LINCOLN *MINERALS* LIMITED

ABN 50 050 117 023

ANNUAL REPORT 2007

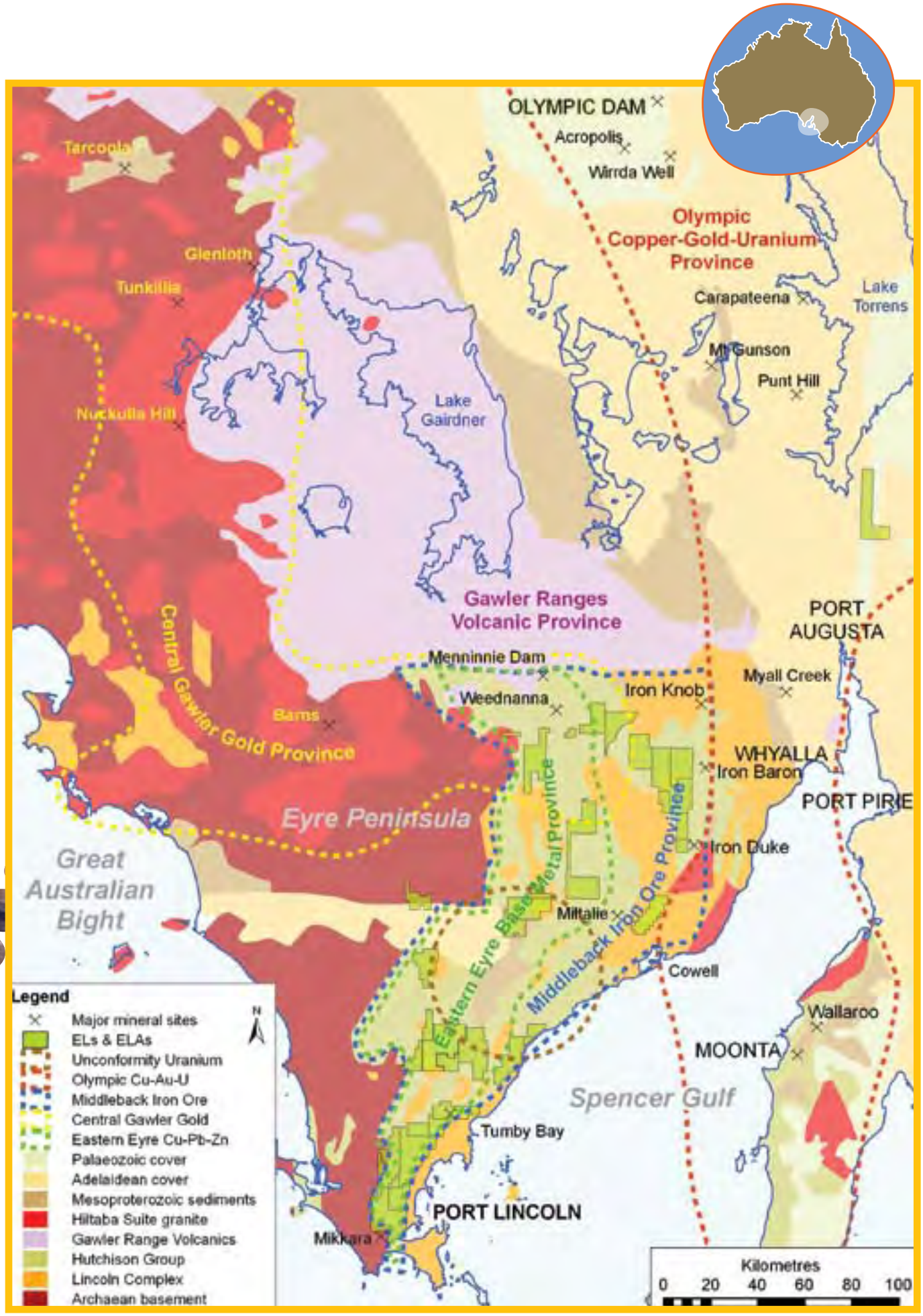

FIGURE 1 Lincoln Minerals Limited tenement and mineral province location map

(GIS data in this and all subsequent maps based on PIRSA (2007) GIS data CDs)

Corporate Directory

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Richard V Ryan AO, Chairman
Dr A John Parker, Managing Director
Peter E Cox
Robert A Althoff

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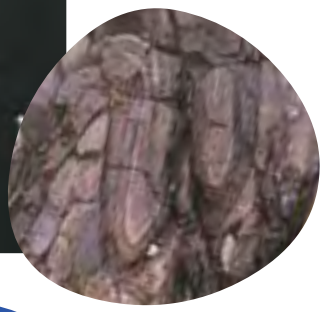
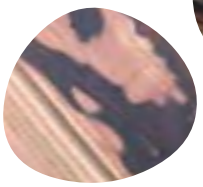
ASX codes

LML
LMLO

Founder and former Managing Director, Graham Chrisp, with Board members Robert Althoff, Richard Ryan AO, John Parker and Peter Cox (L/R)





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1 Chairman's Report

It is with great pleasure that I, on behalf of the Board of Directors, present to you Lincoln Minerals Limited's first annual report as an ASX listed company.

Lincoln Minerals Limited (the Company) was listed on the ASX on 9 March 2007 after a successful IPO in which $7 million was raised through public subscription.

Funds raised are being used to explore its extensive tenement holdings within a world class mineral province, the Gawler Craton, close to infrastructure at a time when there is unprecedented demand for iron ore, copper, zinc, lead, gold and uranium. Exploration and evaluation of project areas began immediately after listing.

At the end of the reporting year in little more than 6 months, the Company had flown combined aeromagnetic and radiometric surveys over several areas, had undertaken a major calcrete and soil sampling program over priority targets and planning was well advanced for its inaugural drilling program.

During August 2007, the Company commenced an aircore and reverse circulation (RC) drilling program on southern Eyre Peninsula. The first drill holes were aimed at direct-shipping hematite and hematite banded iron formation (BIF) targets on the Company's 100% owned Gum Flat tenement (EL3422) near Port Lincoln.

The inaugural drilling program follows the announcement in August 2007 of Lincoln Minerals' exploration and investment agreement with Indian metals and iron-ore mining group, Mineral Enterprises Limited. Under the Heads of Agreement, subject to certain conditions, Mineral Enterprises Limited will contribute up to $2.5 million in exploration expenditure, earning up to 40% of the Gum Flat Iron Ore Project, and has been allotted 3,500,000 fully paid ordinary shares in Lincoln Minerals at 30 cents per share, raising $1,050,000.

Subject to the success of this drilling, the agreement with Mineral Enterprises will enable Lincoln Minerals to fast-track follow-up RC and diamond drilling over the next 12-18 months and hence maximise iron ore potential of the Gum Flat Project for its investors.

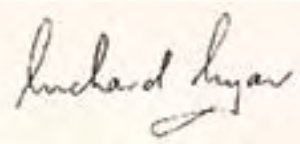
In addition to the Gum Flat iron ore project, Lincoln Minerals will also drill uranium and base metal targets during September-October 2007 on its Mount Hill, Wilcherry and Cockabidnie projects on central Eyre Peninsula where there are surface samples containing up to 1% zinc, 0.075% uranium and 272ppb gold not previously tested by drilling.

In making preparations for its drilling program, the Company appreciates the significant contribution made by contractors, Government and local communities including farmers, pastoralists and traditional inhabitants. The latter includes the Barngarla, Nauo and Kokatha people. The Company acknowledges them as traditional inhabitants of the land upon which it is exploring.

Finally, I would like to welcome and thank staff who have joined the Company since listing and my fellow directors for their support and enthusiasm.

In our first months of operation, the Company has made a strong start in its investigations and I look forward to moving the Company towards successful discovery and delineation of economic mineral deposits.

Yours sincerely,



Chairman

2 Review of Operations

2.1 Highlights

- Lincoln Minerals successfully completed its IPO and was admitted to the Official List of the ASX on 9 March 2007.
- Shareholders on the Register at 9 June 2007 received one Bonus Option for every two Shares held.
- In early August 2007, a Heads of Agreement was signed with diversified Indian iron ore and metals miner, Mineral Enterprises Limited ("MEL") to form a Joint Venture on the Gum Flat Project:
  - MEL will contribute $500,000 of funding in respect of the initial drilling program targeting hematite iron ore;
  - Subject to rights to withdraw, MEL will then earn a 20% interest in the Gum Flat Project by contributing a further $500,000 of exploration expenditure by 31 December 2008 and an additional 20% in the Project by contributing a further $1,500,000 of exploration expenditure by 31 December 2010;
  - In addition, MEL subscribed for 3,500,000 fully paid ordinary shares in Lincoln Minerals Limited at 30 cents per share to raise $1,050,000.
- Inaugural drilling program commenced early August 2007 for 10,000m of aircore and slim-hole reverse circulation (RC) drilling. Targets include:
  - Gum Flat – hematite iron ore;
  - Cockabidnie and Mount Hill – Alligator River style unconformity uranium, base metals and gold;
  - Wilcherry – Menninnie Dam/Weednanna style base metals and gold.

  Four of the six hematite targets drilled at Gum Flat have identified either massive hematite-goethite or hematite BIF.
- Since the IPO, exploration licenses have been granted to Lincoln Minerals for the Wilcherry, Lake Gilles, Cummins, Wanilla, Campoona and Dutton River areas and license applications were lodged over the Tooringie area immediately west of Mount Hill and Mosley Nobs area west of Wilcherry.

  The Company now has licenses or license applications totalling 1,764 km^2 with exclusive rights for all minerals, and a further 1,989 km^2 with rights for all minerals except iron ore.
- All licenses are close to established infrastructure including rail and heavy haulage road networks, shipping ports at Port Lincoln, Whyalla and Port Pirie, electricity and water services, hospitals and engineering service providers.
- A low-level aeromagnetic and radiometric survey was completed in late February over the Stony Hill-Kimba Gap, Cockabidnie, Mount Hill and Dutton Bay areas.
  - A significant uranium-only anomaly was identified near Kimba Gap and a reconnaissance ground spectrometer survey over it identified surface anomalies up to 0.06% eU;
  - Significant radiometric anomalies occur over uranium targets at Cockabidnie and Mount Hill;
  - Magnetic data clearly define several important geological structures and targets for uranium, base metals and gold at Cockabidnie and Mount Hill.
- Several good surface uranium anomalies up to 0.07% U and 0.03% U identified from old records at, respectively, Cockabidnie and Mount Hill.
- Detailed calcrete, soil and lag sampling surveys were completed over Cockabidnie, Mount Hill, Carinya, Gum Flat and Wilcherry targets with significant assay results:
  - Cockabidnie – up to 272ppb Au southwest of Sugarloaf Hill and 154ppb Au and 730ppm Pb + Zn in the Campoona Syncline;
  - Mount Hill – up to 99ppb Au, 259ppm Pb + Zn and 100ppm Cu;
  - Wilcherry – up to 181ppb Au at Jungle Dam.

- A management team has been put in place which includes including senior geologists with extensive expertise and knowledge of mining, minerals exploration and the Gawler Craton.

2.2 Strategy and Objectives

Lincoln Minerals' mission is to provide capital growth through exploration, discovery and delineation of economic mineral deposits.

Its exploration methodology will focus initially on the highly endowed, world class metallogenic province of the Gawler Craton, South Australia, where the Company has several iron ore, uranium, copper, gold, zinc-lead-silver and nickel exploration projects. The Company will continue to either divest in or generate new projects to maximise exploration and development opportunities for its investors.

The majority of Lincoln Minerals' tenements are located in the southern Gawler Craton on Eyre Peninsula southwest of the world's largest lead smelter in Port Pirie and west or south of existing and historically important iron ore mines of the Middleback Ranges where over 200 Mt of hematite iron ore has been mined since 1900 and where mining of magnetite iron ore has recently begun.

Eyre Peninsula also hosts the largest known lead-zinc-silver deposit in South Australia (Menninnie Dam), numerous historical lead-silver-copper mines, several gold prospects including Weednanna and a large number of mainly untested uranium occurrences and radiometric anomalies.

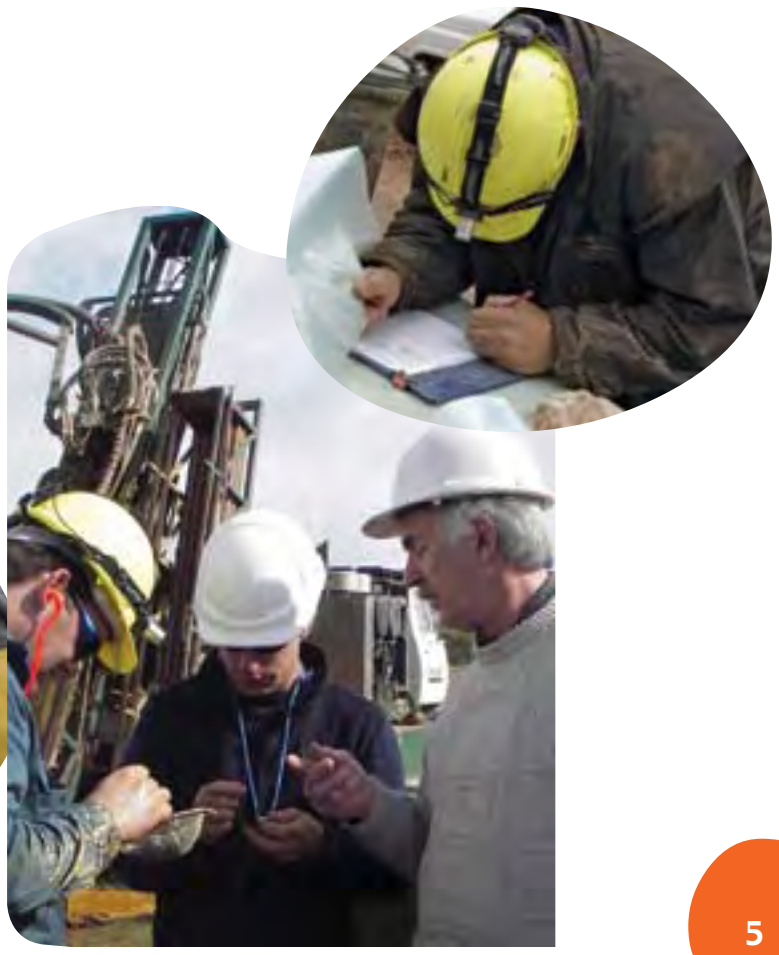
Lincoln Minerals' exploration strategy is based on application of innovative exploration techniques while ensuring a systematic approach to effective target testing. The Company utilizes sophisticated exploration techniques, in particular advanced geophysical, remote sensing and geochemical techniques combined with state-of-the art GIS (geographic information systems) and modelling software to interpret data for exploration and mine planning.

The Company is focusing on areas close to existing infrastructure that includes rail networks, established highways suitable for bulk haulage, existing power and water services and established bulk handling ports.

2.3 Project Portfolio

The Company holds, or upon grant will hold exploration rights to lease holdings totaling 3,753 km^2.

Lincoln Minerals has exclusive rights to all minerals including iron ore on leases totaling 1,764 km^2 and is joint operator with Centrex Metals Limited (and its 100% owned subsidiary, South Australian Iron Ore Group Pty Ltd (SAIOG)), on leases totalling 1,989 km^2 with exclusive rights to all minerals excluding iron ore.



