



LINCOLN MINERALS LIMITED

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Quarterly Activities Report – March 2008

HIGHLIGHTS

Magnetite and hematite iron ore exploration stepped up at Gum Flat, Phase 2 drilling for lateritic nickel began at Cockabidnie, uranium exploration stepped up at Wilcherry, JV signed for iron ore in Cummins-Wanilla region and a PACE grant awarded for Torrens.

Gum Flat

- Significant intervals of coarse-grained magnetite BIF overlain by massive and banded hematite and goethite
- Large magnetite (+ lesser hematite) iron ore exploration target 200-400Mt
- Scoping Study in progress to evaluate processing and beneficiation of massive to banded hematite and magnetite iron ore
- Vegetation heritage survey completed and hydrogeological study in progress over key target areas
- Multi-purpose drilling rig brought in from India by Joint Venture partner Mineral Enterprises Australia and its parent company, Indian iron ore miner, Mineral Enterprises Limited

Cockabidnie

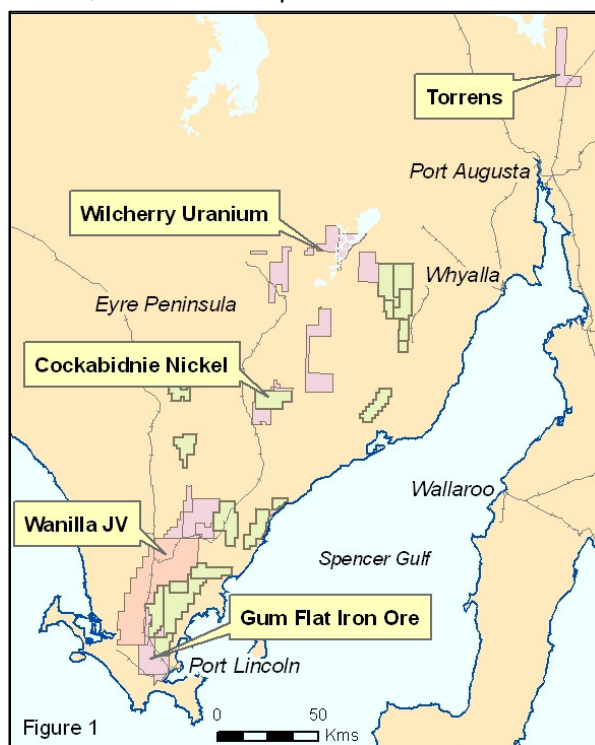
- Lateritic nickel up to 0.7% Ni + 0.06% Co in the Campoona Syncline
- Phase 2 drilling commenced in March 2008

Cummins-Wanilla

- Numerous aeromagnetic anomalies & iron ore targets
- Detailed gravity survey in progress
- JV signed with International Metals Pty Ltd (InterMet Resources Limited subsidiary) for 1,000 km² Wanilla project

Wilcherry

- Significant uranium mineralisation up to 0.05% U + 0.1% base metal
- JV signed with IronClad Mining Limited for iron ore exploration
- Detailed gravity and airborne magnetic and radiometric surveys completed
- Trial vegetation sampling has outlined anomalies coincident with drill results



Torrens

- 40km N of Port Augusta in Olympic IOCGU Domain
- PACE drilling grant awarded to LML
- Modelling of gravity and magnetic data indicates relatively shallow high density basement
- Aboriginal heritage surveys completed ready for drilling

