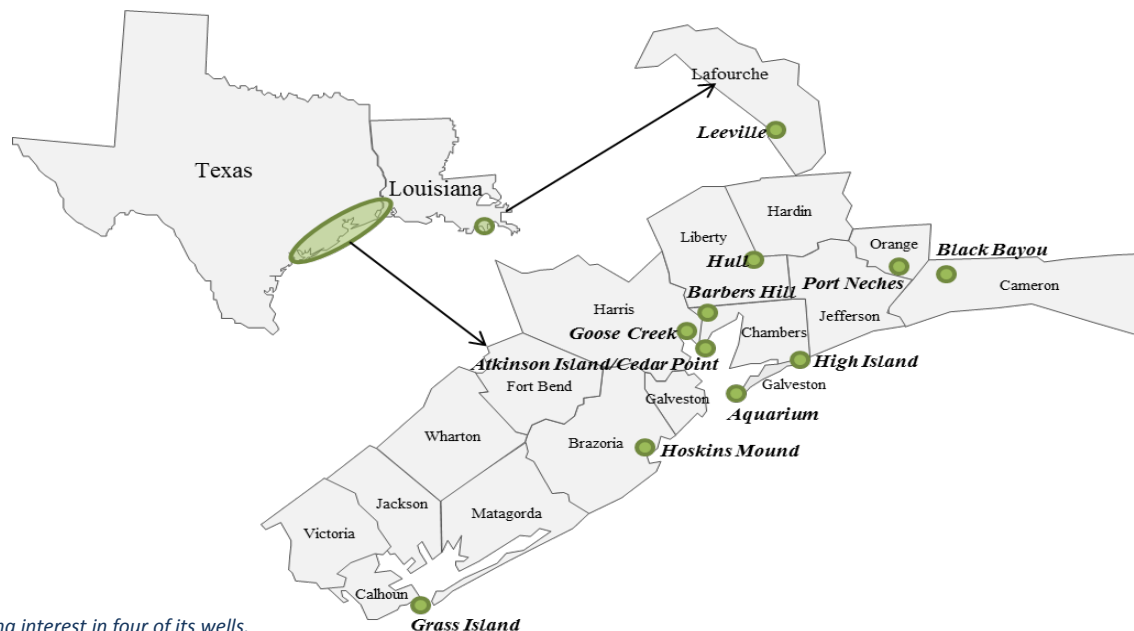
(2) Based on Ryder Scott report effective 1 July 2012.

(3) Based on NITEC report dated March 2007.

# Gulf Coast Field and Development Overview

## Summary Statistics

<b>Total Proved Reserves:</b>	12.7 MMMBoe	<b>Working Interest:</b>	~100% <sup>(2)</sup>
<b>Percent Oil:</b>	97%	<b>Average NRI:</b>	74%
<b>PV-10:</b>	\$504.5 million	<b>Acreage:</b>	13,390 acres
<b>Fields:</b>	14 (13 producing)	<b>Producing Wells:</b>	127
<b>Production (BOPD):</b>	4,035 gross / 2,974 net		



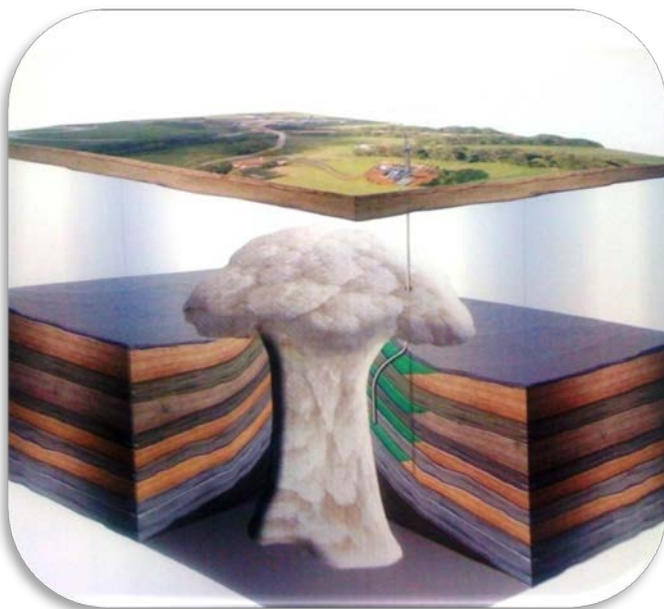
(1) As of 7 September 2012.

(2) Linc Energy has an 87.5% working interest in four of its wells.



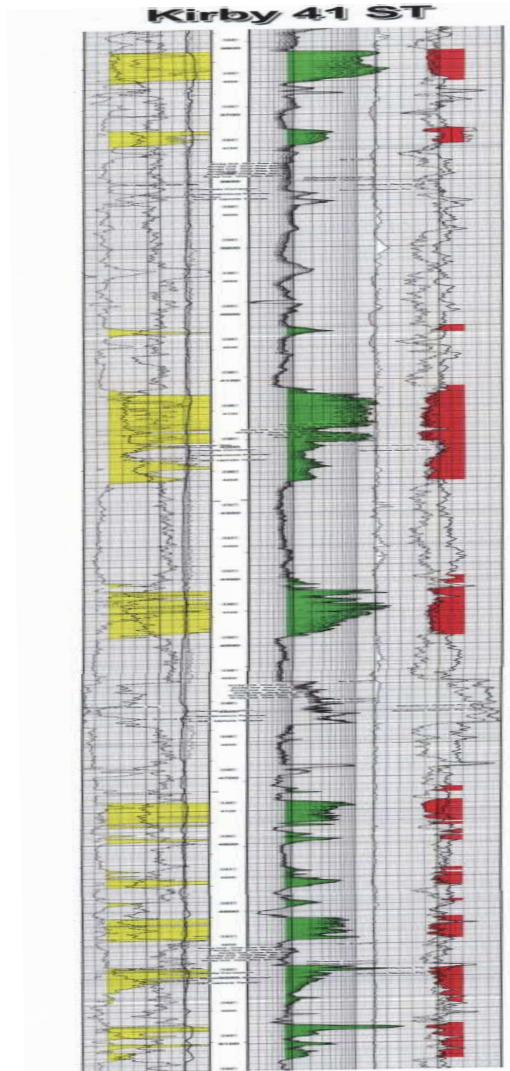
# Gulf Coast Salt Dome Geology

- Production from stacked reservoirs primarily in Miocene and Frio sands at depths to 7,500 feet
- Minimal drilling below 7,500 feet (geopressure)
- Deeper drilling potential (Yegua, Hackberry, and Wilcox)
- Significant 3-D seismic coverage (reprocessing for subsalt)



(1) As of 7 September 2012.