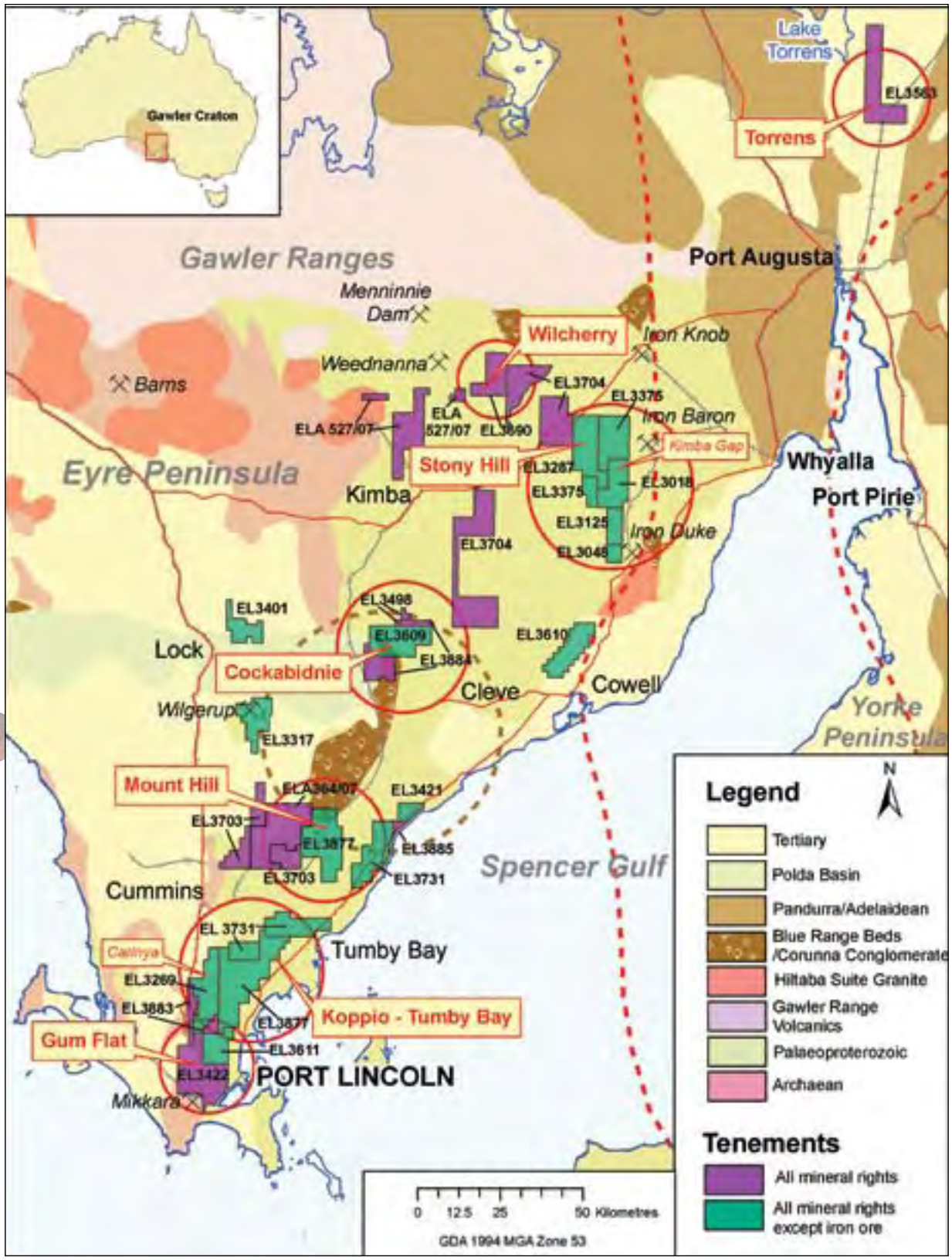


Figure 2: Location of Lincoln Minerals' tenements and project areas

Table 1: Lincoln Minerals Limited tenement summary

Tenement	Applied for	Granted	Expiry	Area (km^2)	Expenditure Commitment	Locality	Licensee (or Applicant)	Operator **
LINCOLN MINERALS HAS OWNERSHIP OF ALL MINERAL RIGHTS								
EL 3563		5-Jun-06	4-Jun-08	183	$50,000	Kallioota (Lake Torrens)	Lincoln Minerals Limited	Lincoln Minerals Limited
EL 3690		30-Jan-07	29-Jan-08	98	$40,000	Lake Gilles (Wilcherry Hill)	Lincoln Minerals Limited	Lincoln Minerals Limited
EL 3703		13-Feb-07	12-Feb-08	163	$45,000	Cummins (Mount Hill West)	Lincoln Minerals Limited	Lincoln Minerals Limited
EL 3704		13-Feb-07	12-Feb-08	526	$80,000	Lake Gilles (Stony Hill West)	Lincoln Minerals Limited	Lincoln Minerals Limited
EL 3422		27-Sep-05	26-Sep-10	208	$50,000	Gum Flat	Lincoln Minerals Limited	Lincoln Minerals Limited
EL 3883		6-Aug-07	5-Aug-08	52	$35,000	Strawberry Hill	Lincoln Minerals Limited	Lincoln Minerals Limited
EL 3884		6-Aug-07	5-Aug-08	89	$40,000	Campoona	Lincoln Minerals Limited	Lincoln Minerals Limited
EL 3885		6-Aug-07	5-Aug-08	9	$30,000	Dutton River	Lincoln Minerals Limited	Lincoln Minerals Limited
ELA 364/07	26-Jun-07			237	$55,000	Tarlinga	Lincoln Minerals Limited	
ELA 527/07	20-Sept-07			199	$50,000	Moseley Nobs	Lincoln Minerals Limited	
LINCOLN MINERALS HAS OWNERSHIP OF ALL MINERAL RIGHTS EXCLUDING IRON ORE ***								
EL 3498		18-Jan-06	17-Jan-08	11	$30,000	Cockabidnie North	Lincoln Minerals Ltd	LML jointly with CXM
EL 3375		8-Jul-05	7-Jul-08	170	$45,000	Gilles Downs	Centrex Metals Ltd	LML jointly with CXM
EL 3401		19-Aug-05	18-Aug-07	94	$40,000	Lock	Centrex Metals Ltd	LML jointly with CXM
EL 3610		31-May-01	13-Aug-08	117	$40,000	Minbrie	Centrex Metals Ltd	LML jointly with CXM
EL 3609		31-May-01	13-Aug-07	154	$45,000	Cockabidnie	Centrex Metals Ltd	LML jointly with CXM
EL 3317		10-Mar-05	9-Mar-08	104	$40,000	Tooligie Hill (Wilgerup)	Centrex Metals Ltd	LML jointly with CXM
EL 3421		16-Sep-05	15-Sep-07	31	$35,000	Dutton Bay	Centrex Metals Ltd	LML jointly with CXM
EL 3269		27-Oct-04	26-Oct-07	141	$45,000	Wanilla	Centrex Metals Ltd	LML jointly with CXM
EL 3611		31-May-01	13-Aug-08	79	$40,000	Greenpatch	Centrex Metals Ltd	LML jointly with CXM
EL 3287		2-Dec-04	1-Dec-07	155	$45,000	Stony Hill	SAIOG	LML jointly with CXM
EL 3018 (ELA 453/07)		10-Oct-02	9-Oct-07	106	$40,000	Kimba Gap	SAIOG	LML jointly with CXM
EL 3125		17-Sep-03	16-Sep-07	52	$35,000	Kimba Gap	SAIOG	LML jointly with CXM
EL 3048		3-Dec-02	2-Dec-07	26	$35,000	Pondooma (Iron Stone Hut)	SAIOG	LML jointly with CXM
EL 3731 (former EL 2887)		12-Apr-07	11-Apr-08	294	$60,000	Tumby Bay (Carrow)	SAIOG	LML jointly with CXM
EL 3877 (former EL 2905)		6-Aug-07	5-Aug-08	476	$75,000	Mount Hill - Tod River	SAIOG	LML jointly with CXM

*** On Centrex Metals Limited (CXM) and South Australian Iron Ore Group Pty Ltd (SAIOG) tenements, Lincoln Minerals (LML) will be operator of its own projects independently of Centrex Metals iron ore exploration.*
**** On CXM and SAIOG tenements, the expenditure commitment is shared between CXM and LML.*

2.4 Joint Ventures

Heads of Agreement signed with diversified Indian iron ore and metals miner, Mineral Enterprises Limited to form a Joint Venture on the Gum Flat Project.

In August 2007, the Company concluded a Heads of Agreement with Mineral Enterprises Limited ("MEL") of Bangalore, India in respect of a Joint Venture for the exploration of EL3422 (Gum Flat).

The essence of the Agreement provides that MEL will contribute $500,000 of funding in respect of the initial drilling program at Gum Flat, targeting hematite iron ore.

Subject to rights to withdraw, MEL will then earn a 20% interest in the Gum Flat Project by contributing a further $500,000 of exploration expenditure by 31 December 2008. Subject to rights to withdraw, MEL can earn an additional 20% in the Project by contributing a further $1,500,000 of exploration expenditure by 31 December 2010.

In addition, MEL subscribed for 3,500,000 fully paid ordinary shares in Lincoln Minerals Limited at 30 cents per share to raise $1,050,000.

MEL is a diverse Bangalore based corporation with interests in mining, power, infrastructure and bio-diesel. MEL has been extracting iron ore and manganese ore for over four decades and has substantial iron ore reserves in the Chitradurga and Turnkur Districts of Karnataka State in southern India.

In addition to local consumption, MEL currently exports about 2mT of iron ore annually, is the first firm in Karnataka in India to set up a plant to upscale low-quality lumpy ore into saleable grade and its 0.75mT steel plant in Karnataka is expected to begin production within 3 years.

Mineral Enterprises' iron ore mining operations in India

This is an exciting development for Lincoln Minerals and will enable the Company to maximise the iron ore potential of the Gum Flat Project for its investors.

2.5 Exploration

Gum Flat Project – EL 3422

(LML has exclusive rights to all minerals)

The Gum Flat Project is located on southern Eyre Peninsula within 20km of Port Lincoln and is prospective for both magnetite and hematite iron ore plus a large range of polymetallic minerals including gold, uranium and base metals (Cu, Pb, Zn, Ni).

Extending west from Port Lincoln with two railway lines (one now disused) and a major highway running through the area, EL3422 is ideally located with respect to infrastructure and proximity to a major shipping port.

High iron and minor base metals have been previously identified at the Rifle Range prospect where CRAE Pty Ltd aircore drilling intersected banded iron formation (BIF) at depths of 25-40m above an intense aeromagnetic anomaly. The aggregate length of BIF interpreted in EL3422 based on aeromagnetic data is about 30km. However, the more intense 5km long aeromagnetic anomaly, when combined with other smaller high intensity aeromagnetic anomalies between Rifle Range and Greenpatch,

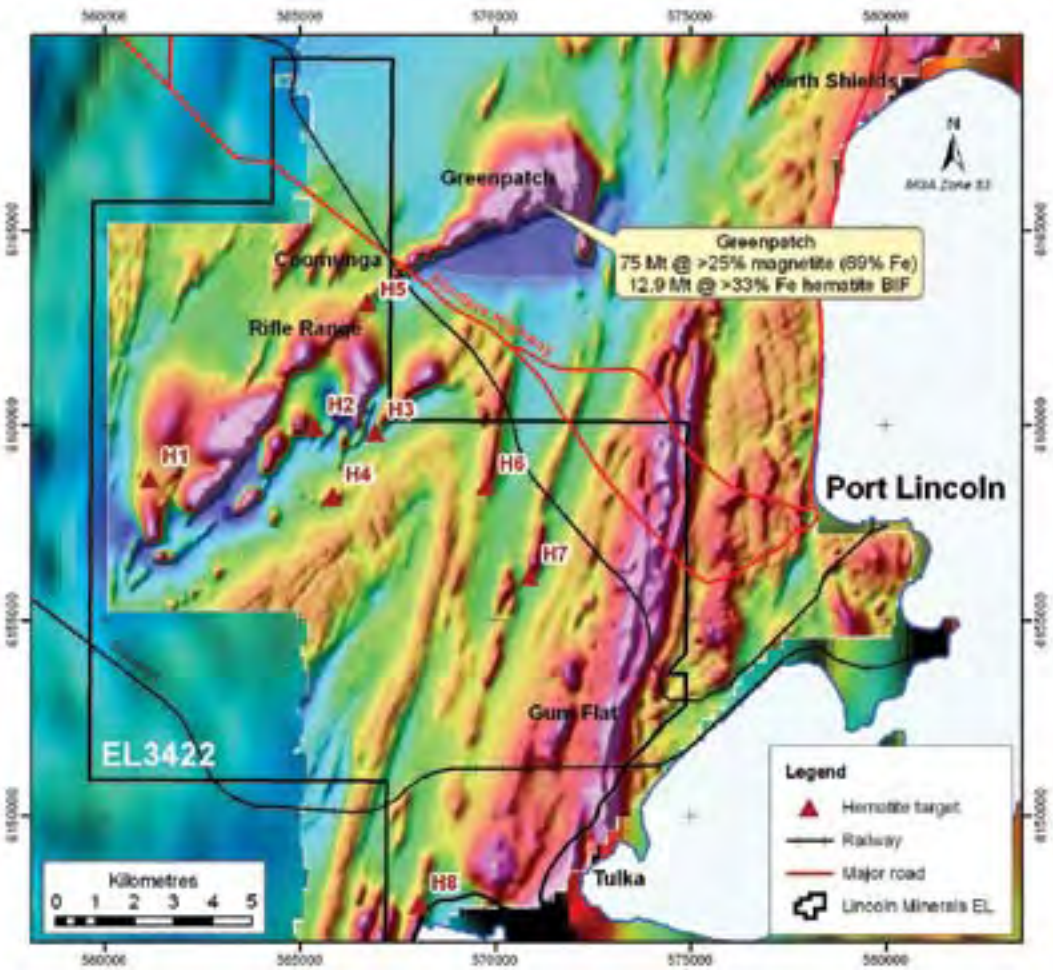


Figure 3: Aeromagnetic image and location of hematite targets at Gum Flat

outlines an exploration target for magnetite BIF that could be more than 250 Mt.

In addition to magnetite targets, detailed interpretation of high resolution aeromagnetics in the Gum Flat Project area has identified several potential hematite targets that might contain direct shipping iron ore. Possible hematite targets include zones of reduced magnetic amplitude, fault zones with clear evidence of magnetite destruction and favourable structural settings including fold hinges and complex fault patterns.

Six hematite targets (H2 to H7) were identified for aircore and/or shallow slim-hole RC drilling which began in August 2007 following an Aboriginal heritage survey. 83 aircore and slim-hole RC holes were drilled for a total of 4,418m. Massive hematite-goethite rock or hematite BIF was intersected at four of the targets, H3, H4, H5 and H6. No assays are available yet.

Drilling will be followed by detailed gravity surveys and deeper RC drilling over the best opportunities for development.

In addition to iron ore, Middleback BIF horizons of the Hutchison Group are closely associated with sulphide-rich, carbonate and calcsilicate rock units that are host to numerous base metal or graphite occurrences and old mines throughout eastern Eyre Peninsula.

Calcrete sampling has been undertaken over parts of the project area but the thickness of the extensive Bridgewater Formation calcarenite cover has masked any base metal or gold mineralisation.

The Gum Flat tenement has recently been renewed for an additional three years to September 2010.

Cockabidnie Project – ELs 3498, 3609 and 3884

(LML has exclusive rights to all minerals except iron on ELs 3498 and 3609 and exclusive rights to all minerals on EL 3884)

Processing, enhancement and interpretation of a low-level (50m above ground level), close-spaced (100m) aerial magnetic and radiometric survey flown for LML in February 2007 has been undertaken and both the aeromagnetic and radiometric data define significant structures and areas of interest that were not previously evident. The Campoona Syncline and associated shear zones are clearly defined by the enhanced aeromagnetics while the radiometrics define areas of interest with regard to uranium mineralisation.

Regional surface geochemical soil, calcrete and rock chip samples were collected across most of the northern half of the Cockabidnie project to locate priority targets for drilling in the September quarter 2007.