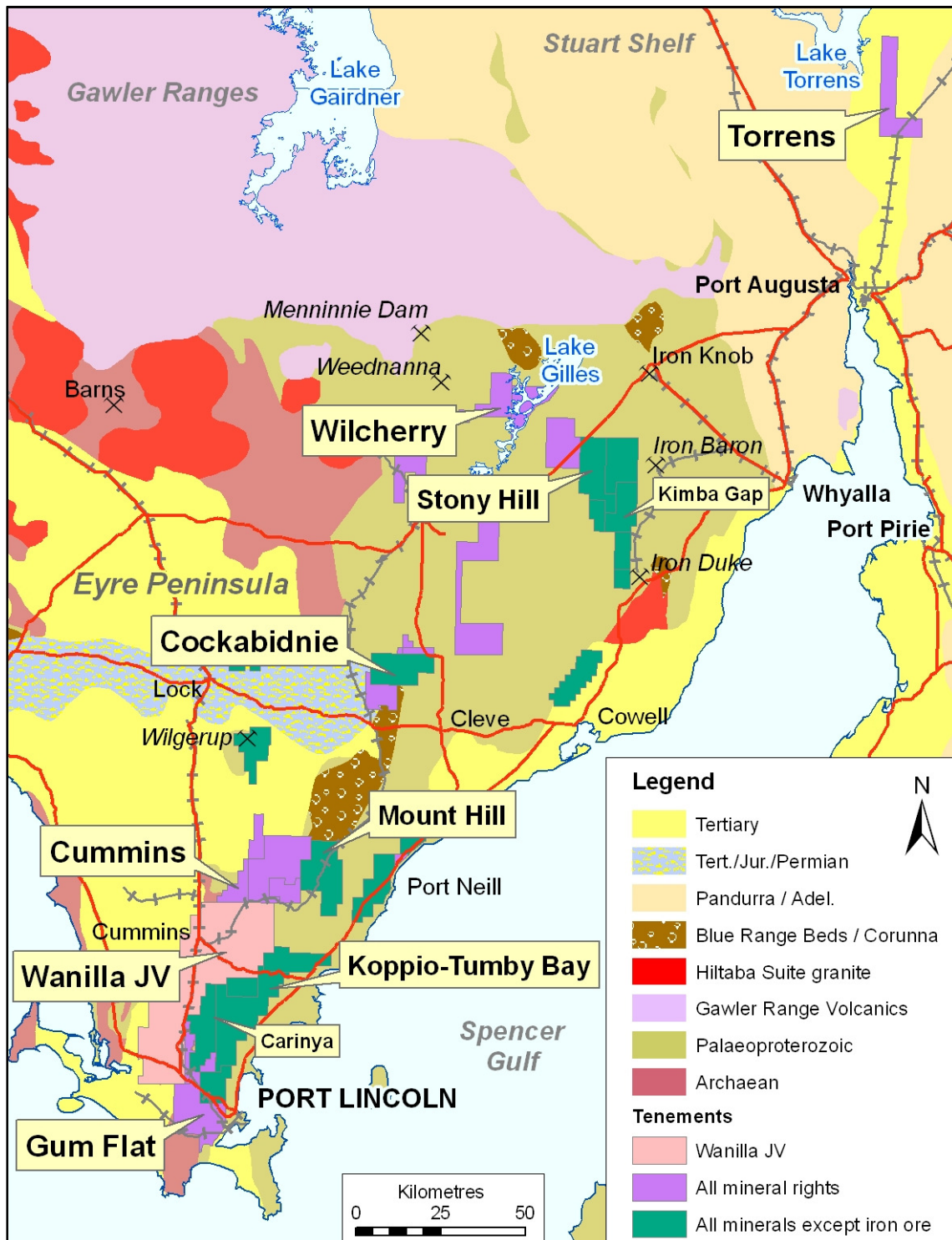


Figure 2: Location of Lincoln Minerals' tenements and project areas

WANILLA JOINT VENTURE

In March 2008, Lincoln Minerals Limited ("LML") concluded a Joint Venture Agreement with International Metals Pty Ltd ("ITM") a subsidiary of InterMet Resources Limited in respect of ITM's EL3702 (Vanilla) tenement near Port Lincoln in the southern Gawler Craton, South Australia.