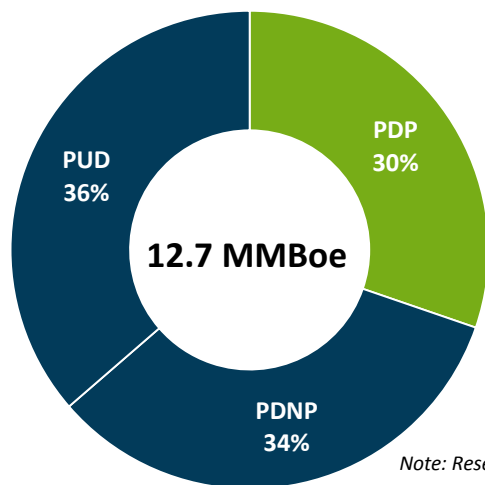
(2) Linc Energy has an 87.5% working interest in four of its wells.



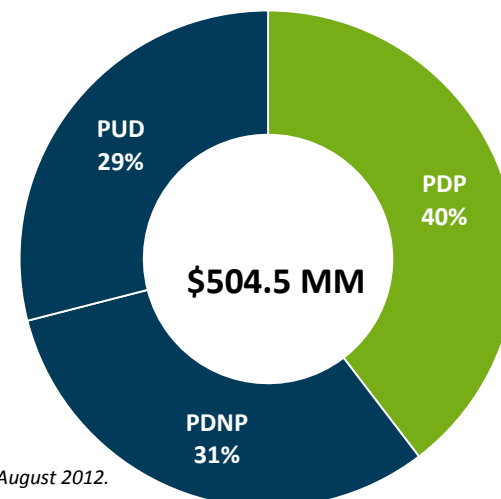
# Gulf Coast Field and Development Overview

	Net Acres	1P Reserves				Gross Daily Production (BOPD)	% Working Interest	% Revenue Interest
		Total (MMBOE)	% Oil	% PDP	PV-10 (\$ in millions)			
Barbers Hill	1,144	7.1	100%	16%	\$266	1,419	100%	78%
Black Bayou	2,435	0.2	100%	37%	13	423	100%	62%
Hoskins Mound	2,500	0.8	73%	22%	30	661	100%	72%
Atkinson Island	385	0.9	87%	72%	43	336	100%	72%
Cedar Point	1,040	0.6	96%	64%	24	436	100%	61%
High Island	901	1.5	100%	23%	70	256	100%	75%
Port Neches	3,810	0.5	99%	47%	27	181	100%	83%
Other	1,175	1.0	99%	NA	33	323	NA	NA
<b>Total</b>	<b>13,390</b>	<b>12.7</b>	<b>97%</b>	<b>30%</b>	<b>\$505</b>	<b>4,035</b>	<b>98%</b>	<b>74%</b>