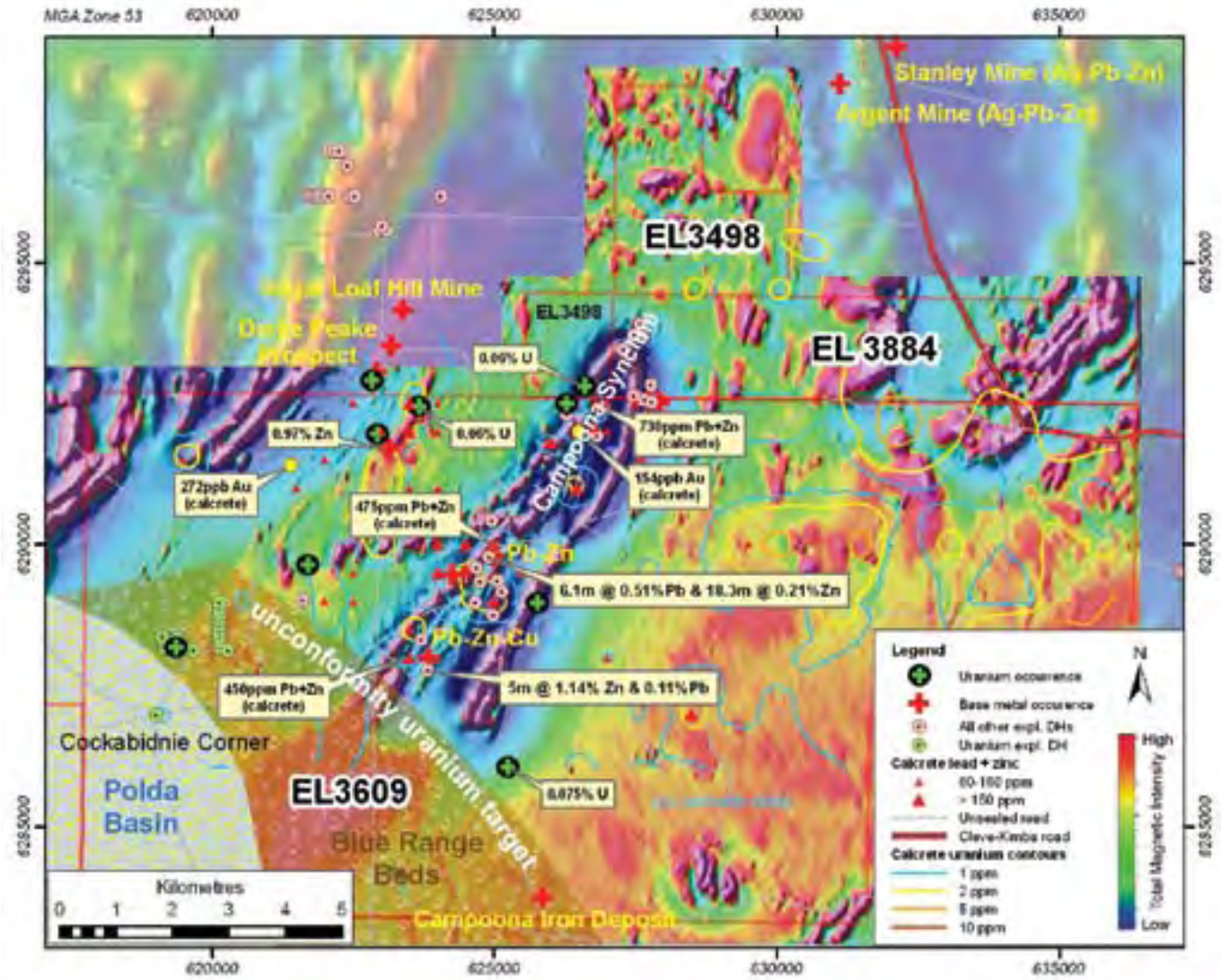
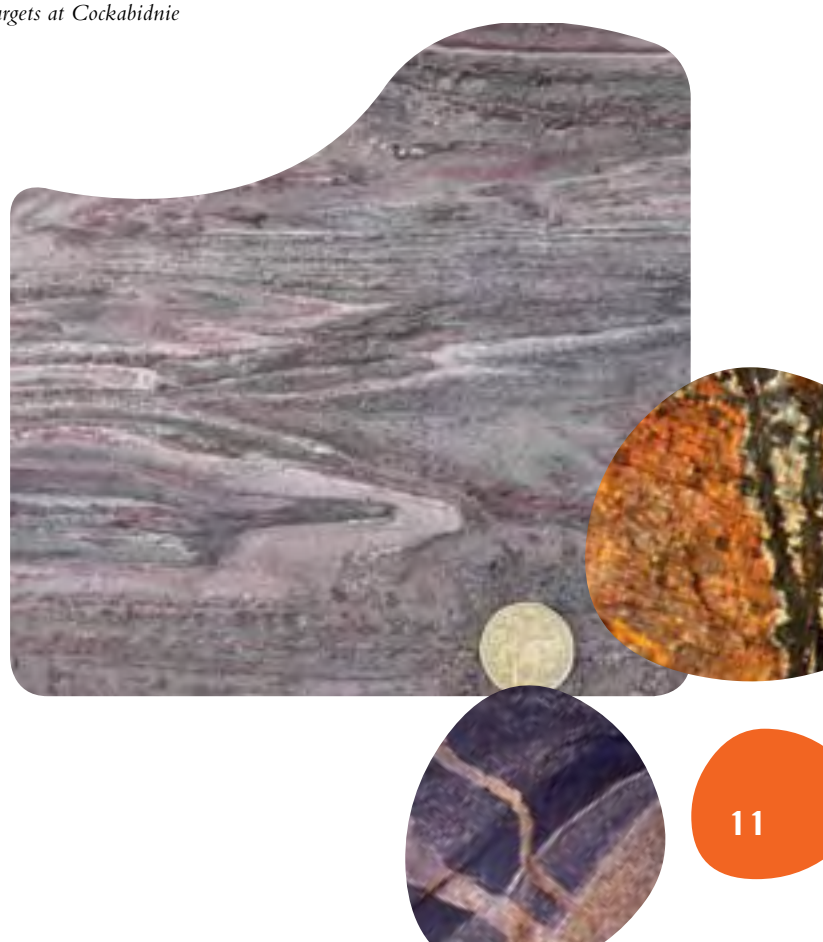


Figure 4: Aeromagnetic image and location of uranium, gold and base metal targets at Cockabidnie

Calcrete assays up to 154ppb Au and 730ppm Pb + Zn were identified along the western limb of the Campoona Syncline and have extended the zone of interest. Previous drilling of this zone has comprised numerous shallow RAB holes down to ca. 10m combined with a few widely spaced deeper RC and diamond drillholes. The latter intersected intervals up to 6.1m @ 0.51% Pb and 18.3m @ 0.21% Zn (CRAE 77CW1) and 5m @ 1.14% Zn and 0.11% Pb (WMC SJPD44).

Southwest of the Sugarloaf Hill Mine and Darke Peak Prospect calcrete assays up to 272ppb Au define a 600m long calcrete gold anomaly (>10ppb Au) open to the southwest.

Aboriginal heritage surveys have been undertaken over selected drilling targets and drilling commenced early September 2007.



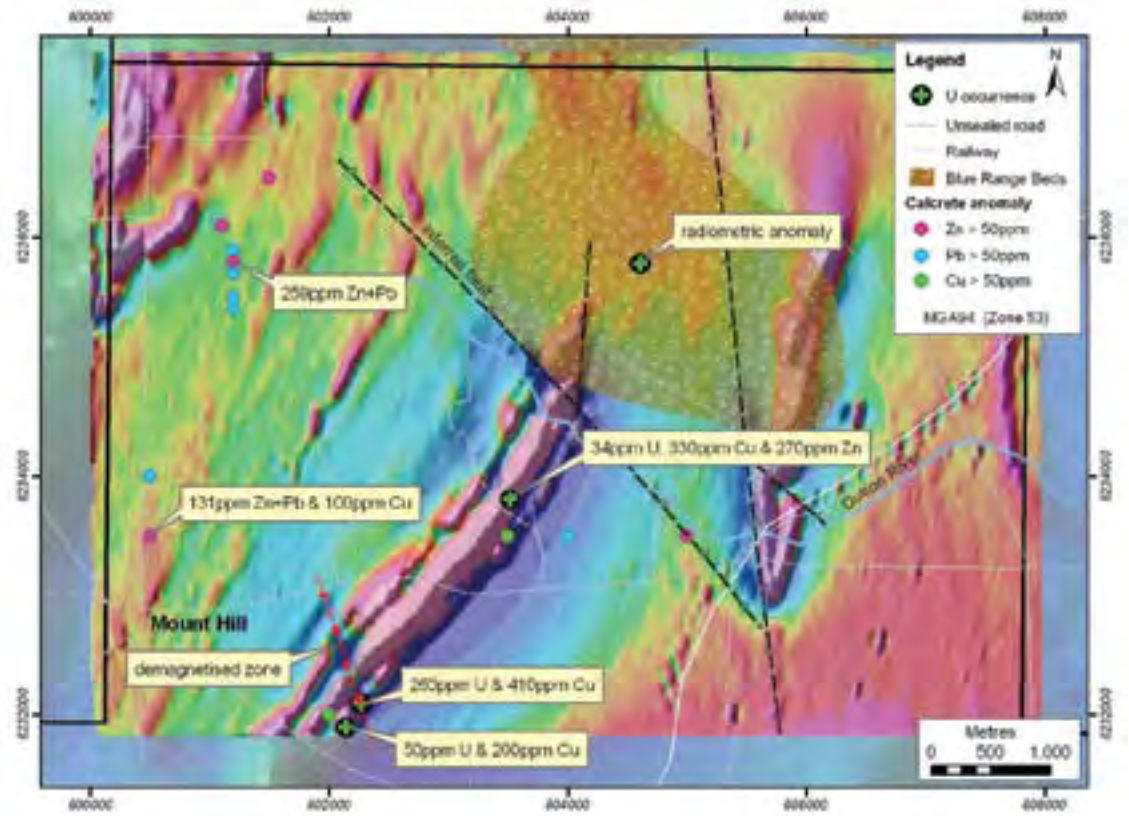


Figure 4: Aeromagnetic image and location of uranium and base metal targets at Mount Hill

Mount Hill Project – ELs 3703 and 3877and ELA 364/07

(LML has exclusive rights to all minerals except iron on EL 3877 and exclusive rights to all minerals on EL 3703 and ELA 364/07)

The base of the Blue Range Beds and immediately underlying Hutchison Group metamorphic basement are the targets for unconformity-style uranium mineralisation in this project area. Previous exploration by Pancontinental Mining in 1979-82 identified a ?faulted contact between prospective Hutchison

Group carbonates and the Blue Range Beds with a coincident ground radiometric anomaly and uranium anomalism up to 260ppm U (in silicified marble/ironstone) with associated thorium, lead and nickel. Drilling was recommended by Pancontinental but never undertaken.

There is also significant potential for base metals and gold in basement marble, calcsilicate gneiss and BIF below the unconformity and drainage channels associated with the Dutton

Uranium anomalies at base of Blue Range Beds

River have potential for palaeochannel uranium mineralisation.

Processing, enhancement and interpretation of a low-level (50m above ground level), close-spaced (100m) aerial magnetic and radiometric survey flown for LML in February 2007 has been undertaken. Both the aeromagnetic and radiometric data define significant basement structures and areas of interest that were not previously evident.

Calcrete sampling within the northern Mount Hill area has identified separate zones of elevated gold and base metals with assays up to 99ppb Au, 259ppm Pb + Zn and 100ppm Cu. Pancontinental Mining previously reported rock chip samples along the Mount Hill aeromagnetic anomaly with up to 410ppm Cu and 270ppm Zn. These calcrete and rock chip anomalies will be verified by drilling during the last quarter 2007.

Aboriginal heritage clearances have been obtained in readiness for drill testing the Mount Hill uranium, gold and base metal targets.

Wilcherry Project – ELs 3690 and part 3704

(LML has exclusive rights to all minerals)

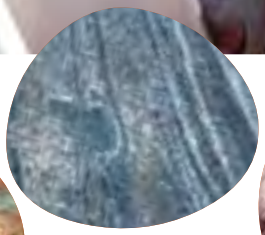
The Wilcherry Project is along strike from the Weednanna gold-magnetite and Menninnie Dam zinc-lead-silver deposits to the northwest. These tenements straddle the boundary between the Cleve and Coolanie subdomains and are within the Central Gawler Gold Province. Therefore

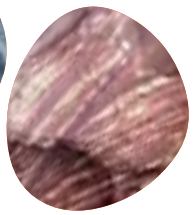
there is considerable potential for major gold and/or base metal mineralisation maybe with associated hydrothermal iron oxide and/or sericite alteration.

No specific uranium anomalies have been identified in the immediate area of these tenements but the margins of Lake Gilles are prospective for sediment hosted or palaeochannel uranium mineralisation.

In addition to Menninnie Dam and Weednanna, previous exploration identified several gold and base metal occurrences in or immediately adjacent to LML's tenements including:

- Lake Gilles South: jaspilitic and carbonate-rich rock chip samples range up to 50ppm U, 0.29% Pb, 0.27% Zn and 0.2% Bi, and trace galena was recorded in "quartz-veined hydrothermal shear zones;





- Jungle Dam: A 2.8ppb deep leach Au anomaly, just south of EL 3690, where aircore drilling intersected gossanous iron formations and anomalous Pb, Zn, Cu and Mn at an EM anomaly. A 208m deep diamond drillhole intersected two zones of anomalous Zn in chloritized gneiss and graphitic schist beneath 60m of partially silcreted and ferricreted cover rocks, one zone of 12.9 m at 0.7% Zn being open below EOH.

Detailed calcrete sampling by LML has identified significant calcrete gold anomalies up to 181ppb Au in the Jungle Dam area.

The calcrete gold anomalism occurs in a 3.5km long area of relatively low-magnetic response between two strong aeromagnetic anomalies. It is immediately along strike from the Telephone Dam prospect and is a high priority Menninnie Dam zinc-lead-silver and Weednanna-style gold target.

An Aboriginal heritage survey has been completed over the Jungle Dam area and aircore or slim hole RC drilling is scheduled to begin in the last quarter 2007.

The tenements also have sediment-hosted uranium potential particularly associated with palaeochannels draining into Lake Gilles.

Stony Hill Project – ELs 3018 (ELA 453/07), 3048, 3125, 3287 and 3375

(LML has exclusive rights to all minerals except iron)

The Stony Hill project is located in northern Eyre Peninsula, immediately west of the Middleback Ranges within the Middleback Subdomain. It contains scattered banded iron formation (BIF), marble and calcsilicate gneiss similar to the Menninnie Dam lead-zinc-silver deposit surrounded by Lincoln Complex granite gneiss. BIF, marble and gneiss are overlain by extensive sand and sandy clay with local playa lakes.

Granite gneiss in the region is locally uraniferous

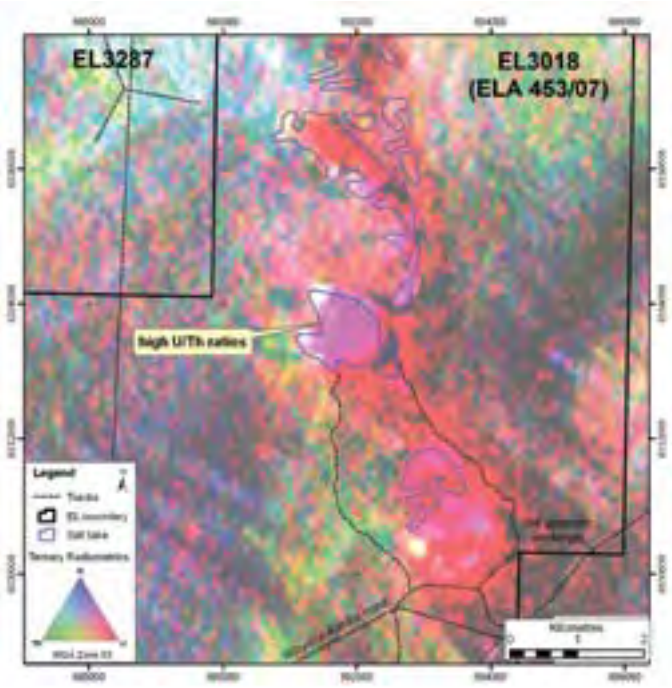
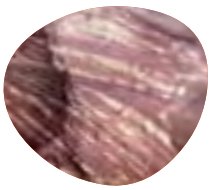


Figure 6: Ternary U-Th-K radiometric image, Kimba Gap area



with numerous mylonitic shear zones similar to southern Eyre Peninsula. There is potential for uranium mineralisation within the granite gneiss, particularly within shear zones, and in palaeodrainage channels that drain from the gneisses.

A low-level (50m above ground level), close-spaced (100m) aerial magnetic and radiometric survey was completed over the Stony Hill project area by UTS Geophysics in late February 2007. Detailed processing and enhancement of the aeromagnetic and radiometric data has identified several uranium and uranium/thorium anomalies, the best being on the margins of salt lakes west of Kimba Gap.