EL 3702 is 1000 km² in area and has considerable potential for iron ore in addition to base metals and gold. It links LML's Gum Flat (EL3422) and Cummins (EL3703) tenements on which LML is actively exploring for iron ore. There are extensive outcrops of banded iron formation (BIF) on EL3702 and recent aeromagnetic imagery acquired by ITM has delineated numerous exploration targets for BIF iron ore under thin sand and soil cover.

Under the joint venture, Lincoln Minerals can earn up to an 80% interest in EL3702 by expending \$2M on exploration by December 31, 2012.

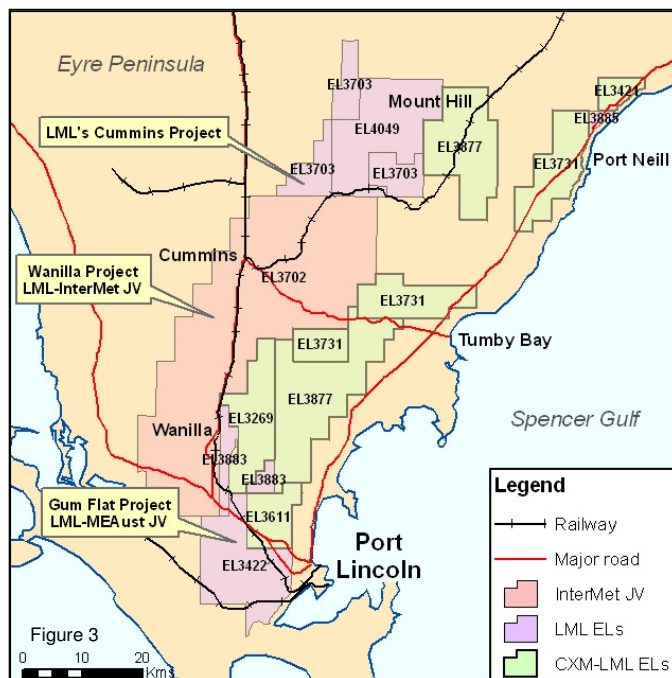
Subject to rights to withdraw, LML has agreed to expend:

1. A minimum \$250,000 by 30 June 2009;
2. A further \$750,000 to earn a 50% stake in the project by 31 Dec 2010; and
3. An additional \$1.0 million to earn a further 30% by 31 Dec 2012.

LML may withdraw at any time after the initial appraisal period provided it has expended at least \$250,000. ITM may elect to contribute pro-rata to expenditure once Lincoln Minerals has earned an 80% interest or if LML elects not to sole fund Phase 3.

The joint venture includes all minerals excluding uranium.

This is an exciting development for Lincoln Minerals and gives the Company considerable potential to maximise the exploration and development of its iron ore projects on southern Eyre Peninsula. It increases to 1,423 km² the total area of tenements on southern Eyre Peninsula on which LML is exploring for iron ore and to 4,753 km² the total area of all tenements.



Tenements	Exclusive Rights	Area (sq km)
10	All minerals	1,764
15	All minerals except iron ore	1,989
1	All minerals except uranium	1,000
TOTAL		4,753

EXPLORATION PROGRESS DURING THE QUARTER

Gum Flat Iron Ore – EL 3422

(LML has exclusive rights to all minerals subject to ME Australia-MEL farmout)

The Gum Flat Iron Ore 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, base metals (copper, lead, zinc, nickel) and graphite.

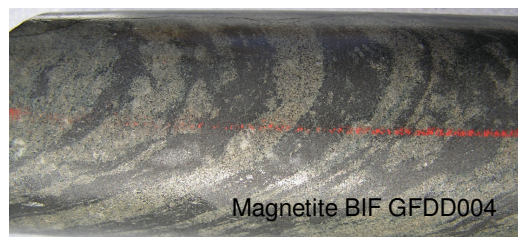
Extending west from Port Lincoln with a railway line and a major highway running through the area, EL3422 is ideally located with respect to infrastructure and proximity to a major shipping port.