1P Reserves by Category



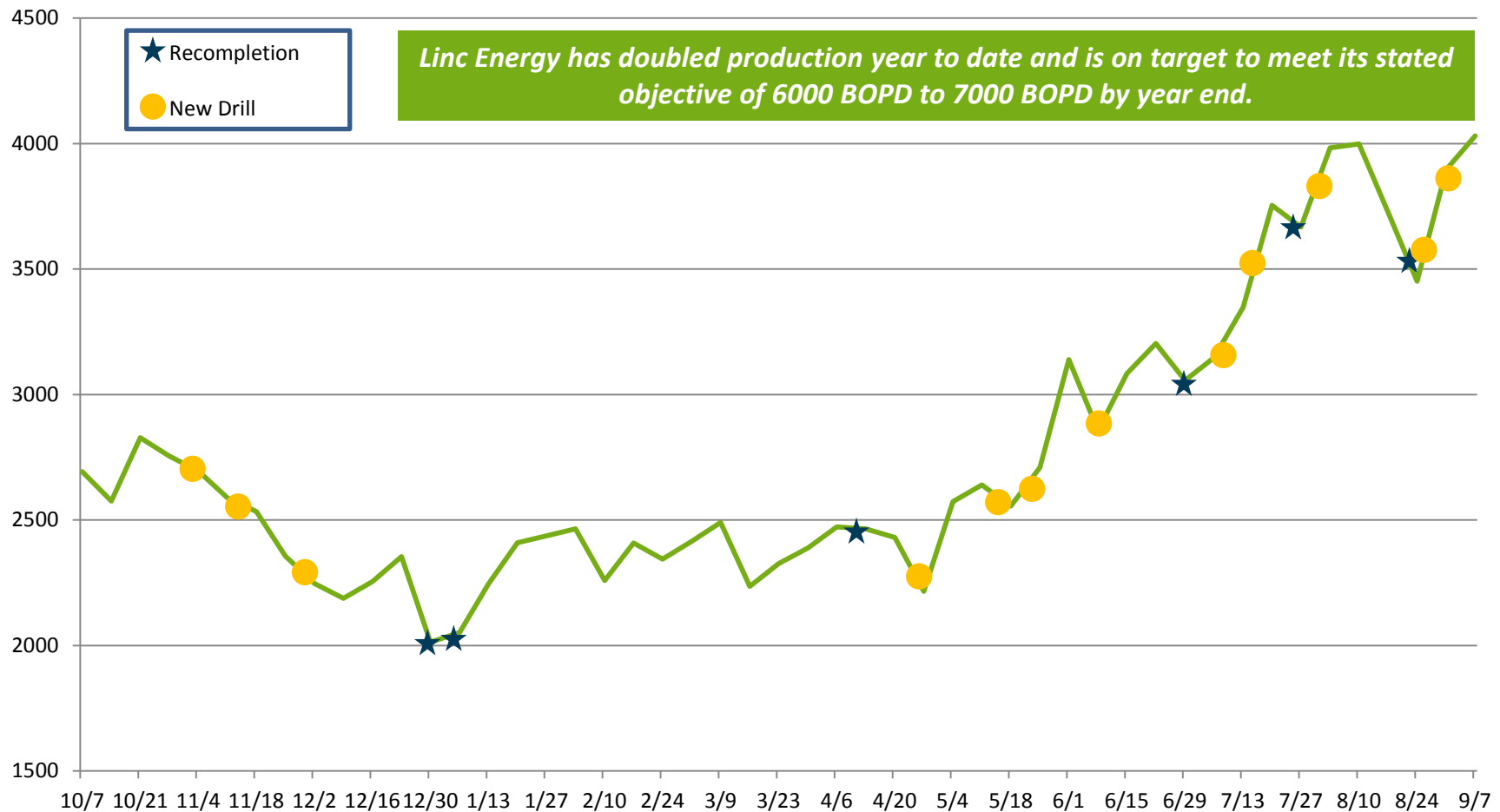
1P PV-10 by Category



Note: Reserve data based on Haas report effective as of 1 August 2012.

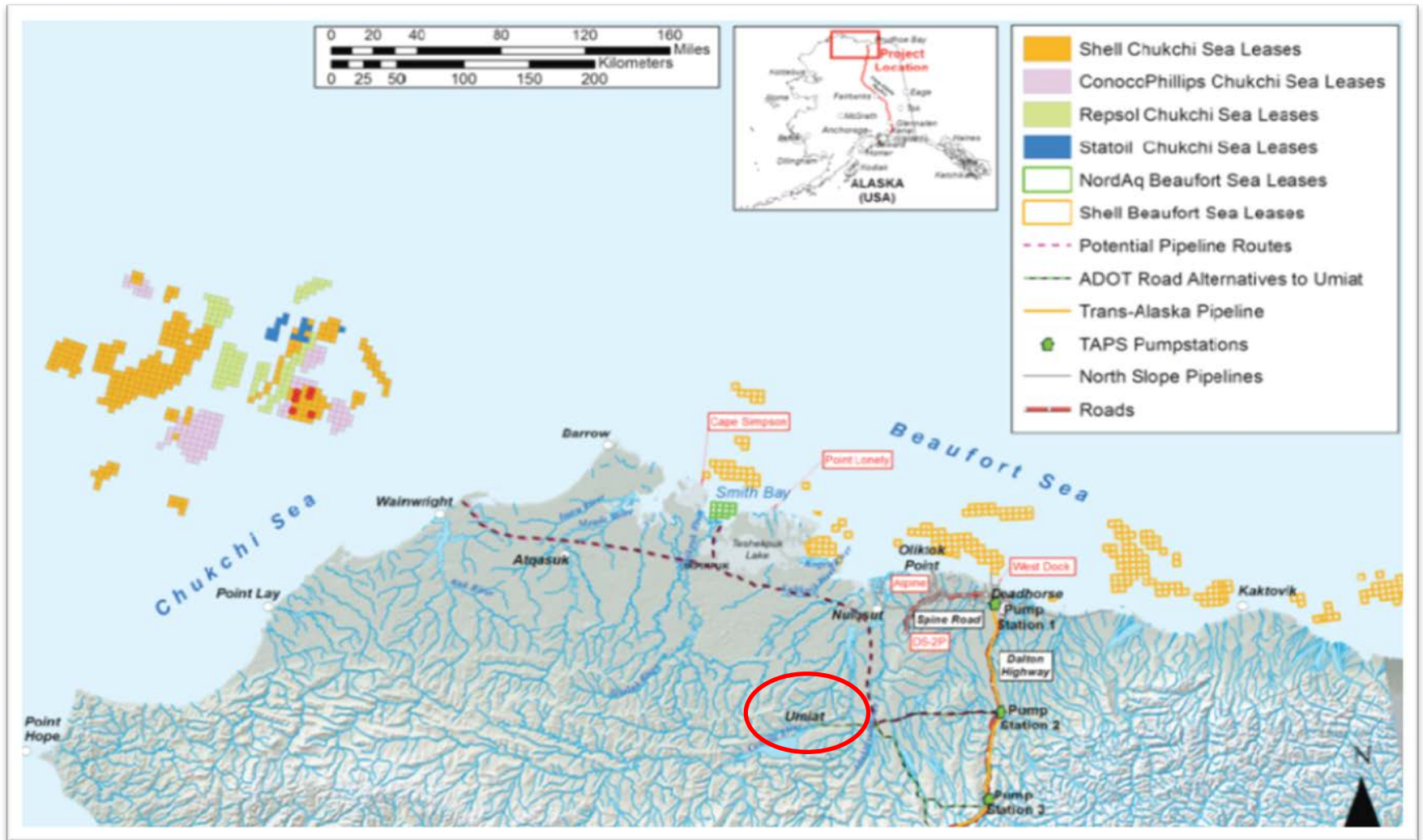
# Oil & Gas – Production Profile (Gulf Coast)

Gross Daily Production History (BOPD) October 2011 to September 2012 – Gulf Coast



# Umiat Field (Alaska)

## Alaska Region – North Slope (Umiat)



# Umiat – Field and Development Overview

## Alaska Region – North Slope (Umiat)

### Key Takeaways

#### North Slope (Umiat)

- OOIP: ~1,000 MMbbls <sup>(1)</sup>
- 2P reserves of 155 MMbbls / \$1,496 MM PV-10 <sup>(1)</sup>
- Located within the National Petroleum Reserve of Alaska
- Potential peak production of ~50,000 gross BOPD (~43,000 net BOPD)
- Potential upside from deeper oil and gas reserves
  - Identified deeper potential through reprocessed 3D seismic
  - Drilling deep well in winter 2012/2013 to look for/test deeper reservoirs