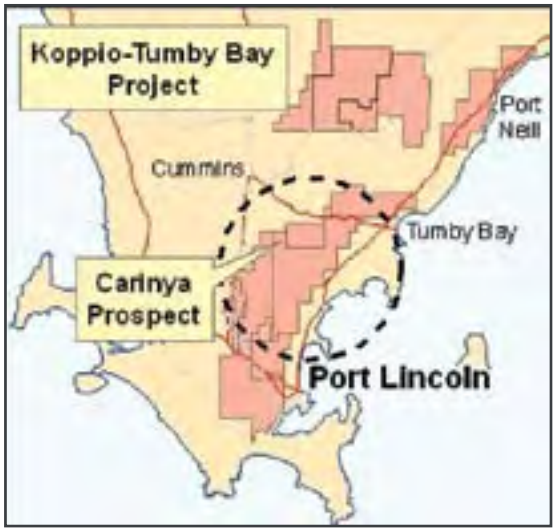
Reconnaissance field checking with a hand-held spectrometer around the margins of one of the lakes with high U/Th ratios located two significant zones of uranium anomalism that are interpreted to represent the points where palaeodrainage channels enter the lake.

Follow-up surface sampling, geophysical surveys and RAB or auger drilling will be undertaken over the Kimba Gap target.

Carinya-Koppio-Tumby Bay Project – ELs 3269, part 3731, part 3877 and 3883

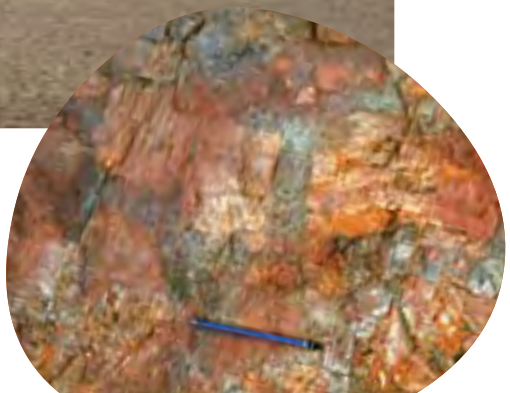
(LML has exclusive rights to all minerals except iron on ELs 3269, 3731 and 3877 and exclusive rights to all minerals on EL 3883)

The Carinya-Koppio-Tumby Bay project is located on southern Eyre Peninsula and has been previously explored for uranium, gold,



base metals, iron ore, graphite and various other minerals largely on a reconnaissance basis. It contains sporadic outcrops of Hutchison Group quartzite, marble, calcsilicate gneiss, BIF, garnet gneiss and amphibolite. Outcrop is more extensive in the east but much of the region is capped by intense Tertiary weathering and lateritic ferricrete that mask basement lithologies.

Along with high-grade iron ore, anomalous uranium, gold and base metal results have been locally recorded and the eastern region near Tumby Bay contains several historic mines. The Tumby Bay, Flinders and Port Lincoln mines are located mainly within outcropping marble and BIF of the lower Hutchison Group immediately adjacent to and just within the Kalinjala Mylonite Zone. Each of these mines produced a few tonnes of mainly high-grade copper carbonate ore but



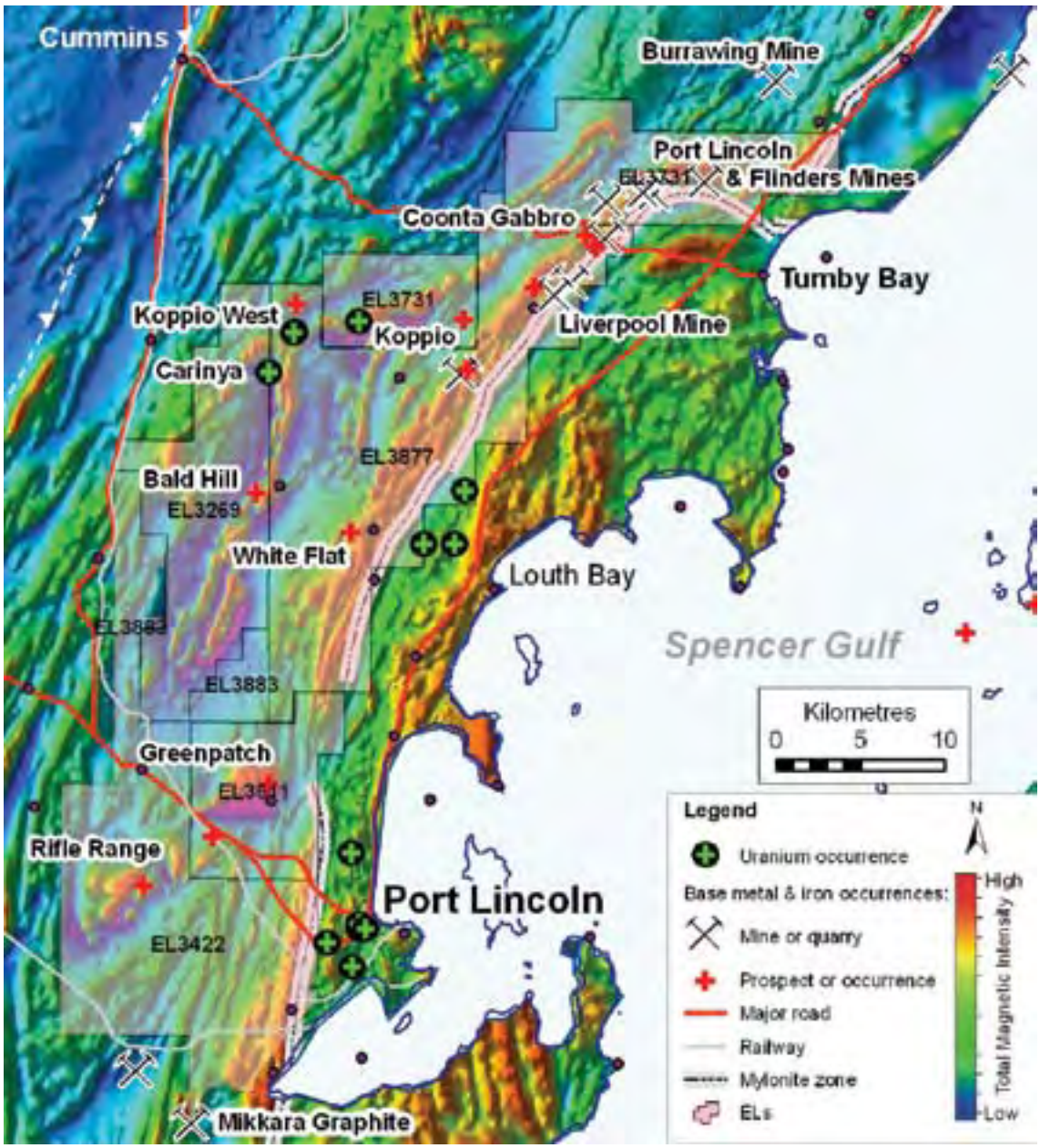


Figure 7: Aeromagnetic image and location of uranium and base metal mines and prospects in the Tumby Bay-Koppio project

copper sulphides have been recorded from deeper levels.

The uranium potential of the region is still largely untested. Afmeco undertook a regional uranium exploration program 1979-1983 and identified several radiometric anomalies including Carinya, Koppio West, Koppio, White Flat and an area 5km northwest of Louth Bay. Widespread uranium anomalism was recorded in the lateritic regolith and drillhole TBD4 northwest of Louth Bay intersected 0.15% U at 15.3m depth in retrograde altered granite gneiss immediately adjacent to the Kalinjala Mylonite Zone.

A detailed radiometric survey over the Carinya-Bald Hill area defined an 800m long uranium-only anomaly that has been largely untested. The Carinya anomaly coincides with anomalous uranium in surface outcrops of ferruginous laterite.

Surface calcrete and lag sampling has been undertaken on a 500m grid over the Carinya area but results were generally poor and/or inconclusive.

The Coonta Gabbro (or Tumby Bay Nickel Prospect just west of Tumby Bay) has been the target of nickel-chrome exploration based on elevated rock chip and stream sediment samples. Basic to ultrabasic diorite to peridotite crops out over an area of 0.7 km2 with up to 0.2% Cr and 0.15% Ni in peridotite.

Torrens Project – EL 3563

(LML has exclusive rights to all minerals)

The Torrens Project (EL 3563) is located on the margin of Lake Torrens southeast of Carapateena and Punt Hill in a similar structural position along a major NNW-trending lineament within the Olympic Iron Oxide Copper Gold Uranium Province.

Carrapateena (RMG Services/Teck Cominco) is a complex haematite breccia system containing Olympic Dam style sulphide mineralisation. The discovery hole intercepted 178m @ 1.83% Cu + 0.64g/t Au from 476-654m (drilling stopped in mineralisation) but more recently Teck Cominco announced an intercept of 905m at 2.1% copper and 1g/t gold.

Drilling by Monax Mining Limited at Punt Hill also intersected iron-oxide copper-gold style (bornite and chalcopyrite) mineralisation within highly hematite altered Gawler Range Volcanics and hematite breccia at depths from ~750-960m. Mineralisation occurs on semi-coincident gravity and magnetic anomalies along a regional NW-trending fault.

The Torrens Project is east of the Torrens Hinge Zone in an area where depths to Mesoproterozoic basement have traditionally been believed to be >1,000m.

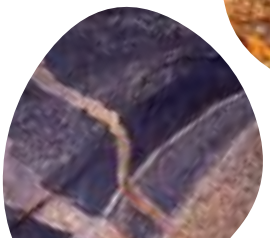
However, work by Delhi Petroleum Pty Ltd, Urangesellschaft Australia Pty Ltd and CSR Ltd interpreted a narrow, NNW-trending anomaly on regional aeromagnetic data as a possible uplifted basement structure, the "Yadlamalka Horst". They interpreted this structure as the SSE continuation of a granitic intrusive under Lake Torrens, their "Lake Torrens Intrusive". This "intrusive" is an apophysis on a much larger regional magnetic feature or batholith that underlies the Torrens Project.

Work by Cowan Geodata Services for LML calculated depths to magnetic units along the NNW-trending lineament as shallow as 200m. Magnetic units in this area are likely to be basalts within the Beda Volcanics, mafic dykes intruding Pandurra Formation, Gawler Range Volcanics or older basement. However, whatever the magnetic units are, they have been uplifted relative to the surrounding area confirming that this structure represents a basement horst or anticline.

Previous drilling, Wilkatanna 1 and Yadlamalka 1 respectively SW and E of the horst intersected Quaternary and Tertiary (Q-T) sediments then Cambrian and Adelaidean sediments to >650m.

However, Yadlamalka 2 drillhole, located over the horst block, intersected Q-T sediments to ~147m, Adelaidean shale to ~175m and then early Adelaidean Beda Volcanics to EOH at 221m; there was no Cambrian limestone, no Burra Group and only a thin intersection of either Umberatanna or Callanna Group sediments. The drillhole was angled to the west so the true depth to the top of the Beda Volcanics is 152m.

The proposed exploration program for the Torrens Project includes a detailed gravity survey, modelling and a deep (ca. 1,000m) diamond drillhole over the most prospective target.