The Company's primary exploration targets in the Gum Flat Project are:

- Shallow, high grade direct shipping (DSO) hematite iron ore deposits >10 Mt;
- Shallow, high grade Tertiary channel iron deposits (CIDs); and
- Large (>200 Mt) banded magnetite (\pm hematite) iron ore deposits.

A successful diamond drilling program at Gum Flat during the fourth quarter 2007 intersected coarse grained magnetite BIF at depth below hematite mineralisation while in the previous aircore drilling program, significant iron (Fe) mineralisation up to 56.6% Fe was identified within a sequence of folded BIF and overlying Tertiary pisolitic ferruginous sediments. The thickness of cover sediments was only 15-20m.

Several bands of magnetite BIF with relatively high magnetic susceptibilities and a cumulative true thickness of magnetite rich bands >50m were intersected during the diamond drilling program. During January-February 2008, drill core was cut and sent off to laboratories for assay and Davis Tube magnetic separation. No results have yet been received.



ProMet Engineers Pty Ltd, Perth WA, has commenced metallurgical testwork and a Scoping Study on the processing and beneficiation of massive and banded hematite iron formation from Gum Flat.

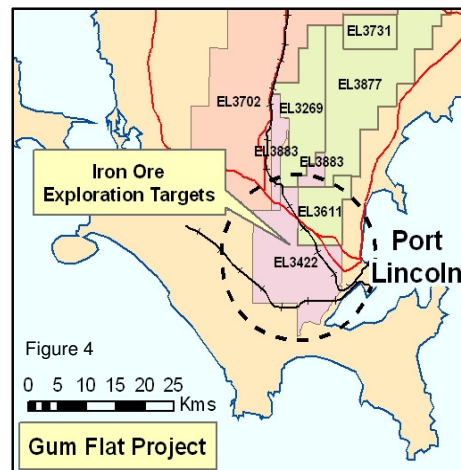
This Scoping Study will be completed in two stages:

- Stage 1 – Undertake test work designed to develop a better understanding of the material and the potential of beneficiating and/or upgrading the hematite iron ore deposits;
- Stage 2 – Generate a conceptual process flowsheet, plant layout, capital costs and operating costs of processing and beneficiating hematite BIF from Gum Flat.

The study will be completed in the second quarter 2008.

As an extension to the Scoping Study, Lincoln Minerals has begun looking at various options for processing, transporting and shipping magnetite concentrate from Port Lincoln which is less than 20km from the main magnetite and hematite exploration targets.

The ongoing exploration and resource definition program for Gum Flat is scheduled to recommence early in the next quarter with the arrival of a multi-purpose drilling rig from India. The rig, a relatively new rig owned by Indian Joint Venture partner Mineral Enterprises Limited but



originally built in Australia, has been brought back and is being fitted out for both RC and diamond drilling. Government exploration work approvals have been obtained for the next phase of drilling.

Two of LML's main exploration targets at Gum Flat are subject to Vegetation Heritage Agreements. A vegetation survey has been undertaken in these areas and a Declaration of Environmental Factors prepared by independent consultants Sinclair Knight Merz as part of a broader study that includes an assessment of the local hydrogeology and groundwater basins.