### Summary Statistics

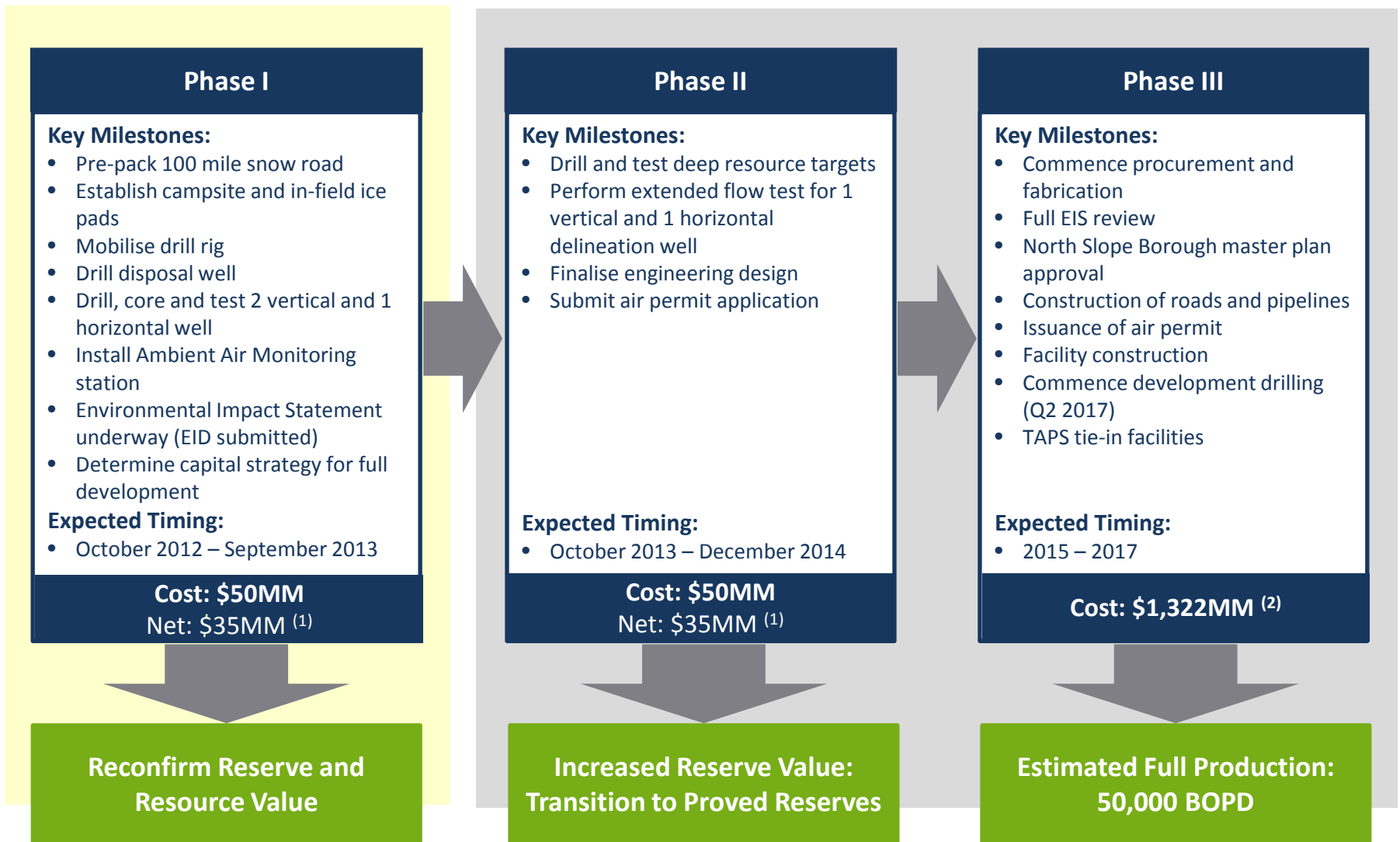
Total 2P Reserves:	155 MMBoe
Percent Oil:	100%
PV-10:	\$1,496 million
Working Interest:	84.5%
Acreage:	19,348



(1) Based on Ryder Scott report effective as of 1 July 2012.



# Umiat Field and Development Overview



(1) Net of approximately \$15 million rebate from State of Alaska.

(2) Rebate from State of Alaska to be determined.

# Wyoming Field and Development Overview

## Wyoming Region – Powder River Basin

### Key Takeaways

- Potential for 75 MMBbbls of oil using CO<sub>2</sub> EOR strategy from Big Muddy and South Glenrock fields
- Recently established supply contract with ExxonMobil for 25 BCF of CO<sub>2</sub> during the initial one year term of the agreement
- Field Overview
  - **Big Muddy Field** (*Discovered in 1917*)
    - OOIP of 255.0 MMBbbls
    - Production of 53.8 MMBbbls of oil to date
  - **South Glenrock** (*Discovered in 1950*)
    - OOIP of 170.3 MMBbbls
    - Production of 17.1 MMBbbls of oil to date
  - **South Cole Creek Field** (*Discovered in 1948*)
    - OOIP of 41.3 MMBbbls
    - Production of 17.1 MMBbbls of oil to date

### Salt Creek Analog – Key Statistics

- Increased production by 5,800 BOPD through CO<sub>2</sub> flooding operations
- Recent Linn Energy transaction valued Salt Creek at approximately \$150,000 per flowing barrel <sup>(2)</sup>