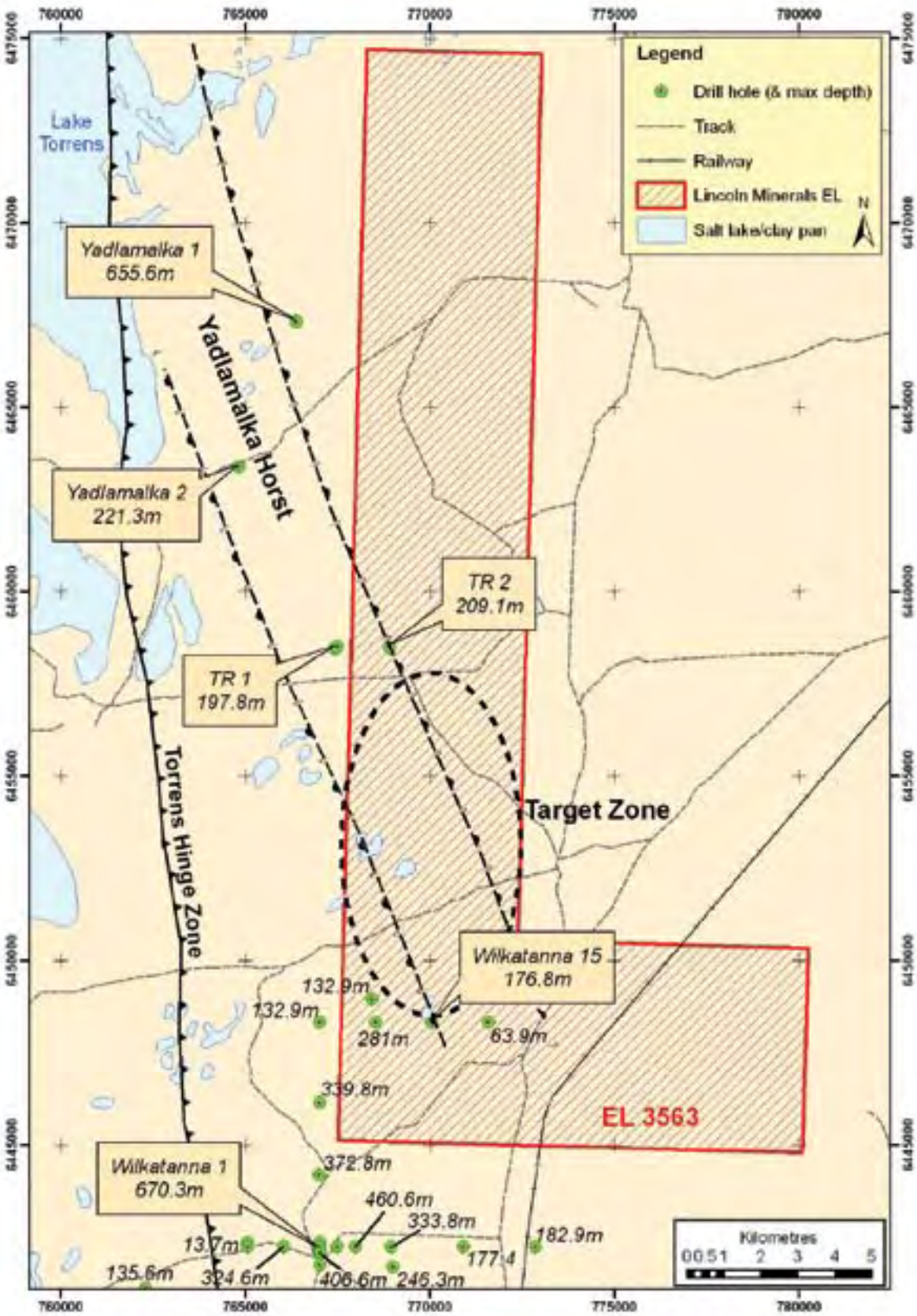


Figure 8: Location of Yadlamalka Horst in relation to previous drilling

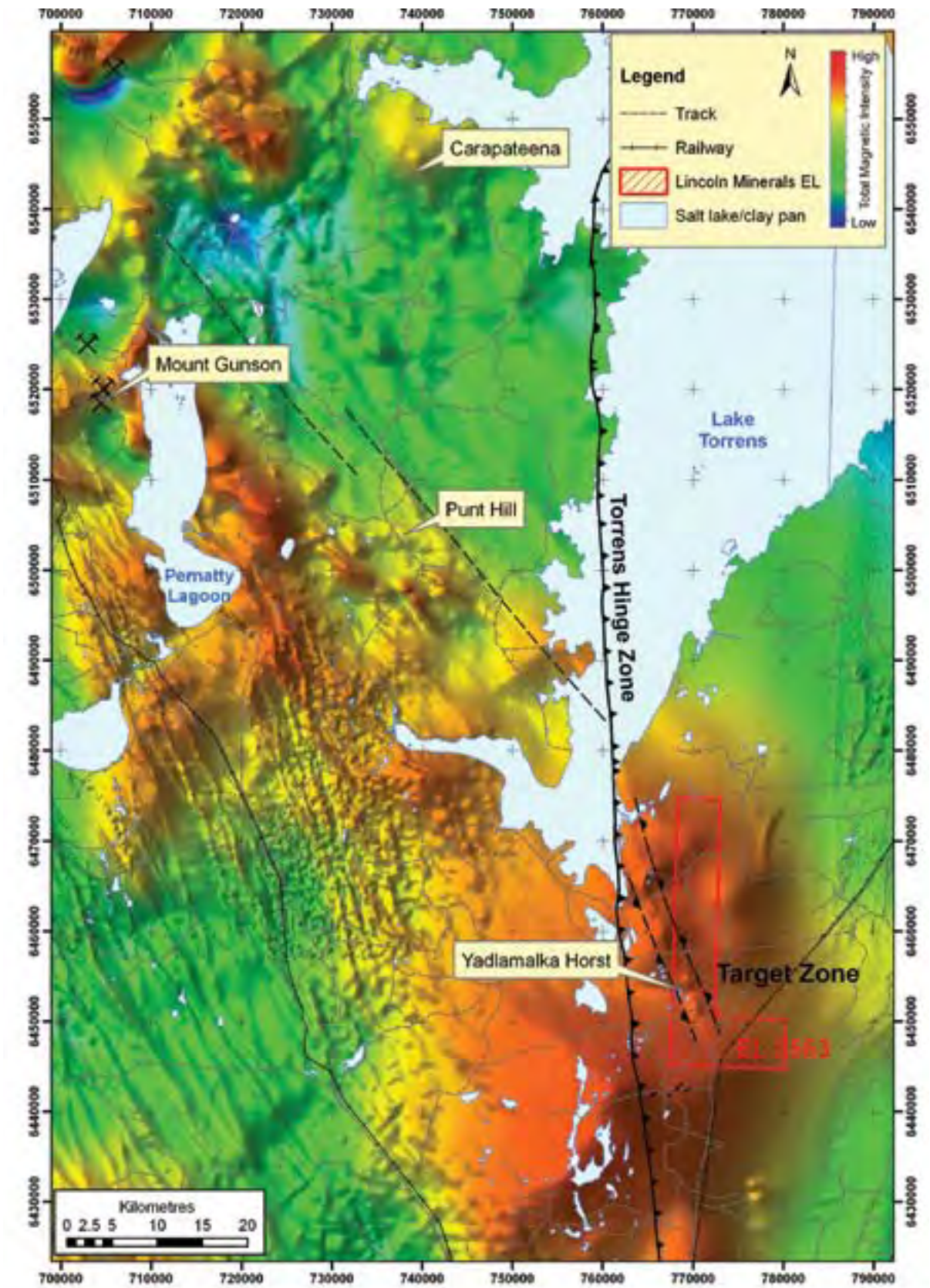
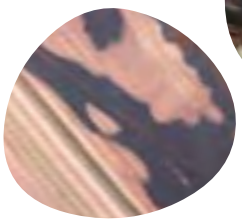


Figure 9: Location of the Torrens Project in relation to the regional magnetic anomaly or batholith.

Kimba Gap salt lake



The Directors present their report together with the financial report of Lincoln Minerals Limited for the financial year ended 30 June 2007 together with the Auditor's report thereon.

DIRECTORS

The Directors of the Company at any time during or since the end of the financial year are:

Name and qualifications	*Experience and other directorships*
Richard V. Ryan AO FCA **Chairman** **(Non-Executive)** **Appointed 10 November 2006**	Richard Ryan AO has had a long and distinguished career in the mining industry. Mr Ryan is a Fellow of the Institute of Chartered Accountants in Australia, a Companion of the Institution of Engineers, Australia, and a Companion of the Chartered Management Institute, UK. Mr Ryan was made a member of the Order of Australia in 1989 for Services to the Community and was made an Officer of the Order of Australia in 1998 for Services to Indigenous People. Other directorships of listed entities within the last three years: Nil.
Dr Allan John Parker **BSc(Hons), PhD, Dipl Comp Sc** **Managing Director** **Appointed 16 October 2006**	Dr Parker is a geologist and geophysicist. Dr Parker has a broad and extensive knowledge of uranium, gold, iron ore and base metal mineral deposits and mineralizing systems in the Gawler Craton. He also has a strong geophysical background and is a leading geographical information systems (GIS) expert. Other directorships of listed entities within the last three years: Nil.
Peter E. Cox FCA **Director (Non-Executive)** **Appointed 16 October 2006**	Mr Cox is a Chartered Accountant who currently operates a management consultancy business after many years in public practice. He has been involved in the administration of a number of public floats and listed companies, predominantly in the Resources sector. Other directorships of listed entities within the last three years: MIKOH Corporation Limited from 1 December 2004 until 14 June 2006.
Robert A. Althoff B.Tech (Mech. Eng.), MAICD **Director (Non-Executive)** **Appointed 5 July 2005**	Mr Althoff is a professional Mechanical Engineer with postgraduate studies in Business Management and 34 years experience in mining, transport and power station operations. Other directorships of listed entities within the last three years: Nil.

David J Lindh
Resigned 9 November 2006

Mr Lindh is a consultant lawyer in corporate and commercial matters, with over 30 year experience both as a lawyer and a company director, including a number of mining and energy related companies.
Other directorships of listed entities within the last three years: Centrex Metals Ltd, from listing 19 July 2006 until date of retirement,
Primary Resources Ltd, from listing 8 March 2006 until date of retirement,
Enterprise Energy Ltd until date of retirement.

Graham J Chrisp
Resigned 7 November 2006

Mr Chrisp has a wide range of experience in structural and civil engineering and has been involved in base metal and gold exploration and mining for more than 25 years.
Other directorships of listed entities within the last three years: Nil.

Norton Jackson
Resigned 7 November 2006

Mr Jackson has worked in mining, milling, and minerals separation operations and applied research for 20 years. He has served on the Boards of several mining companies and academic and research organizations. He was awarded the Order of Australia for service to the mining industry.
Other directorships of listed entities within the last three years:
Australasia Gold Ltd, from listing 18 January 2006 until date of retirement,
Centrex Metals Ltd, from listing 19 July 2006 until date of retirement.

COMPANY SECRETARY

Mr Peter E Cox is Company Secretary (appointed 16 October 2006) and also a non-executive Director. Mr GM Chrisp acted as Company Secretary from 1 July 2006 until 7 November 2006. Refer to details above.

DIRECTORS' MEETINGS

The number of directors' meetings held and numbers of meetings attended by each of the directors of the Company during the financial year were:

	Number of meetings held while in office	*Number of meetings attended*
RV Ryan	**15**	**14**
AJ Parker	**17**	**17**
PE Cox	**17**	**17**
RA Althoff	**17**	**16**
DJ Lindh	**2**	**2**
GM Chrisp	**2**	**2**
N Jackson	**2**	**2**

The Board does not operate any separate committees.

DIRECTORS' INTERESTS IN SHARES AND OPTIONS

Particulars of directors' interests in the shares of Lincoln Minerals Limited as at the date of this report are as follows:

	Fully paid shares held	*Options held*
Richard V Ryan	**100,000**	**850,000**
A John Parker	**-**	**2,000,000**
Peter E Cox	**100,000**	**1,050,000**
Robert A Althoff	**509,980**	**1,358,322**

PRINCIPAL ACTIVITIES

The principal activity of the Company has been the exploration for minerals on the Eyre Peninsula region of South Australia.

On 12th September 2006 the Company changed its name from Centrex Exploration Limited and then on 16th October 2006 the Company demerged from its then parent entity, Centrex Resources Limited. As a result of the demerger there were 26,232,211 new shares, and 14,706,979 options issued in Lincoln Minerals Limited to shareholders of Centrex Resources Limited. At 31 December 2006, all of the 10,353,647 options (which were included in the demerger options) exercisable at 25 cents each expired.

The Company raised $844,000 by two separate issues of shares at 10 cents each whilst preparing a prospectus which was lodged with ASIC on 30 January 2007. The public issue of up to 35,000,000 shares at 20 cents each, for which the prospectus was lodged, was oversubscribed and the Company subsequently listed on ASX on 9th March 2007. In June 2007 the Company issued 35,776,854 bonus options to shareholders on the share register as at 9 June 2007 on the basis of one option for every two shares held.

During the period from completion of the public offering in March 2007 until the end of the financial year, the Company accelerated its exploration programme.

RESULTS AND DIVIDENDS

The Company made a loss after tax of $346,018 (2006: $1,849). In 2007 the Company capitalised $251,486 (2006: $4,905) of exploration and evaluation expenditure and expensed $17,039 (2006: Nil) of such expenditure that was unable to be carried forward.

No dividends were paid and the directors have not recommended the payment of a dividend.

CORPORATE PERFORMANCE

The performance of the Company since becoming a listed public company is:

Year	Net (loss) for the year	(Loss) per share – cents	Shareholders' Equity	Share price beginning of the year cents	Share price end of the year cents
2007	(346,018)	(0.99)	6,677,390	N/A	18.5

No dividends were paid, nor were there any capital reductions or share cancellations.

REVIEW OF OPERATIONS AND LIKELY DEVELOPMENTS

Detail of the Company's operations are set out in the Managing Director's review of operations section of the Annual Report.

STATE OF AFFAIRS

During the year the Company issued a total of 71,672,211 fully paid ordinary shares raising a total of $7,844,000 in cash. Out of those proceeds $678,102 was paid in share issue expenses. At 30 June 2007 the Company had cash on hand of $6,397,718 and subsequently issued 3,500,000 new fully paid ordinary shares at 30 cents each on 16th August 2007 raising $1,050,000 in cash pursuant to a joint venture agreement with Mineral Enterprises Limited of Bangalore, India. As at the date of this report the Company has adequate cash resources to continue its present activities over the next two years.

ENVIRONMENTAL REGULATION

The Company is subject to environmental regulation in respect of the mining tenements granted to it and the mining legislation of the states in which the mining tenements are held. The Directors are satisfied that no breaches of the environmental conditions of these licences have occurred as they are continually monitoring the Company's operations. No notices of any such breaches have been received from any authority.

ENVIRONMENT AND SOCIAL POLICY

Environment

The Company is aware of its corporate responsibility to impact as little as possible on the environment and, as necessary, to undertake exploration programs and/or rehabilitate sites in line with detailed procedures and guidelines published by the South Australian Government.

The Company has a policy to monitor performance and improve operational procedures to best environmental practice and minimise the impacts of exploration activities wherever possible.

Social

At Lincoln Minerals we are committed to a working environment that provides equality to all and that

respects the rights, cultural beliefs and relevant concerns of all landholders and communities that have a legitimate interest in land upon which we propose to undertake exploration.

This will involve ongoing communication with relevant local residents, farmers, pastoral property owners, Aboriginal groups and local authorities.

The Company has an employment strategy that aims to help improve access to employment for local Aboriginal people. The focal point for the strategy in 2007/2008 will be to investigate and assist in the development and implementation of traineeships and/or training programs that will best meet the Company's and industry's future needs.

OPTIONS

Particulars regarding options of Lincoln Minerals Limited as at 30 June 2007:

Category	Exercisable at any time until	Exercise price	Exercised during the year	Outstanding
Shareholder – from the demerger	31 Dec 2008	20 cents	Nil	4,353,332
Director	31 Dec 2011	20 cents	Nil	4,750,000
Shareholder – bonus	30 Jun 2010	30 cents	Nil	35,776,854

Between the end of the year and the date of this report:

- No options have been exercised.
- 300,000 options have been granted to staff, subject to certain vesting conditions, exercisable at 25 cents each, expiry 31 December 2011.
- No options have lapsed.

None of the above options entitles the holders to participate, by virtue of the options, in any share issue of any other corporation.

SIGNIFICANT EVENTS AFTER BALANCE DATE

Details are contained at Note 15 to the Financial Statements.

LIKELY DEVEOPMENTS AND EXPECTED RESULTS

In 2008 the Company will be principally engaged in the exploration for minerals on its tenement areas on Eyre Peninsula in South Australia. The only expected source of income will be the receipt of interest on cash funds held on deposit.

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the directors support and have adhered to the principles of good corporate governance. The Company's

corporate governance statement is contained in the section entitled "Corporate Governance Statement".

REMUNERATION REPORT

This report outlines the remuneration arrangements in place for Directors and Executives of Lincoln Minerals Limited. The corporate performance summary is disclosed elsewhere in the Directors' Report.

Remuneration philosophy

The performance of the Company depends on the quality of its directors and executives. To prosper, the Company must attract motivate and retain highly skilled directors and executives.

To this end, the Company embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract high calibre executives
- Link executive rewards to shareholder value
- Establish appropriate, demanding performance hurdles in relation to variable executive remuneration

Remuneration committee

Due to the relatively small size and complexity of the Company the Board have decided not to form a separate Remuneration Committee, and instead the Board of Directors is responsible for determining and reviewing compensation arrangements for the Directors, and the senior management team.

The Board of Directors assesses the appropriateness of the nature and amount of remuneration of directors and senior managers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality board and executive team. Share options may form part of a remuneration package and number and terms of such options will be determined in accordance with the above objectives.

Remuneration structure

In accordance with best practice corporate governance, the structure of non-executive director and senior manager remuneration is separate and distinct.

Non-executive director remuneration

Objective

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain directors of the highest calibre and with the experience and qualification appropriate to the development of the Company, whilst incurring a cost which is acceptable to shareholders.

Structure

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of Non-executive Directors shall be determined from time to time by shareholders in general meeting. An amount not exceeding the amount determined is then divided between the Directors as agreed. The latest determination was at an Extraordinary General Meeting held in January 2007 when shareholders approved an aggregate remuneration of $250,000 per year.

The Board considers fees paid to Non-executive Directors of comparable companies when undertaking the annual review process.

All of the Non-executive Directors received directors' fees whilst Mr Cox also received contract payments for secretarial and accounting services rendered at commercial rates. Messrs Lindh, Jackson Chrisp did not receive remuneration from the Company during the part of the year that they held office.

Non-executive Directors' fees are not linked to the performance of the Company. However, Directors are issued options to provide the necessary incentive to work and grow long-term shareholder value. Issues of options to Directors require approval by shareholders in general meeting.

Executive Director and Senior Management remuneration

Objective

The Group aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group and so as to:

- Reward executives for Group and individual performance;
- Align the interests of executives with those of shareholders;
- Link reward with the strategic goals and performance of the group; and
- Ensure total remuneration is competitive by market standards.

Structure

It is Board policy that employment contracts are entered into with the Managing Director and other senior executives.

Remuneration consists of the following key elements:

- Fixed Remuneration
- Variable Remuneration

The proportion of fixed remuneration and variable remuneration (potential short term and long term incentives) is established by the Board of Directors. The variable remuneration for Dr Parker, Managing Director, being a share option package, was approved by shareholders during the year.

Fixed Remuneration

Objective

The level of fixed remuneration is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market.

Fixed remuneration is reviewed in accordance with contract terms by the Board of Directors and the process consists of a review of companywide and individual performance, relevant comparative remuneration in the market and internal and, where appropriate, external advice on policies and practices.

Employment contracts

Employees are employed under terms which include annual reviews as to their personal performances and assessment as to general employment market conditions. The Managing Director has been engaged for three years although the contracts may be terminated by either party by the giving of three months' notice. Senior staff have all been engaged for two years although these contracts may be terminated by either the Company or the respective staff member by the giving of four weeks' notice.

Compensation of Key Management Personnel

	Short term		Post employment	Share-based payment	Total	Total performance related
Year ended 30 June 2007	Salary and fees	Contract payments and professional fees	Super-annuation	Options		
	$	$	$	$	$	%
Directors						
RV Ryan	-	-	28,021	6,763	34,784	19.4%
AJ Parker	70,000	26,300	44,450	10,144	150,894	6.7%
PE Cox	-	60,418	20,819	6,763	88,000	7.7%
RA Althoff	-	-	20,819	5,072	25,891	19.6%
Executives						
DA Povey	1,923	-	173	-	2,096	-
DR Bachmann	-	-	-	-	-	-
Total Key Management Personnel	71,923	86,718	114,282	28,742	301,665	9.5%

Compensation options

During the year 2,000,000 options were granted to Managing Director, Dr AJ Parker as performance related compensation. The options were issued free of charge and 1,000,000 vested upon grant and the other 1,000,000 vested upon Listing of the Company's shares on ASX. Details of the options granted are:

2,000,000 options exercisable at 20 cents each at any time on or before 31 December 2011 or within 90 days of cessation as a director of the Company, whichever comes first. Fair value per option at date of grant for the 1,000,000 unconditional options was $0.006763, and $0.003381 per option for the 1,000,000 conditional options.