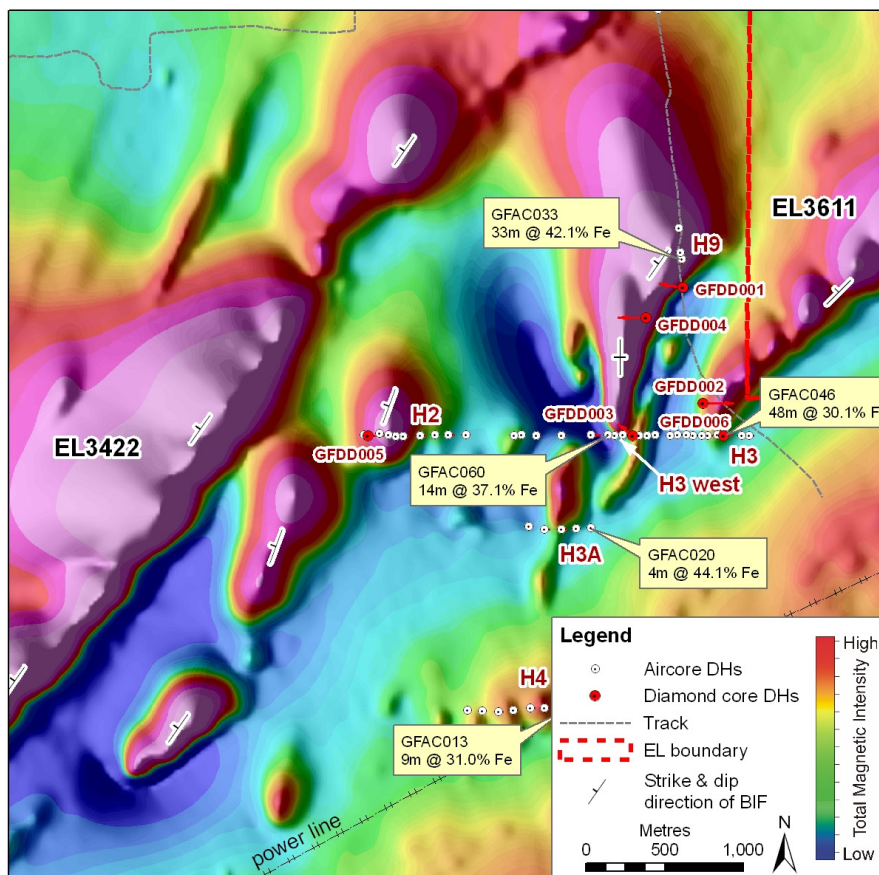


Figure 5: Lincoln Minerals' iron ore drilling targets, Gum Flat Project

The aggregate length of interpreted BIF in EL3422 based on aeromagnetic data is about 30km. However, the cumulative length of high intensity aeromagnetic anomalies in the Coomunga-Rifle Range area (Fig. 5) is ca. 5-6 km. Geophysical modelling of the larger of the aeromagnetic anomalies defines a tabular body with an interpreted dip 20-30° to the west (Fig. 6). This anomaly is about 3.6km long and, based on various dip and pit depth scenarios, outlines a conceptual exploration target for magnetite (and lesser hematite) BIF iron ore of 200-400 Mt (see table below).

Assumed dip of BIF	30°		20°	
Proposed depth of mine pit below ground level	200m	250m	200m	250m
Oxide BIF exploration target (Mt) **	54	54	79	79
Magnetite BIF exploration target (Mt) **	153	153	224	313
Total Exploration Target (Mt)	207	268	303	392

** based on 50m true thickness, 25m cover thickness, 75m depth to base of oxidation

It is emphasized that since there has been insufficient exploration drilling in the immediate area of this magnetic anomaly to define a Mineral Resource, the exploration target tonnage estimates given are conceptual in nature. Therefore, it is uncertain if further exploration will result in the estimation of a Mineral Resource.