### Summary Statistics

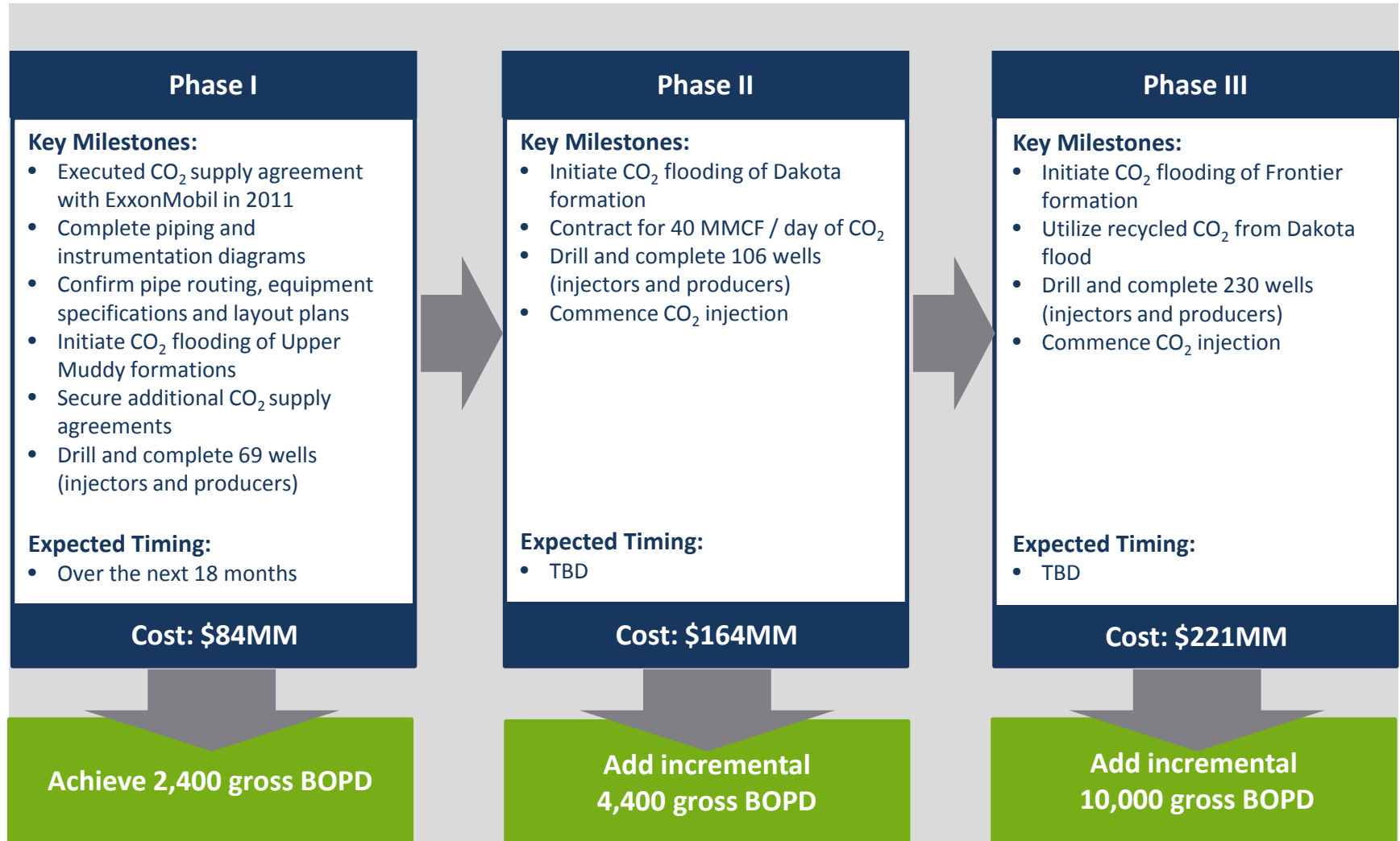
Total Proved Reserves:	801 MBoe
Percent Oil:	100%
PV-10:	\$12.1 million
Fields:	3 (all producing)
Current Production (BOPD) <sup>(1)</sup> :	216 gross / 155 net
Working Interest:	100%
Average Net Revenue Interest:	72%
Acreage:	29,782
Producing Wells:	30



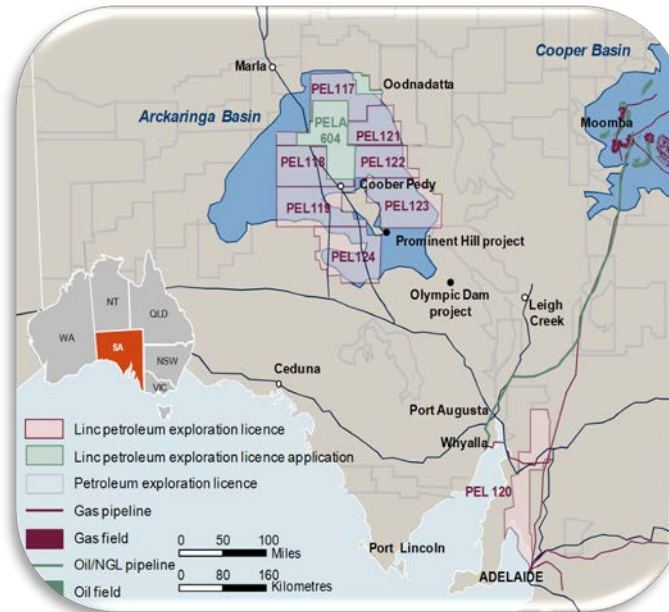
(1) As of 7 September 2012.

(2) Based on internal management estimates.

