

11 February 2008

The Manager

ASX Announcements

Dear Sir,

PACE Grant

Torrens Project, Olympic IOCGU Province, South Australia and Iron Ore Agreement with IronClad Mining Limited

Torrens Project

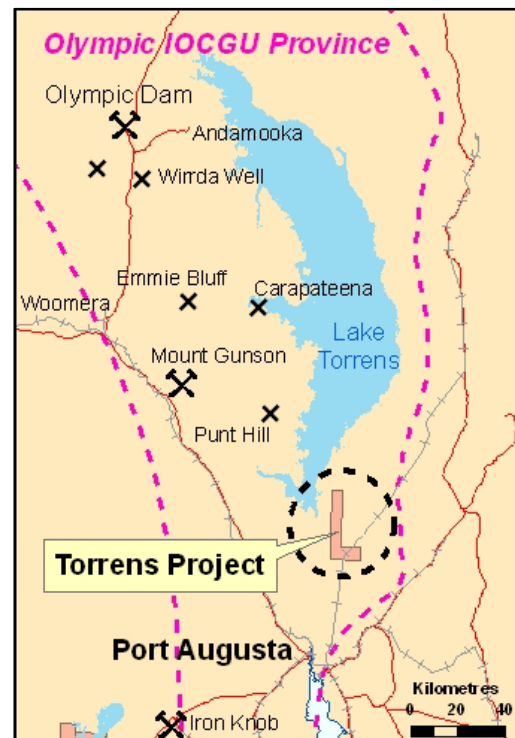
Lincoln Minerals Limited (ASX Code: LML) is pleased to advise that a PACE grant has been awarded to the Company by the South Australian Government for proposed drilling on the Company's 100%-owned Torrens Project, EL 3563, within the Olympic Iron Oxide Copper Gold Uranium (IOCGU) Province 40km north of Port Augusta, South Australia.

The drilling program has been approved for funding to the level of **\$100,000** (the maximum allowable grant) as part of the South Australian Government's Plan for Accelerating Exploration (PACE) Initiative under Theme 2 – Drilling Collaboration between PIRSA and Industry. As only 29 projects from 66 high quality proposals were successful, the Company regards the Grant as an endorsement by PIRSA of its exploration strategy in this region.

The Torrens Project (EL 3563) is located southeast of Carrapateena in a similar structural position along a major NNW-trending lineament. Although the project is east of the Torrens Hinge Zone on the margins of the Adelaide Fold Belt in an area where depths to Mesoproterozoic basement have traditionally been believed to be >1,000m, calculated depths to magnetic units along the lineament are as shallow as 200m. Geophysical work by the Company has interpreted a narrow, NNW-trending anomaly on regional aeromagnetic data as a possible uplifted basement structure, the "Yadlamalka Horst".

Exploration targets on and within the Yadlamalka Horst include hematite breccia systems containing Olympic Dam style sulphide mineralisation (cf. Carrapateena, Punt Hill), Mount Gunson-style copper mineralisation developed immediately above or along the flanks of the interpreted horst block, and Mississippi Valley style base metal mineralisation within overlying Cambrian sediments.

Lincoln Minerals recently completed detailed gravity and ground magnetic surveys over the most prospective targets and these have confirmed the presence of shallow high density basement.



Wilcherry Iron Ore JV

In another area of the Gawler Craton, on northeastern Eyre Peninsula, Lincoln Minerals Limited is pleased to announce that it has signed a Heads of Agreement with IronClad Mining Limited (ASX: IFE) under which IFE can earn up to 80% of the rights to explore for and mine iron ore within LML's tenement Exploration Licence EL 3690.

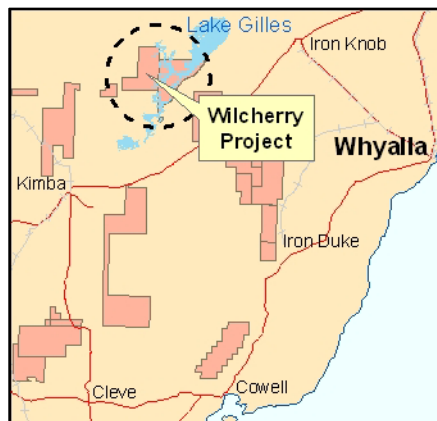
EL3690 lies immediately to the south and east of IFE's Hercules iron ore target and covers the extension of the banded iron formation sequence, including the synclinal fold axis structure, beneath alluvial cover.

The Heads of Agreement, comprises the following elements:

- IFE may explore for and mine iron ore within the whole of EL3690.
- LML retains the sole rights to explore for and mine all minerals and substances excluding iron ore.
- IFE to fund \$100,000 of exploration expenditures within a 12-month period prior to any withdrawal.
- The option for IFE to fund further expenditure to the value of \$400,000 within 2 years of signing the Heads of Agreement to earn 50% equity in the iron rights contained within EL3690.
- The option for IFE to fund additional expenditure to the value of \$500,000 within 4 years of signing the Heads of Agreement to earn a further 30% equity in the iron rights contained within EL3690.
- IFE Mining to manage iron ore exploration, development and operations activities.

IFE plans to extend the detailed gravity program currently being undertaken as well as the airborne magnetic survey planned for March. It is anticipated initial drill testing will commence during the current quarter once the results of the geophysical surveys and surface sampling programs are received and assessed.

In late December 2007, Lincoln Minerals announced that aircore and slimline RC drilling completed in October 2007 had outlined a new uranium discovery on EL 3690. The results include a 4m interval grading 0.05% U accompanied by 0.1% base metal (Zn+Pb+Ni+Cu+Co) in saprolitic clay associated with pyritic and graphitic units. LML retains the sole rights for uranium and base metals and will continue to actively explore this region for these metals.



Further inquiries:

Dr John Parker

Managing Director, Lincoln Minerals Limited

Mob: 0412 517 323 Tel: (08) 8274 0243

Information in this report that relates to exploration activity and results was compiled by Dr A J Parker who is a Member of the Australasian Institute of Geoscientists. Dr Parker is Managing Director of Lincoln Minerals Limited and has sufficient experience relevant to the styles of mineralisation and to the activities which are being reported to qualify as a Competent Person as defined by the JORC code, 2004. Dr Parker consents to the release of the information compiled in this report in the form and context in which it appears.