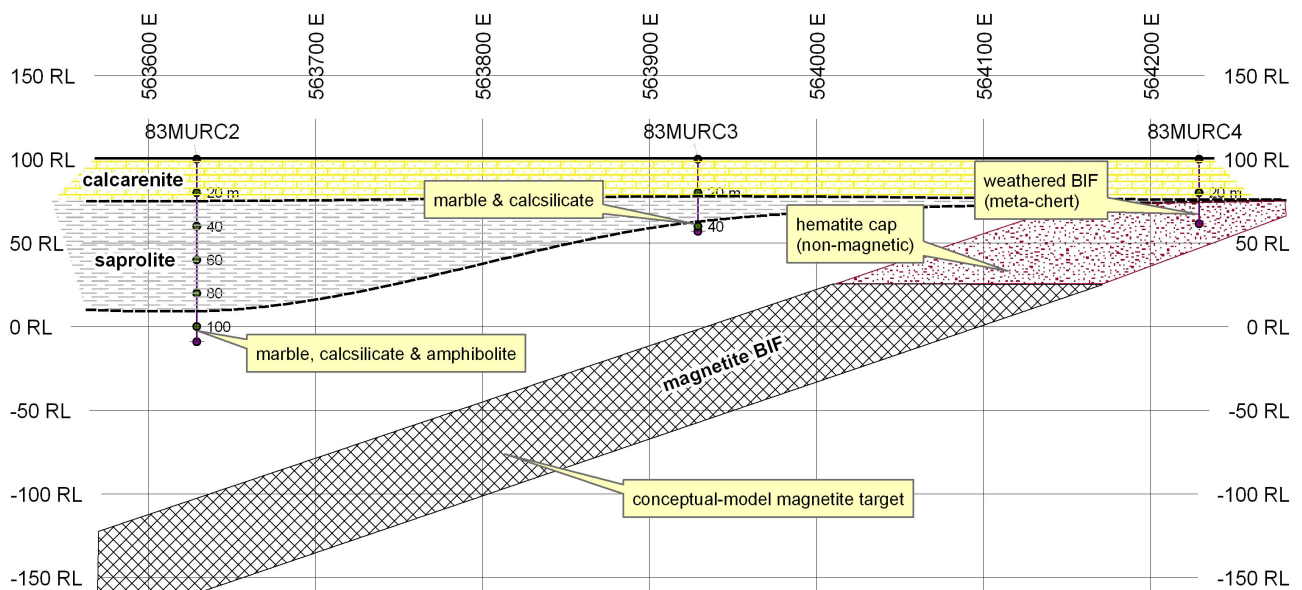


Figure 6: Geophysical model of the main aeromagnetic target

The Gum Flat exploration target is comparable to the Greenpatch iron ore deposit (on EL 3610 ca. 5km along strike northeast of Rifle Range) where hematite BIF (33.7-38.6% Fe) overlies magnetite BIF (Centrex Metals Limited prospectus, 2006). Previous work at Greenpatch has demonstrated that a high grade magnetite concentrate (69% Fe, <0.01% P₂O₅, 0.25% Al₂O₃, 2.7% SiO₂) can be readily produced from the magnetite BIF.

LML expects that, in conjunction with a magnetite operation, a high grade hematite-goethite concentrate with Fe >65% and low P, Al₂O₃ and SiO₂ could be produced by beneficiation of hematite BIF.

In addition to iron ore, BIF horizons and associated carbonate and calcsilicate rock units of the Hutchison Group are host to numerous base metal or graphite occurrences and old mines throughout eastern Eyre Peninsula. Weakly anomalous zinc, lead, copper and gold has been recorded in some of LML's drillholes.

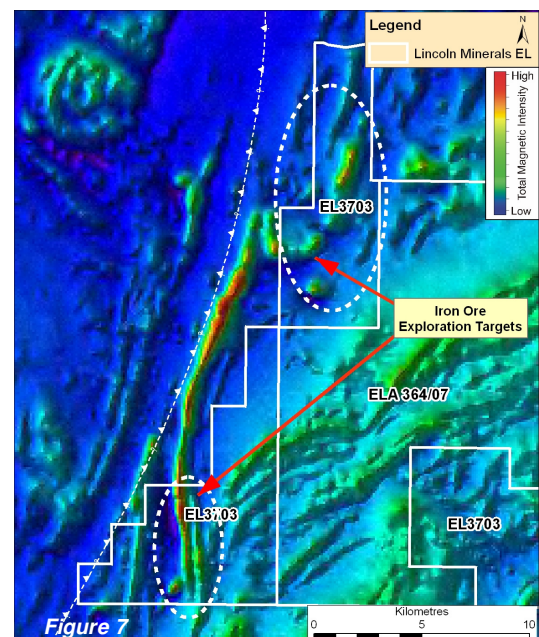
Cummins Iron Ore – ELs 3703 and 4049

(LML has exclusive rights for all minerals)

The Cummins project area is located on southern Eyre Peninsula and is prospective for a large range of polymetallic minerals including iron ore.