# Wyoming Field and Development Overview



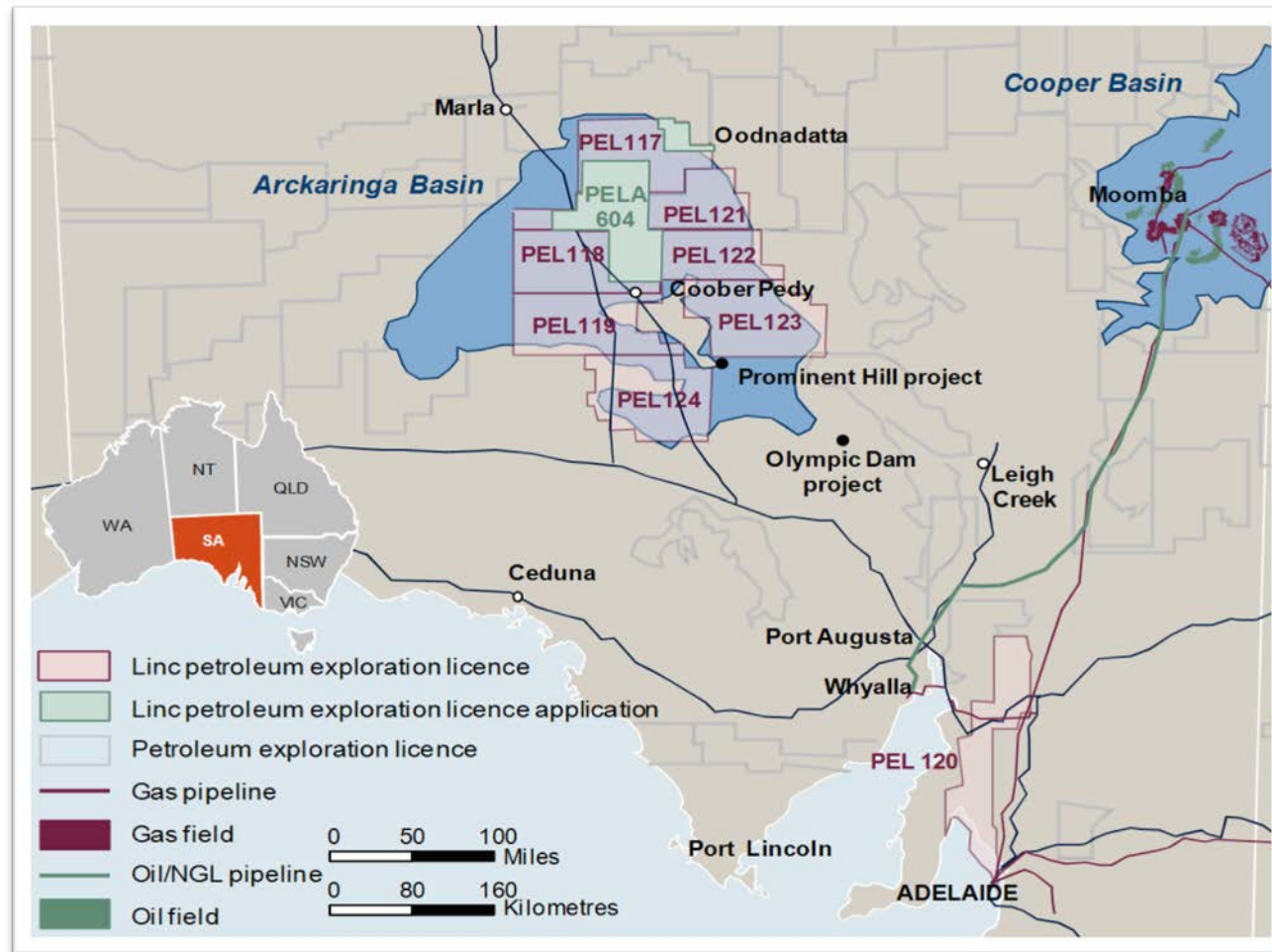




# Shale Oil

## (Arckaringa Basin)

# Shale Oil Asset – Arckaringa Basin



- Linc Energy holds over 16 million contiguous acres (65,000 km<sup>2</sup>) of tenements in the Arckaringa Basin in South Australia.

# Shale Oil Asset – Arckaringa Basin

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- Linc Energy has proved the existence of a working petroleum system with approximately 41° API oil discovered in the Maglia-1 well;
- Linc Energy has identified formations within the Arckaringa Basin as having excellent resource play potential with TOC levels, permeability, porosity and thickness comparing favourably to prolific unconventional liquid plays in the USA (Bakken, Eagle Ford, Mississippi Lime); and
- Linc Energy is currently finalising our technical evaluations.





UCG to GTL Demonstration Plant in Chinchilla

# Underground Coal Gasification

# Linc Energy – Underground Coal Gasification

Linc Energy is committed to commercialising our world leading proprietary Underground Coal Gasification (“UCG”) technology. Linc Energy has successfully combined UCG with known Gas to Liquids (“GTL”) technology to produce liquid fuels.





# Underground Coal Gasification – Fueling the Future



**Linc Energy's  
UCG to GTL Facility  
at Chinchilla, Australia**



# About Underground Coal Gasification

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- UCG converts coal into syngas underground
- Two parallel holes are drilled into the coal seam and connected
- Oxidant is injected and the coal ignited
- A series of chemical reactions (gasification process) take place at 1200 °C producing the syngas
- A void is left where the coal has been consumed



# UCG – Commercialisation Strategy

1. Targeting strategic licence agreements and/or joint venture arrangements in four key focus areas:
  - (a) North America;
  - (b) Eastern Europe;
  - (c) Southern Africa; and
  - (d) Asia.
2. Cost focused with a clear commitment to stay within budget.
3. Continued development of world leading technology.