For the non-executive directors, the total of 2,750,000 compensation options were on the same terms as the unconditional options for Dr Parker above. One million of those options were granted to Mr Richard V Ryan or his nominee(s). At the time of grant, Mr Ryan nominated two hundred thousand of those options to be granted to an entity in which he has no interest.

No shares were issued on exercise of compensation options during 2007 or 2006.

Option holdings of Key Management Personnel

30 June 2007	Granted as	Granted pursuant to the demerger	Bonus options	Lapsed	Balance at end of period or date of resignation
Directors					
RV Ryan	800,000	-	50,000	-	850,000
AJ Parker	2,000,000	-	-	-	2,000,000
PE Cox	1,000,000	-	50,000	-	1,050,000
RA Althoff	750,000	859,992	254,990	506,660	1,358,322
DJ Lindh	-	1,242,220	-	-	1,242,220
N Jackson	-	1,062,234	-	-	1,062,234
GM Chrisp	-	-	-	-	-
Executives					
DA Povey	-	-	-	-	-
DR Bachmann	-	-	-	-	-

No Director or Executive held any options during the year ended 30 June 2006, and all options granted and held over 2007 had vested and were exercisable when granted.

In January 2007, 4,750,000 options were issued as share-based payments.

The following table lists the inputs to the Black-Scholes model used to determine the value of the payment:

Expected volatility	30.0%
Risk-free interest rate	5.72%
Expected life of option	5 years
Average share price at grant date	$0.10
Value per option	0.6763 cents

Of the 4,750,000 options granted, 3,750,000 vested immediately but the other 1,000,000 were conditional upon listing of the company's shares on ASX. In the case of that

1,000,000 options there was a 50% discount applied to the valuation for conditionality. All of the options were granted for no consideration and contain no performance conditions.

AUDITORS' INDEPENDENCE DECLARATION

We have obtained the independence declaration from our auditors KPMG, a copy of which is attached to and forms part of this report.

NON-AUDIT SERVICES

Non-audit services performed by the Auditors during the year included preparation of the Independent Accountants Report which was included in the Company's prospectus lodged on 30 January 2007, and certain indirect taxation advice. The Board has considered the non-audit services provided during the year by the Auditors and is satisfied that the provision of those non-audit services during the year is compatible with and did not compromise the auditor independence requirement of the Corporations Act 2001.

INDEMNIFICATION AND INSURANCE OF OFFICERS

During the financial year the Company entered into agreements to indemnify all current directors of the Company as at the date of this report against all liabilities (subject to certain limited exclusions) to persons (other than the Company or a related body corporate) which arise out of the performance of their normal duties as a director or executive officer unless the liability relates to conduct involving a lack of good faith. The Company has also agreed to indemnify the directors and executive officers against all costs and expenses incurred in defending an action that falls within the scope of the indemnity and any resulting payments.

During the financial year the Company paid insurance premiums in respect of directors' liability insurance. Disclosure of the nature of the liability and the extent of the premium is prohibited by the confidentiality clause of the contract of insurance.

The directors' and officers' liability insurance provides cover against all costs and expenses involved in defending legal actions and any resulting payments arising from a liability to persons (other than Lincoln Minerals Limited) incurred in their position as director unless the conduct involves a wilful breach of duty or an improper use of inside information or position to gain advantage.

Dated at Adelaide, South Australia this 11th day of September 2007 and signed in accordance with a resolution of the directors.

RV Ryan, Director

KPMG

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Lincoln Minerals Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2007 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Gary Savage
Partner

Adelaide

11 September 2007

KPMG, an Australian parnership, is part of the KPMG International network, KPMG International is a Swiss cooperative.

The Board of Directors of Lincoln Minerals Limited is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of Lincoln Minerals Limited on behalf of the shareholders by whom they are elected and to whom they are accountable.

The format of the Corporate Governance Statement follows the Australian Stock Exchange Corporate Governance Council's (the Council's) "Principles of Good Corporate Governance and Best Practice Recommendations" (the Recommendations). In accordance with the Council's recommendations, the Corporate Governance Statement must contain certain specific information and must disclose the extent to which the Company has followed the guidelines. Where a recommendation has not been followed, that fact must be disclosed, together with the reasons for the departure. Lincoln Minerals Limited's Corporate Governance Statement is structured with reference to the Corporate Governance Council's principles and recommendations, which are as follows:

Principle 1 – Lay solid foundations for management and oversight
Principle 2 – Structure the board to add value
Principle 3 – Promote ethical and responsible decision making
Principle 4 – Safeguard integrity in financial reporting
Principle 5 – Make timely and balanced disclosure
Principle 6 – Respect the rights of shareholders
Principle 7 – Recognise and manage risk
Principle 8 – Encourage enhanced performance
Principle 9 – Remunerate fairly and responsibly
Principle 10 – Recognise the legitimate interests of shareholders

1. Lay solid foundations for management and oversight

Governance Roles to achieve the Vision

The skills, experience and expertise relevant to the position of each Director and Secretary in office at the date of the annual report is included in the Directors' Report.

The determination of materiality requires consideration of both quantitative and qualitative elements.

The Board has determined those matters which are the province of the Board, clearly separating them from the responsibilities of the Managing Director.

The Board's role includes the following:

- Setting and reviewing the vision, goals and strategy
- Approving the annual strategic plan and major operating plans
- Approving budgets
- Reviewing and providing feedback on the performance of the Managing Director
- Reviewing the performance of the Board and individual directors
- Reviewing the half-year and full year financial statements and reports and quarterly cash-flow statements
- Determining policies and ensuring adequate procedures are in place to manage the identified risks
- Having regard to the size of the company the full Board will carry out the functions sometimes delegated to a nominations committee and remuneration committee

Role of the Managing Director

The role of the Managing Director includes:

- Vision/Strategy. Formulating with the Board the vision and strategy, developing action plans to achieve the vision and reporting regularly to the Board on progress.
- Management team and employees. Providing leadership, appointing and negotiating terms of employment of senior executives (with Board approval where necessary), developing a succession plan, ensuring procedures are in place for education and training to ensure compliance with laws and policies.
- Successful implementation of the Company's exploration programme.
- Board. Responsible for bringing all matters requiring review/approval to the Board, advising on the changes in risk profile, providing certification regarding the financial statements for the half-year and full year, reporting to the Board on a monthly basis the performance of the Company and for ensuring education of Directors on relevant matters.

Role of the Chairman

The role of the Chairman includes:

- Vision/Strategy – Ensuring leadership in setting and reviewing vision;
- Board meetings – Setting agenda with the Managing Director/Company Secretary, ensures directors receive all relevant information, chairs meetings and deals with conflicts;
- AGM – Chairing the AGM and ensures shareholders as a whole have an opportunity to speak on relevant matters, ensures audit partner attends;
- External matters – Being spokesperson with the Managing Director, on company matters;
- Managing Director – Being the primary point of contact between the Board and External.
- Being kept fully informed on major matters by the Managing Director, chairing the performance appraisal of the Managing Director, and providing mentoring;
- Initiating Board and committee performance appraisal and ensuring agreed Board composition is maintained and director induction plans are in place.

2 Structure the Board to Add Value

Composition and Balance of Skills of Directors

The composition of the Board is critical for the success of the Company and the number of directors and their skills will vary from time to time depending on the circumstances of the Company:

- The Board believes that the number of directors will range from four to six but have currently determined that the number will be four, including the Managing Director;
- The Board will comprise a variety of persons with diverse skills and experience relevant to the Company and its circumstances at the time;
- The CEO will be a director and will also have the title of Managing Director.

Independence of Directors

The Board believes that the best interests of the Company will be served if a majority of the Directors are independent, as defined in the ASX Corporate Governance Guidelines. The Chairman is an independent director. Directors of Lincoln Minerals Limited are considered to be independent when they are independent of management and free from any business or other relationship that could (or could reasonably be perceived to) materially interfere with the exercise of their unfettered and independent judgement.

The Board will review annually whether or not each director is independent.
Incoming Directors are required to consent to their appointment, including undertaking to observe the Company's Corporate Governance policies as are in force from time to time, and including notifying the holding of all Company securities and notifying the Company Secretary at the earliest practical time of any changes that may arise in those holdings.
The status of each director is as follows:

		Term in office
Richard V Ryan - Chairman	Independent	Since November 2006
Dr A John Parker – Managing Director	Non-independant	Since October 2006
Peter E Cox	Independent, but also acts as Company Secretary on a contract basis	Since October 2006
Robert A Althoff	Independent	Since July 2005

The definition of independence is that as set out in the ASX Corporate Governance Guidelines.

The Board believes in the renewal of Board members to ensure the ongoing vitality of the Company. Generally, Directors will serve for 10 years and will not seek re-election at the next AGM at which they retire by rotation, unless unanimously agreed otherwise by the other non-executive Directors. The best interests of the Company at the time, will significantly influence any such decision.

Appointment of Directors

If the Board determines that there is a need to appoint another Director for any reason they will:

- determine the skills, experience, qualifications appropriate, having regard to those of the existing Directors
- agree the process to seek such a person
- set a timetable to appoint, having regards to the timing of the AGM and requirements of the Constitution
- prepare a short list and meet the candidates

Access to Independent Advice

Directors may obtain independent experts' advice to enable them to fulfil their obligations, at the expense of the Company and after obtaining approval of the Chairman.

3. Promote Ethical and Responsible Decision-making

Code of Conduct of Directors

The Directors are expected to use their skills commensurate with their knowledge and experience to increase the value of the Company.

To meet this obligation they must act honestly and should:

- execute due care and diligence;
- not misuse information or their position for their own gain;
- avoid or fully disclose conflicts;
- ensure that the market is fully informed of all matters that require disclosure;
- actively promote the reputation of the Company.

Conflicts of interest that arise must be immediately disclosed and addressed by eliminating the conflict, abstaining from participation or, in exceptional cases, resigning.

Directors must comply with the law on disclosure of benefits and related party transactions. Directors must have access to all relevant information on the Company and this is to be sought through the Managing Director or agreed arrangements.

All Directors must maintain strict confidentiality in relation to Company matters.

Directors must be aware of insider trading laws and strictly abide by the law and Company policies.

Directors are to ensure that the financial statements are drawn up to comply with Australian Corporations Law and Accounting Standards.

Directors must also be aware of environmental impacts of the company's business and ensure the health, safety and well-being of their employees.

Deeds of access, indemnity and insurance will be entered into with the directors to the extent permitted by law.

Trading in securities

The Company's constitution permits the Directors to acquire securities in the Company. However, the Company policy prohibits Directors and senior management from trading the Company's securities whilst in possession of price sensitive information.

Directors, employees and associates may trade where they have obtained approval of the Chairman. The Company's trading policy is discussed with each new employee as part of their induction. In accordance with the provisions of the Corporations Act and the ASX Listing Rules, the Company will advise the ASX of any transaction conducted by the Directors in the Company's securities.

This policy relates to Directors' and executives' spouses and other parties over whom they have significant influence.

Interaction with the media

To ensure clear and consistent messages to the Stock Exchange and media, unless specifically approved otherwise, the Chairman and Managing Director are the only authorised spokespersons of the Company.

4. Safeguarding Integrity in Financial Reporting

Certificate from Managing Director / CFO

The Managing Director and CFO provide a certificate to the Board regarding the Financial Reports giving a true and fair view and being in accordance with accounting standards.

Audit Committee

The Board has not established an audit committee because of the small size of both the Board and the Company. Instead the whole Board monitors performance of the Company closely and in conjunction with the external auditors is satisfied that the reporting systems in place provide accurate and timely reports of the Company's activities and position. In addition, detailed financial reports are reviewed at monthly Board meetings

Contracts and Transactions between the Consolidated Entity and its officers

Any proposed contract between an officer (including associates of the officer) and Lincoln Minerals Limited must be approved by the Board prior to its execution.

5. Make Timely and Balanced Disclosure

Continuous Disclosure

The Board's established policy is to make timely reports to all stakeholders by way of public announcements and direct reports. Lincoln Minerals Limited maintains a website which is regularly updated to provide the wider community with all of the available information that is released.

6. Respect the Rights of Shareholders

Communication Policy

The Board seeks to ensure that shareholders are informed of all major developments affecting the Company's state of affairs through:

- the Annual Report
- the Interim Report
- disclosures made to ASX
- notices and explanatory memorandum of Annual General Meetings
- the Company's website, www.lincolnminerals.com.au

It is the Company's policy that the engagement partner of its auditors, KPMG, be present at the AGM and be available to answer relevant questions.

7. Recognise and Manage Risk

Risk Management and Internal Compliance and Control

The Board determines the Company's 'risk profile' and is responsible for overseeing and approving risk management strategy and policy.

This includes:

- establishing and monitoring the Company's strategies, goals and objectives
- identifying and measuring risks that might impact upon the achievement of those strategies, goals and objectives
- formulating risk management strategies to manage the identified risks
- monitoring and improving the effectiveness of risks and internal compliance controls.

The Board's current policy requires all cash which is surplus to immediate requirements to be deposited with recognised Australian Banks and does not permit trading in derivatives with Company funds.

8. Encourage Enhanced Performance

Performance Evaluation

The Board, through the Chairman, will carry out an evaluation, at least every three years, to:

- review the role of the Board
- assess the performance of the Board with a view to assisting the Board to better perform its duties
- review the type and timing of information provided to Directors
- review the performance and contribution of each of the non-executive Directors.

The Board may, from time to time, use an independent adviser to assist in the reviews.

Managing Director / Chief Executive Officer

The Board will annually review the performance of the Managing Director having regard to performance measures set out at the commencement of each year. These will include financial measures, achievement of strategic objectives and other key performance indicators, and compliance.

9. Remunerate Fairly and Responsibly
Remuneration Policies
Non-Executive Directors

Fees plus statutory superannuation paid to non-executive Directors will generally be around the market average.

Directors will not otherwise be entitled to retirement benefits.

Directors will not participate in share or option plans except with the approval of the shareholders.

As from the date of ASX Listing, the fee level is $35,000 per non-executive director per annum and the Chairman $50,000 per annum, all inclusive of statutory superannuation. The total amount that may be payable by the Group by way of Directors' fees is subject to approval by shareholders and is currently set at a maximum of $250,000 per annum.

The Managing Director and each non-executive Director holds options.

Senior Executives

Remuneration packages will generally be set to be competitive to both retain executives and attract executives to the company.

Further information will be set out in the Remuneration Report included in the Directors' Report each year.

10. Recognise the Legitimate Interests of Stakeholders

The Company observes the principles recommended by the ASX Corporate Guidance Council.

The Company addresses environmental, logistical and operating issues associated with its exploration activities.

The Company observes all of the rehabilitation requirements which may attach to its exploration activities.

The Company acknowledges community and legal standards with respect to anti-discrimination at all levels, particularly with respect to employees and contractors.

The Company acknowledges community and legal standards with respect to occupational safety and health.