The cumulative length of aeromagnetic anomalies similar to and broadly along strike from those in the Wilgerup and Bald Hill areas of Eyre Peninsula is >10km. These are the focus of iron ore exploration within the project area.

Calcrete and soil sampling has been undertaken across most of EL 3703 and a detailed gravity survey is in progress.



Cockabidnie Nickel – 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)

The Cockabidnie Project is located on central Eyre Peninsula and is prospective for a large range of polymetallic minerals including gold, unconformity uranium and base metals (copper, lead, zinc, nickel).

Aircore and slimline RC drilling completed in October 2007 outlined an exciting new lateritic nickel discovery along with further base metal, gold and uranium mineralisation on EL 3609 near Darke Peak.

The drilling results included a 4m thick laterite grading 0.68% Ni, 0.05% Co and 0.03% Cu (19.95% Fe) above a 12m thick saprolite zone grading 0.34% Ni, 0.02% Co, 0.02% Cu and 0.03g/t Au (9.4% Fe) (see previous Quarterly Report).

During the quarter, re-assaying of old RAB drilling samples collected by C.R.A. Exploration Pty Ltd in 1981 has extended the strike length and continuity of lateritic nickel mineralisation with assays up to 0.16% Ni and 0.02% Co. The old RAB drill samples were not originally assayed for nickel.

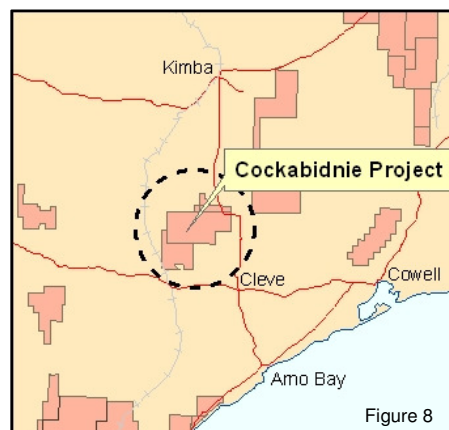
These results combined with interpretation of aeromagnetic maps and calcrete geochemistry, have identified a potential zone of lateritic nickel mineralisation over a strike length of at least 5 km. The mineralisation occurs at a depth of about 15-20m beneath shallow cover in the Campoona Syncline and overlies gabbroic amphibolite with up to 0.1% Ni in fresh bedrock.

Late during the quarter, LML began an aircore drilling program along the potential zone of nickel mineralisation in the Campoona Syncline. Samples are being assayed on site by a new portable XRF analyser that gives semi-quantitative assays within minutes of an interval being drilled. These results have enabled the drilling program to be modified and focused on the areas of elevated nickel, cobalt and other base metals.

Other drilling results from 2007 include zones of elevated uranium up to 81ppm U (CBAC002 28-29m) below surface uranium calcrete soil anomalies. The uranium occurs in basement rocks that were originally not far below the Mesoproterozoic unconformity similar to Alligator River style uranium mineralisation in the Northern Territory.

Within and immediately west of the Campoona Syncline, drilling in 2007 also identified significant base metal, gold and silver mineralisation up to 2.4% Zn+Pb, 0.26g/t Au and 26g/t Ag (see previous Quarterly Report).

LML is planning ongoing exploration work during 2008 to investigate the potential of the nickel laterite, uranium, gold, silver and base metal sulphide prospects. The Campoona Syncline region is highly prospective area not only for nickel but also for zinc-lead-silver, gold, uranium and manganese.