## **Diesel Dash - Canberra**

Martin Ferguson (Minister for Resources, Energy and Tourism) and Peter Bond (CEO and Managing Director of Linc Energy)



# Corporate Assets

Corporate Investments



Coal



Carmichael Royalty (Adani)



# Linc Energy - Corporate Investments

## AFC Energy Ltd

<b>Issued Capital:</b>	215,933,544
<b>Linc Energy holds:</b>	22,000,705 (10.19%)



## Firestone Energy Limited

<b>Issued Capital:</b>	3,113,878,641
<b>Linc Energy holds:</b>	283,336,423 (~11%)

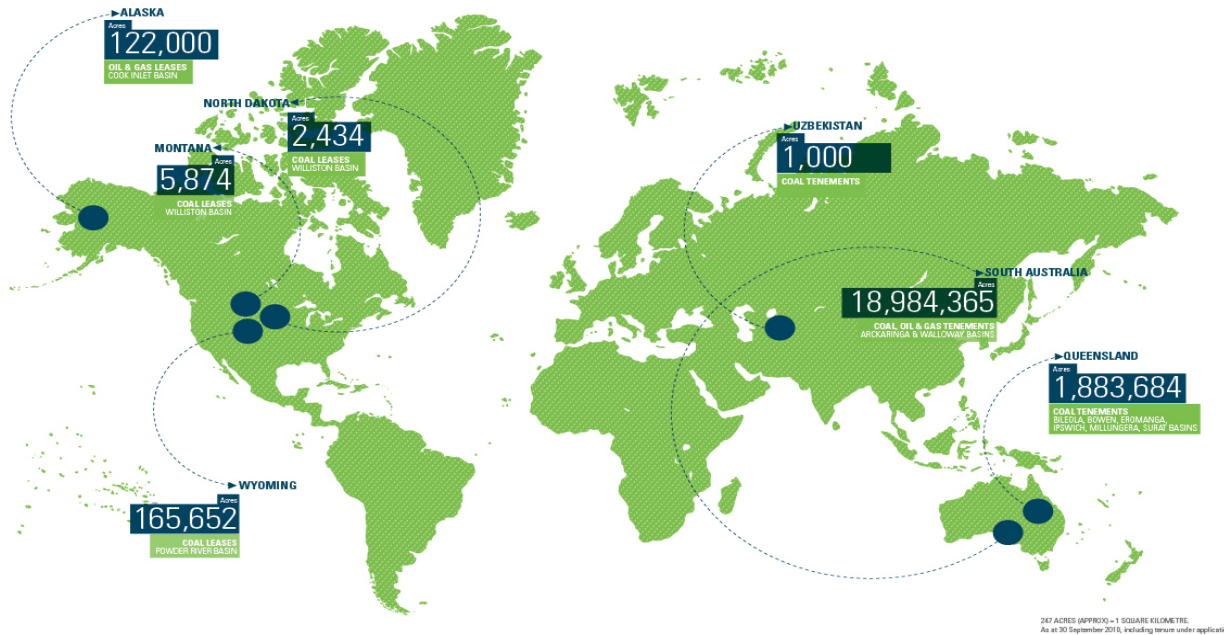


## Powerhouse Energy Group plc

<b>Issued Capital:</b>	284,514,026
<b>Linc Energy holds:</b>	28,350,000 (~10%)



# Coal Assets – Global Overview

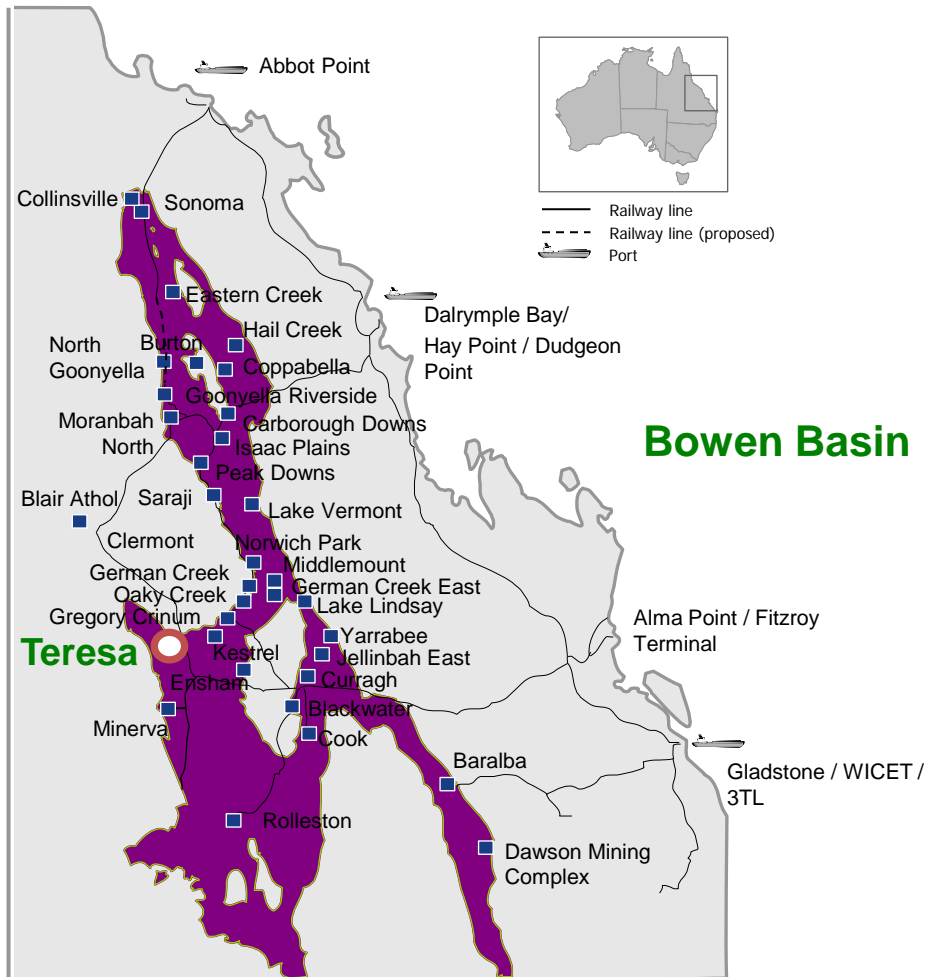


- Linc Energy has a significant coal portfolio within Queensland, South Australia and USA.
- Linc Energy has identified the coal assets as non-core and is currently exploring its options in this regard.

## JORC Certified Coal Assets:

- Teresa (310 MT - 25 Mt Indicated; 285Mt Inferred);
- Pentland (266 MT - 176 Mt Indicated; 90Mt Inferred); and
- Dalby (146 Mt Inferred).