		2007	2006
		$	$
Financial income – interest		159,858	–
Employee benefits expense		(60,246)	–
Finance costs		(3,341)	–
Share based payments expense		(28,742)	–
Exploration and evaluation expenditure not capitalised		(17,039)	–
Depreciation and amortisation of non-current assets		(1,114)	–
Corporate expenses	3	(395,394)	(1,849)
LOSS BEFORE INCOME TAX		(346,018)	(1,849)
Income tax expense	4	–	–
NET LOSS FOR THE YEAR		(346,018)	(1,849)
LOSS FOR THE YEAR ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY		(346,018)	(1,849)
Basic earnings (loss) per share (cents)	16	(0.99)	(184.9)
Diluted earnings (loss) per share (cents)	16	(0.99)	(184.9)

The accompanying Notes form part of these Financial Statements

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2007

	Issued capital	Accumulated losses	Share based payments reserve	Total
At 1 July 2006	10	(171,242)	-	(171,232)
Share issues **	8,244,000	-	-	8,244,000
Share issue expenses **	(1,078,102)	-	-	(1,078,102)
Loss for the year	-	(346,018)	-	(346,018)
Options expense	-	-	28,742	28,742
At 30 June 2007	7,165,908	(517,260)	28,742	6,677,390
At 1 July 2005	10	(169,393)	-	(169,383)
Loss for the year	-	(1,849)	-	(1,849)
At 30 June 2006	10	(171,242)	-	(171,232)

** Includes $400,000 of non-cash share issues and share issue expenses.

The accompanying Notes form part of these Financial Statements

	Notes	2007 $	2006 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	6,397,718	-
Trade and other receivables	6	86,049	-
TOTAL CURRENT ASSETS		6,483,767	-
NON CURRENT ASSETS			
Property plant and equipment	7	40,030	-
Exploration and evaluation	8	280,436	28,950
TOTAL NON CURRENT ASSETS		320,466	28,950
TOTAL ASSETS		6,804,233	28,950
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	126,843	835
Loans and borrowings	10	-	199,347
TOTAL CURRENT LIABILITIES		126,843	200,182
TOTAL LIABILITIES		126,843	200,182
NET ASSETS / (LIABILITIES)		6,677,390	(171,232)
EQUITY			
Contributed equity	11	7,165,908	10
Reserves	12	28,742	-
Accumulated (Losses)		(517,260)	(171,242)
TOTAL EQUITY		6,677,390	(171,232)

The accompanying Notes form part of these Financial Statements

CASH FLOW STATEMENT for the year ended 30 June 2007

	Notes	2007 $	2006 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(419,990)	(1,849)
Interest received		106,618	-
Interest paid		(3,341)	-
Net cash (outflow) from operating activities	5	(316,713)	(1,849)
CASH FLOWS FROM INVESTING ACTIVITIES			
Exploration expenditure		(214,283)	(4,905)
Payments for acquisition of property, plant and equipment		(37,837)	-
Net cash inflow/(outflow) from investing activities		(252,120)	(4,905)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share issues		7,844,000	-
Share issue expenses		(678,102)	-
Proceeds of loans		16,040	6,754
Repayment of loans		(215,387)	-
Net cash inflow/(outflow) from financing activities		6,966,551	6,754
Net increase/(decrease) in cash and cash equivalents		6,397,718	-
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	5	6,397,718	-

The accompanying Notes form part of these Financial Statements

1. CORPORATE INFORMATION

The financial report of Lincoln Minerals Limited ("the Company") for the year ended 30 June 2007 was authorised for issue in accordance with a resolution of the directors on 11 September 2007.

Lincoln Minerals Limited changed its name on 12 September 2006. For the whole of the year ended 30 June 2006 until 12 September 2006 its name was Centrex Exploration Limited. On 16th October 2006 the Company demerged from its then parent entity, Centrex Resources Limited. Refer to Note 11 for further details.

Lincoln Minerals Limited, incorporated in Australia, is a company limited by shares which are publicly traded on ASX Limited, having been listed on 9 March 2007.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial report is a general purpose report which has been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Interpretations) adopted by Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The financial report has been prepared on an historical cost basis and is presented in Australian dollars.

(b) Statement of compliance

None of the Standards and Amendments available for early adoption has been adopted by the Company as none is expected to have a significant impact.

(c) Significant accounting judgments, estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on judgments, estimates and assumptions of future events. The key judgments, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:-

Share-based transactions

The Company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the dates upon which they are granted. The fair value of options granted during the last financial year has been determined by an external valuer using the Black-Scholes valuation method taking into account the terms and conditions on which the options were granted.

Recoverability of exploration and evaluation costs

Refer note 2(f).

The accounting policies set out below have been applied consistently to all periods presented.

(d) Financial income

Interest is recognised as the interest accrues (using the effective interest method, which is the rate that discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset).

(e) Property, plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any impairment in value. Refer to impairment policy at note 2(g).

Depreciation is calculated on a diminishing value basis over the estimated useful life of the asset as follows:
Plant and equipment – over 5 to 15 years.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the period the item is derecognised.

(f) Exploration and evaluation

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the balance sheet where it is expected that the expenditure will be recovered through the successful development and exploitation of the area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision to abandon is made.

(g) Impairment – non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(h) Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank, cash on hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(i) Receivables

Receivables which are generally receivable within 30-90 day terms, are recognised and carried at original amount less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified. Fair value of trade and other receivables is estimated as the present value of future cash flows discounted at the market rate of interest at the reporting date.

(j) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(k) Employee benefits

(i) Wages, salaries, annual and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to the expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on notional government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash flows.

(iii) Share-based payments

Refer note 2(r).

(l) Leases

Leases where the lessor retains substantially all the risks and benefits of ownership of the

asset are classified as operating leases. Operating lease payments are recognised as an expense in the income statement over the lease term.

The Company does not have any finance leases.

(m) Trade and other payables

These amounts represent liabilities for goods and services provided to the entity prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(n) Contributed equity

Ordinary share capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of share proceeds received, net of any related income tax benefit.

(o) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: initial recognition of goodwill, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they are not expected to reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend.

(p) Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise share options granted.

(q) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the Cash Flow Statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(r) Share-based payments

The Company provides benefits to Directors and Senior Executives of the Company in the form of share-based payments, whereby directors and employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with directors and employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuer using the Black-Scholes method. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information), weighted average expected life of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market conditions attached to the transactions are not taken into account in determining fair value.

The cost of equity-settled transactions is recognised, together with the corresponding increase in equity, over the period in which the performance and / or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

(s) Financial instruments

(i) Non-derivative financial instruments

Non-derivative financial instruments comprise receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs, except as described

below. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Company's rights to the cash flows from the financial assets expire or if the Company transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, ie, the date that the Company commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Company's obligations specified in the contract expire or are discharged or cancelled.

Cash and cash equivalents comprise cash balances and call deposits.

(ii) Ordinary shares

Incremental costs directly attributable to issue of ordinary shares and share options are recognised as a deduction from equity, net of any related income tax benefit.

3. CORPORATE EXPENSES

	2007 $	2006 $
Accounting and secretarial	58,988	-
ASX fees	20,266	-
Audit fees	15,000	-
Directors' fees	69,658	-
Head office administration	71,772	1,849
Insurances	25,325	-
Legal fees	30,122	-
Operating lease payments	15,066	-
Public relations	35,399	-
Share registry	23,180	-
Staff recruitment	30,618	-
	395,394	1,849

4. INCOME TAX EXPENSE

Numerical reconciliation between tax expense and pre-tax net loss		
Loss before tax	(346,018)	(1,849)
Income tax at 30%	(103,805)	(555)
Effect of permanent and temporary differences and tax losses not recognised	103,805	555
Income tax expense on pre-tax net loss	-	-

Deferred tax assets have not been recognised in respect of tax losses (2007: $676,003 – tax benefit at 30%, $202,801) and deductible temporary differences because it is not probable that future taxable profit will be available against which the Company will be able to utilise the benefits.

5.CASH AND CASH EQUIVALENTS

	2007 $	2006 $
Cash at bank and in hand	8,128	-
Short term deposits	6,389,590	-
	6,397,718	-

Cash at bank does not earn interest.
Short term deposits are made for varying periods of between 30 and 60 days, depending on the immediate cash requirements of the Company, and earn interest at the respective short term deposit rates. The effective interest rate on short term deposits in 2007 was 6.2% pa.

The Company has no available undrawn loan facilities.

RECONCILIATION OF LOSS AFTER TAX TO NET CASH FLOWS FROM OPERATIONS

Operating (loss) after income tax	(346,018)	(1,849)
Depreciation	1,114	-
Share based payments expense	28,742	-
Changes in Assets and Liabilities		
Decrease (Increase) in other current assets	(86,049)	-
(Decrease) Increase in creditors and accruals	85,498	-
Net cash used in operating activities	(316,713)	(1,849)

6. RECEIVABLES

Accrued interest receivable	53,241	-
Bonds and deposits	2,500	-
Other	30,308	-
	86,049	-

No receivables are interest bearing, and with the exception of bonds and deposits, are all receivable within 90 days.

7. PROPERTY, PLANT AND EQUIPMENT

Plant and equipment		
At cost	43,780	-
Accumulated depreciation	(3,750)	-
Closing net book amount	40,030	-
Opening net book amount	-	-
Additions	43,780	-
Depreciation charge	(1,114)	-
Depreciation charged to exploration	(2,636)	-
Closing net book amount	40,030	-

8. EXPLORATION AND EVALUATION

	2007 $	2006 $
Opening net book amount	28,950	24,045
Additions	248,850	4,905
Depreciation charged to exploration	2,636	-
Closing net book amount	280,436	28,950

9. TRADE AND OTHER PAYABLES

Trade payables	83,214	835
Accrued expenses	40,919	-
Annual leave payable	2,710	-
	126,843	835

Trade payables are non-interest bearing and normally settled on 30 day terms. Annual leave payable is expected to be settled within one year. Trade payables, accrued expenses, and annual leave payable are stated at cost. No adjustment is required for fair value.

10. LOANS AND BORROWINGS

Loan from Parent Entity	-	199,347
	-	199,347

At 30 June 2006 the Company's Parent Entity was Centrex Resources Limited (which changed its name to Energy Exploration Limited on 1 November 2006). On 16th October 2006, following the demerger from Centrex Resources Limited, the Company ceased to have a parent entity. The amount owing to Centrex Resources Limited as at that date was $215,387 and thence became interest-bearing at 5% per annum. Total indebtedness (including interest of $3,341) to Energy Exploration Limited was discharged prior to 30 June 2007.

11. CONTRIBUTED EQUITY

(a) Share capital

Fully paid ordinary shares	7,165,908	10

Movements in share capital:	Number	$
Fully paid ordinary shares		
Balance at 1 July 2005 and 30 June 2006	10	10
Issue pursuant to demerger, 16 October 2006	26,232,211	-
Issue 28 November 2006	3,440,000	344,000
Issue 25 January 2007	5,000,000	500,000
Issue 1 March 2007	37,000,000	7,400,000
Less, share issue expenses	-	(1,078,102)
	71,672,221	7,165,908

On 16th October 2006 the Company demerged from its parent entity, Centrex Resources Limited by issuing all of the shareholders of the parent entity with the equivalent number of shares in Lincoln Minerals Limited that each shareholder held in the parent entity. The 26,232,211 shares so issued were

issued for nil consideration.
Fully paid ordinary shares have the right to receive dividends as declared in proportion to the number of shares held.

Fully paid ordinary shares have the right, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of shares held.

Fully paid ordinary shares entitle their holders to vote, either in person or by proxy, at a meeting of the Company. On a poll each fully paid ordinary share is entitled to one vote.

(b) Options
The following options were outstanding as at 30 June 2007:

Category	Number	Exercise price per option	Expiry date
Shareholder ex demerger *	4,353,332	20 cents	31 December 2008
Directors **	4,750,000	20 cents	31 December 2011
Shareholder ***	35,776,854	30 cents	30 June 2010
Total	44,880,186		

* On 16 October 2006, 4,353,332 options exercisable at 20 cents, expiring 31 December 2008 and 10,353,647 options exercisable at 25 cents, expiring 31 December 2006 were issued pursuant to the demerger. All of the 10,353,647 25 cent options lapsed on their expiry date.

** On 25 January 2007, 4,750,000 options exercisable at 20 cents each, expiry 31 December 2011 were issued. Refer Note 18 for details.

*** On 25 June 2007, 35,776,854 bonus options, exercisable at 30 cents each, expiry 30 June 2010, were issued on the basis of one option for every two shares held by shareholders with addresses in Australia or New Zealand on 9 June 2007.

No options were exercised during the year.

Since the end of the year, 300,000 options exercisable at 25 cents each, expiry 31 December 2011, subject to certain vesting conditions, were issued to key staff members.

12. RESERVES

	2007 $	2006 $
Share-based payments reserve		
Balance at beginning of the year	-	-
Option expense	28,742	-
Balance at the end of the year	28,742	-

Share-based payments reserve is used to recognise the fair value of options issued but not exercised.

13. AUDITORS' REMUNERATION

The Auditor of Lincoln Minerals Limited is KPMG.

	2007 $	2006 $
Audit or review of financial reports	15,000	-
Other services - taxation advice	3,500	-
- independent accountant's report	10,000	-
Total remuneration	28,500	-

14. COMMITMENTS AND CONTINGENCIES

Commitments regarding exploration licences

The Company's exploration licence tenements are renewable on an annual basis at various renewal dates throughout the year and the amount of each expenditure covenant is set by the Minister at the time of each renewal grant. On the basis of the current level of such expenditure required for each tenement the total expenditure required to maintain tenure of all of the exploration licences over the next twelve months where the Company is the licence-holder is $260,000.

Currently there are a number of tenements for which the Company has incurred exploration and evaluation expenditures but the Company does not hold the license rights for these tenements. The licenses are held by Centrex Metals Limited and its subsidiary South Australian Iron Ore Group Pty Ltd (SAIOG). There is a Heads of Agreement dated 8 July 2005 and a Supplementary Agreement dated 21 March 2006 between the Company, Centrex Metals Limited and SAIOG whereby Lincoln is granted rights to all minerals and substances on the tenements other than iron ore. The Agreements also grant Centrex Metals the right to all iron ore found on one tenement held by the Company (EL 3498).

Commitments pursuant to a marketing and public relations agreement

	2007 $	2006 $
Commitments for the payment of marketing and public relations as at the reporting date but not recognised as liabilities, payable		
Within one year	72,000	-
After one year but not more than five years	114,000	-
Longer than five years	-	-
	186,000	-

The contract is due to expire on 8 March 2010, but may be terminated by either party by giving six months' notice.

Remuneration commitments

	2007 $	2006 $
Commitments for the payment of salaries and other remuneration under long-term employment contracts at the reporting date but not recognised as liabilities, payable		
Within one year	414,200	-
After one year but not more than five years	480,967	-
Longer than five years	-	-
	895,167	-

At 30 June 2007 there were no contingencies.

15. EVENTS SUBSEQUENT TO BALANCE DATE

On 27 July 2007 the Company completed a Heads of Agreement with Mineral Enterprises Limited of Bangalore, India for a farm-in in respect of exploration licence 3422. Under the terms of the Agreement Mineral Enterprises Limited may earn up to 40% interest in the tenement by contributing $2,500,000 towards exploration expenditure on that tenement in stages up to 30 June 2010.

In addition, the Agreement provided for the allotment to Mineral Enterprises Limited of 3,500,000 fully paid ordinary shares at 30 cents cash per share. Those shares were allotted on 16 August 2007 and proceeds of $1,050,000 received.

16. EARNINGS PER SHARE

Earnings used to calculate basic and diluted earnings per share	(346,018)	(1,849)
Basic earnings (loss) per share (cents)	(0.99)	(184.9)
Diluted earnings (loss) per share (cents)	(0.99)	(184.9)
Weighted average number of ordinary shares on issue used in the calculation of basic earnings per share	35,072,641	10
Weighted potential ordinary shares on issue	40,773,986	10

The calculation of diluted earnings per share does not include weighted potential ordinary shares on issue as to do so would have the effect of reducing the amount of the loss per share.

17. FINANCIAL INSTRUMENTS

The Company's principal financial instruments comprise bank cash and short term deposits.

The main purpose of these financial instruments is to finance the Company's exploration operations. It is, and has been throughout the period under review, the Company's policy that no trading in financial instruments shall be undertaken. The main risk arising from the Company's financial instruments is

cash flow interest rate risk.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2(s) to the financial statements.

Cash flow interest rate risk

The Company's exposure to the risk of changes in market interest rates relate to its earnings on cash funds held.

Foreign currency risk

The Company has no exposure to foreign currency risk.

Commodity price risk

The Company has not commenced production as yet as so in the reporting period there has been no commodity price risk.

Credit risk

The Company has no loans and as such has no credit risk at the date of these accounts.

Liquidity risk

The Company has no liquidity risk as at the date of these accounts.

Fair values

The fair values and carrying amounts for all of the financial assets of the Company as at 2007 and 2006 balance dates are the same.

Interest rate risk

The following tables set out the carrying amounts, by maturity, of the financial instruments exposed to interest rate risk:

2007	< 1 year $	>1 - <2 years $	>2 - <3 years $	>3 - <4 Years $	>4 - <5 years $	Total $
Financial Assets						
Floating rate						
Cash assets	6,397,718	-	-	-	-	6,397,718
Weighted average effective interest rate	6.2%					6.2%
Financial Liabilities						
Nil	-	-	-	-	-	-

2006	< 1 year $	>1 - <2 years $	>2 - <3 years $	>3 - <4 Years $	>4 - <5 years $	Total $
Financial Assets						
Nil						
Financial Liabilities						
Nil						

18. SHARE-BASED PAYMENTS

In January 2007, 4,750,000 options were issued as share-based payments.