# Coal – Teresa Coal Project



Source: Queensland Government Department of Mines and Energy

- Potential for up to 6 Mtpa (product tonne) underground operation for 30 years yielding PCI / thermal coal
- JORC resource statement focused on Corvus 2 seam only of 310Mt: 25Mt Indicated, 285Mt Inferred, Xenith Consulting Pty Ltd
- Early production mid-2016, full production mid-2018
- Teresa tenements cover c. 357km<sup>2</sup> in the east of the Bowen Basin, 17km north of Emerald
- Within Queensland's premier coal province (near existing coking coal mines of Kestrel, Crinum, Gregory and Oak Creek)
- Good existing infrastructure connections
- Mining lease application has been submitted for 9000ha site with approval expected in 2014
- EIS well progressed with submission expected Q2 2013
- Dedicated coal development team

# Carmichael Royalty

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- Adani Mining Pty Ltd (“Adani”), a subsidiary of India’s Adani Group, acquired the Carmichael Coal tenement from Linc Energy in August 2010 for \$500 million in cash and a royalty of \$2 per tonne (indexed to CPI) over the first 20 years of production.
- Adani is planning to produce 60Mtpa from the Carmichael mine.
- The Adani Group is an Indian based global company with in-excess of AUD5 billion annual revenue.
- Adani’s current business goals are to deliver by 2020:
  - 20 Giga Watts of thermal power generation
  - 200Mt of coal resources (mined and managed)
  - 200Mt of cargo handling capability
  - 20 capesize ships with a 170,000 SWT capacity
- Adani acquired the Carmichael coal mine for captive use.
- Carmichael, one of the largest coal tenements in Australia, is located in Queensland’s Galilee Basin, 160 kilometres northwest of Clermont.



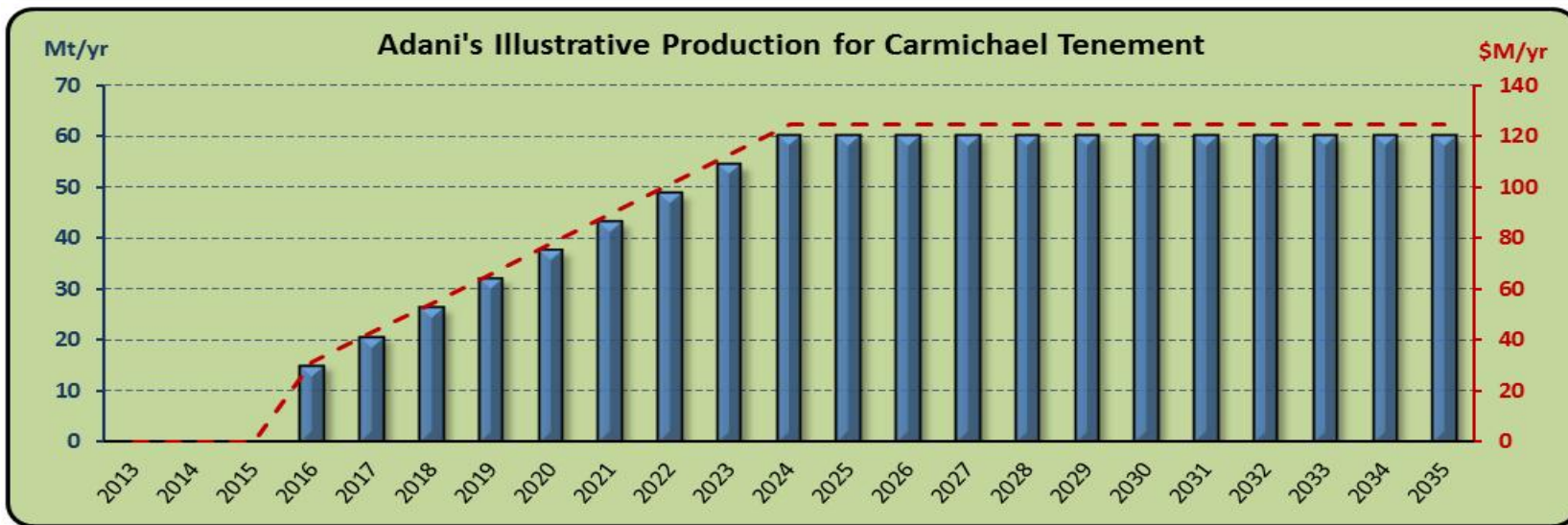
# Carmichael Royalty – Project Update

- The Carmichael coal mine and rail project was declared a significant project by the Queensland Government in November 2010.
- Port access options have been secured via:
  - Acquisition of Abbot Point Coal Terminal for c. \$1.83 billion (near Bowen)
  - Awarding of preferred proponent status at Dudgeon Point Coal Terminal (near Mackay)
- Acquisition of Moray Downs cattle property in 2011
- Proposed Adani – QR National rail corridor from Carmichael to Moranbah announced as preferred East-West Galilee rail corridor (June 2012)
- Environmental Impact Statement (EIS) work commenced. Approval expected in mid 2013





# Carmichael Royalty – Illustrative Production Chart



The royalty is \$2 per tonne (indexed to CPI) over the first 20 years of production.

If Adani is able to produce its stated goal of 60 Mtpa then Linc Energy receives over \$120 M per annum (at full production).

Production	Royalty
60 Mtpa	c. \$120M / yr
50 Mtpa	c. \$100M / yr
40 Mtpa	c. \$80 M / yr
30 Mtpa	c. \$60M / yr

# Linc Energy Investment Highlights

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- ✓ High quality reserves and resources in USA oil portfolio
- ✓ Linc Energy remains on target to reach goal of 6000 to 7000 BOPD by year end having doubled production in 1H 2012
- ✓ Umiat winter drilling program to occur Q4 2012 / Q1 2013
- ✓ World leading UCG position focused on unconventional gas opportunities throughout the world
- ✓ Focus on reducing cash burn and increasing cash flows from producing oil assets and strategic joint ventures / licence agreements for UCG
- ✓ Experienced management team and significant technical expertise in each division
- ✓ Non-core assets to be divested to ensure focus on core business