The following table lists the inputs to the Black-Scholes model used to determine the value of the payment:

Expected volatility	30.0%
Risk-free interest rate	5.72%
Expected life of option	5 years
Average share price at grant date	$0.10
Value per option	0.6763 cents

Of the 4,750,000 options granted, 3,750,000 vested immediately but the other 1,000,000 were conditional upon listing of the company's shares on ASX. In the case of that 1,000,000 options there was a 50% discount applied to the valuation for conditionality.
All of the options were granted for no consideration and contain no performance conditions.

Share-based payments options outstanding at the beginning of the year – Nil.

Share-based payments options lapsed during the year – Nil.

Share-based payments options granted during the year and outstanding at the end of the year - 4,750,000 exercisable at any time until 31 December 2011 at 20 cents each.

Weighted average exercise price of share-based payments options:

Outstanding at the beginning of the year	Nil
Lapsed during the year	Nil
Granted during the year	20 cents each
Outstanding at the end of the year	20 cents each

No share-based payments options were exercised during the year.

19. KEY MANAGEMENT PERSONNEL DISCLOSURES AND RELATED PARTY TRANSACTIONS

(a) Details of Key Management Personnel

Directors

RV Ryan	Chairman (non-executive) – appointed 10 November 2006
AJ Parker	Managing Director – appointed 16 October 2006
PE Cox	Director (non-executive) – appointed 16 October 2006
RA Althoff	Director (non-executive)
DJ Lindh	Director (non-executive) – resigned 9 November 2006
N Jackson	Director (non-executive) – resigned 7 November 2006
GM Chrisp	Director (non-executive) – resigned 7 November 2006

Executives

DA Povey	Chief Geologist – appointed 21 May 2007
DR Bachmann	Geologist – appointed 25 June 2007

(b) Compensation of Key Management Personnel

The performance of the Company depends on the quality of its directors and executives. To prosper, the Company must attract motivate and retain highly skilled directors and executives.

To this end, the Company embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract high calibre executives
- Link executive rewards to shareholder value
- Establish appropriate, demanding performance hurdles in relation to variable executive remuneration

Remuneration committee

Due to the relatively small size and complexity of the Company the Board have decided not to form a separate Remuneration Committee, and instead the Board of Directors is responsible for determining and reviewing compensation arrangements for the Directors, and the senior management team. The Board of Directors assesses the appropriateness of the nature and amount of remuneration of directors and senior managers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality board and executive team. Share options may form part of a remuneration package and number and terms of such options will be determined in accordance with the above objectives.

Remuneration structure

In accordance with best practice corporate governance, the structure of non-executive director and senior manager remuneration is separate and distinct.

Non-executive director remuneration

Objective

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain directors of the highest calibre and with the experience and qualification appropriate to the development of the Company, whilst incurring a cost which is acceptable to shareholders.

Structure

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of Non-executive Directors shall be determined from time to time by shareholders in general meeting. An amount not exceeding the amount determined is then divided between the Directors as agreed. The latest determination was at an Extraordinary General Meeting held in January 2007 when shareholders approved an aggregate remuneration of $250,000 per year.

The Board considers fees paid to Non-executive Directors of comparable companies when undertaking the annual review process.

All of the Non-executive Directors received directors' fees whilst Mr Cox also received contract payments for secretarial and accounting services rendered at commercial rates. Messrs Lindh, Jackson and Chrisp did not receive remuneration from the Company during the part of the year that they held office.

Non-executive Directors' fees are not linked to the performance of the Company. However, Directors are issued options to provide the necessary incentive to work and grow long-term shareholder value. Issues of options to Directors require approval by shareholders in general meeting.

Executive Director and Senior Management remuneration

Objective

The Group aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group and so as to:

- Reward executives for Group and individual performance;
- Align the interests of executives with those of shareholders;
- Link reward with the strategic goals and performance of the group; and
- Ensure total remuneration is competitive by market standards.

Structure

It is Board policy that employment contracts are entered into with the Managing Director and other senior executives.

Remuneration consists of the following key elements:

- Fixed Remuneration
- Variable Remuneration

The proportion of fixed remuneration and variable remuneration (potential short term and long term incentives) is established by the Board of Directors. The variable remuneration for Dr Parker, Managing Director, being a share option package, was approved by shareholders during the year.

Fixed Remuneration

Objective

The level of fixed remuneration is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market.

Fixed remuneration is reviewed in accordance with contract terms by the Board of Directors and the process consists of a review of companywide and individual performance, relevant comparative remuneration in the market and internal and, where appropriate, external advice on policies and practices.

Employment contracts

Employees are employed under terms which include annual reviews as to their personal performances and assessment as to general employment market conditions. The Managing Director has been engaged

for three years although the contracts may be terminated by either party by the giving of three months' notice. Senior staff have all been engaged for two years although these contracts may be terminated by either the Company or the respective staff member by the giving of four weeks' notice.

Compensation of Key Management Personnel

	Short term		Post employment	Share-based payment	Total	Total performance related
Year ended 30 June 2007	Salary and fees	Contract payments and professional fees	Superan-nuation	Options		
	$	$	$	$	$	%
Directors						
RV Ryan	-	-	28,021	6,763	34,784	19.4%
AJ Parker	70,000	26,300	44,450	10,144	150,894	6.7%
PE Cox	-	60,418	20,819	6,763	88,000	7.7%
RA Althoff	-	-	20,819	5,072	25,891	19.6%
Executives						
DA Povey	1,923	-	173	-	2,096	-
DR Bachmann	-	-	-	-	-	-
Total Key Management Personnel	71,923	86,718	114,282	28,742	301,665	9.5%

Compensation by category: Key Management Personnel

	2007 $	2006 $
Short term	158,641	-
Post employment	114,282	-
Other long term	-	-
Termination benefits	-	-
Share based payment	28,742	-
Total	301,665	-

Compensation options

During the year 2,000,000 options were granted to Managing Director, Dr AJ Parker as performance related compensation. The options were issued free of charge and 1,000,000 vested upon grant and the other 1,000,000 vested upon Listing of the Company's shares on ASX.
Details of the options granted are:
2,000,000 options exercisable at 20 cents each at any time on or before 31 December 2011 or within 90 days of cessation as a director of the Company, whichever comes first. Fair value per option at date of grant for the 1,000,000 unconditional options was $0.006763, and $0.003381 per option for the 1,000,000 conditional options.
For the non-executive directors, the total of 2,750,000 compensation options were on the same terms as the unconditional options for Dr Parker above. One million of those options were granted to Mr Richard V Ryan or his nominee(s). At the time of grant, Mr Ryan nominated two hundred thousand of those options to be granted to an entity in which he has no interest.

No shares were issued on exercise of compensation options during 2007 or 2006.

Option holdings of Key Management Personnel

30 June 2007	Granted as remuneration	Granted pursuant to the demerger	Bonus options	Lapsed	Balance at end of period or date of resignation
Directors					
RV Ryan	800,000	-	50,000	-	850,000
AJ Parker	2,000,000	-	-	-	2,000,000
PE Cox	1,000,000	-	50,000	-	1,050,000
RA Althoff	750,000	859,992	254,990	506,660	1,358,322
DJ Lindh	-	1,242,220	-	-	1,242,220
N Jackson	-	1,062,234	-	-	1,062,234
GM Chrisp	-	-	-	-	-
Executives					
DA Povey	-	-	-	-	-
DR Bachmann	-	-	-	-	-

No Director or Executive held any options during the year ended 30 June 2006.

Shareholdings of Key Management Personnel

Ordinary fully paid shares

30 June 2007	Balance at beginning of period	Issued pursuant to the demerger	Other changes during the year	Balance at end of period or date of resignation
Directors				
RV Ryan	-	-	100,000	100,000
AJ Parker	-	-	-	-
PE Cox	-	-	100,000	100,000
RA Althoff	-	369,980	140,000	509,980
DJ Lindh	-	2,081,102	-	2,081,102
N Jackson	-	1,157,335	-	1,157,335
GM Chrisp	-	-	-	-
Executives				
DA Povey	-	-	-	-
DR Bachmann	-	-	-	-

No Director or Executive held any shares during the year ended 30 June 2006.
No shares were issued in either 2006 or 2007 as compensation.

Loans to Key Management Personnel

Nil

Other transactions with Key Management Personnel

Geosurveys Australia Pty Ltd is an entity associated with Dr AJ Parker. During the period from 16 October 2006 until 30 June 2007 Geosurveys Australia Pty Ltd provided vehicle and equipment hire to the Company totaling $2,400 at equal to or less than commercial rates, sold various small pieces of equipment to the Company totaling $2,436 at equal to or less than commercial rates, and was reimbursed $3,105 for direct expenses incurred by Dr Parker in connection with the business of the Company.

20. SEGMENT INFORMATION

The Company operates in the mineral exploration industry in Australia.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Lincoln Minerals Limited, I state that:

1. In the opinion of the directors:

(a) The financial statements and notes of the Company are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Company's financial position as at 30 June 2007 and for the performance for the year ended on that date;

(ii) complying with Accounting Standards and Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ending 30 June 2007.

On behalf of the Board

RV RYAN
Director

Dated this 11th day of September 2007.
Adelaide, South Australia

KPMG

Independent auditor's report to the members of Lincoln Minerals Limited

Report on the financial report

We have audited the accompanying financial report of Lincoln Minerals Limited (the Company), which comprises the balance sheet as at 30 June 2007, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes 1 to 20 and the directors' declaration set out on pages 10 to 31.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001* and Australian Accounting Standards (including the Australian Accounting Interpretations), a view which is consistent with our understanding of the Company's financial position and of its performance.

KPMG, an Australian parnership, is part of the KPMG International network, KPMG International is a Swiss cooperative.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditor's opinion

In our opinion:

(a) the financial report of Lincoln Minerals Limited is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Company's financial position as at 30 June 2007 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

KPMG

KPMG

Gary Savage
Partner

Adelaide

11 September 2007

SHAREHOLDERS' INFORMATION

1. Distribution as at 25 September 2007

Spread of Equity Security Holders

	Number of Holders Fully paid shares	Number of Holders Listed options	Number of Holders Unlisted options
0 – 1,000	5	43	-
1,001 – 5,000	168	388	-
5,001 – 10,000	271	169	-
10,001 – 100,000	527	369	2
100,001 and over	88	46	10
	1,059	1,015	12

Security holders holding less than a marketable parcel

Fully paid shares	Listed options	Unlisted options
61	519	N/A

Percentage held by the 20 largest holders

Fully paid shares	Listed options	Unlisted options
55.81	54.34	100

2. Voting rights

At a general meeting of shareholders, on a show of hands, each person who is a member or sole proxy has one vote. On a poll, each shareholder is entitled to one vote for each fully paid share.

3. Substantial shareholders

South Cove Limited (associated with Lodge Limited)	18,856,176 shares
Lodge Limited (associated with South Cove Limited)	18,856,176 shares
Eng Hoe Lim	4,461,017 shares

4. Taxation

The Company is taxed as a public company.

5. Statement of quoted securities

	Shares	Listed options	Unlisted options expiry 31 Dec 2008	Unlisted options expiry 31 Dec 2011
Quoted on ASX	49,281,375	22,831,431	-	-
Unquoted	-	-	200,000	-
Restricted until 28				-
Nov 2007	870,000	435,000	-	
Restricted until 25				-
Jan 2008	2,500,000	1,250,000	-	
Restricted until 9				4,750,000
Mar 2009	22,520,846	11,260,423	4,153,332	
Total	75,172,221	35,776,854	4,353,332	4,750,000

All of the restricted securities are restricted in accordance with ASX Listing requirements. The Company will apply for quotation of all restricted shares upon completion of the respective restriction periods, and will apply for quotation of fully paid ordinary shares upon exercise of listed and unlisted options, subject to completion of applicable restriction agreements. In addition, the Company has granted 300,000 unlisted options (expiry 31 December 2011) which have not as at this date achieved vesting conditions.

6. Statement of cash used

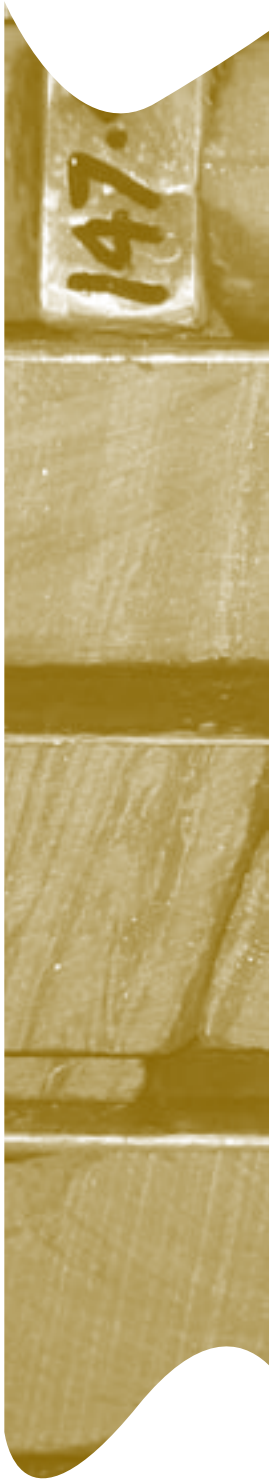
In accordance with ASX Listing Rule 4.10.19, the Company states that for the period between admission to the Official List on 9 March 2007 and 30 June 2007 the Company applied cash in accordance with the expenditure objectives as set out in the prospectus dated 30 January 2007.

List of the 20 largest Shareholders – Fully Paid Ordinary Shares

	Shareholder	Number of Shares	%
1	South Cove Limited	14,081,176	18.73
2	Lodge Limited	4,775,000	6.35
3	Eng Hoe Lim	4,461,017	5.93
4	Mineral Enterprises Ltd	3,500,000	4.66
5	Tigermoth Investments Ltd	2,000,000	2.66
6	Davan Nominees Pty Ltd	1,781,102	2.37
7	Lawrence Tham	1,500,000	2.00
8	HSBC Custody Nominees (Australia) Limited	1,130,000	1.50
9	Norton Jackson	1,083,400	1.44
10	Kok Bin Wee	1,000,000	1.33
11	Seungjin Ma	929,413	1.24
12	Commodity Traders (NZ) Ltd	915,999	1.22
13	Sui Lan Ling	818,700	1.09
14	Meder Pty Ltd <KC Tong Super Fund>	635,000	0.84
15	Pacnay Investments Pty Ltd	612,559	0.81
16	Chin Huang Ng	600,000	0.80
17	Atorch Nominees Pty Ltd	575,000	0.76
18	DJ Coughlan Drilling Pty Ltd	555,260	0.74
19	Tao Han	500,000	0.67
20	Kwang Hou Hung	500,000	0.67

List of the 20 largest Optionholders – Listed Options

	Optionholder	Number of Options	%
1	South Cove Limited	7,042,088	19.68
2	Lodge Limited	2,387,500	6.67
3	Eng Hoe Lim	2,000,000	5.59
4	Tigermoth Investments Ltd	1,000,000	2.80
5	Davan Nominees Pty Ltd	890,551	2.49
6	Lawrence Tham	750,000	2.10
7	HSBC Custody Nominees (Australia) Limited	565,000	1.58
8	Norton Jackson	541,700	1.51
9	Malcolm Gary Schultz	500,000	1.40
10	Kok Bin Wee	500,000	1.40
11	Sui Lan Ling	459,350	1.28
12	Commodity Traders (NZ) Ltd	458,000	1.28
13	Alice Lin	385,395	1.08
14	Meder Pty Ltd <KC Tong Super Fund>	317,500	0.89
15	Pacnay Investments Pty Ltd	306,280	0.86
16	Chin Huang Ng	300,000	0.84
17	Atorch Nominees Pty Ltd	287,500	0.80
18	Kwang Hou Hung	250,000	0.70
19	PFA Holdings Pty Ltd	250,000	0.70
20	Plaisance Pty Ltd	250,000	0.70



The Miltalie mine about 1890.

LINCOLN *MINERALS* LIMITED

LINCOLN *MINERALS* LIMITED

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