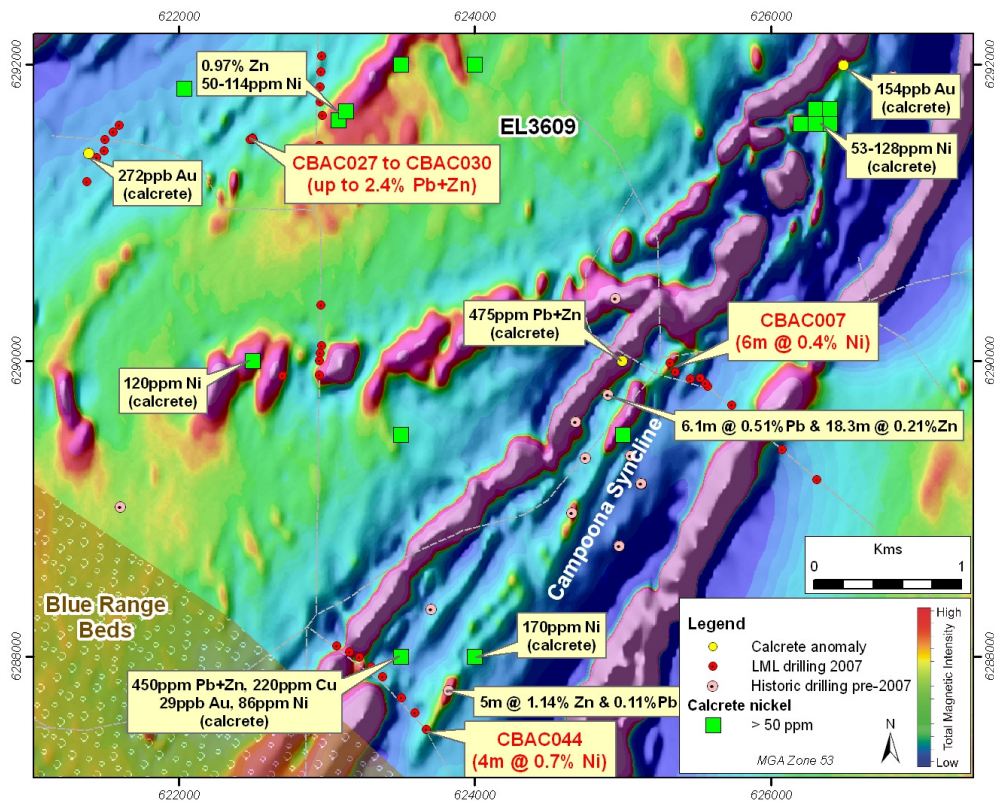


Figure 9: Aeromagnetic map highlighting LML drilling and calcrete geochemistry anomalies, Cockabidnie Project

Mount Hill – ELs 3731, part 3877, 3885 and 4049

(LML has exclusive rights to all minerals except iron on ELs 3731 and 3877 and exclusive rights to all minerals on ELs 3703, 3885 and 4049)

The base of the Blue Range Beds and immediately underlying Hutchison Group metamorphic basement are the targets for unconformity-style uranium and base metal mineralisation in this project area. Previous exploration by Pancontinental Mining in 1979-82 identified uranium anomalism up to 260ppm U (in silicified Katunga Dolomite/ironstone) with associated lead, zinc, copper and nickel. Drilling was recommended but never undertaken.

Calcrete and soil 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.

An aircore and slimhole RC drilling program was conducted across selected targets in October 2007 but no significant results were identified. Follow-up drilling is being evaluated along with ongoing calcrete and soil sampling.

In addition to basement targets, there is significant potential for uranium in palaeodrainage channels associated with the Dutton River particularly on EL 3885 where spectrometer readings up to 0.2% eU have been recorded in fluvial sediments.

Wilcherry Uranium – ELs 3690 and 3704 and ELA 527/07

(LML has exclusive rights to all minerals)

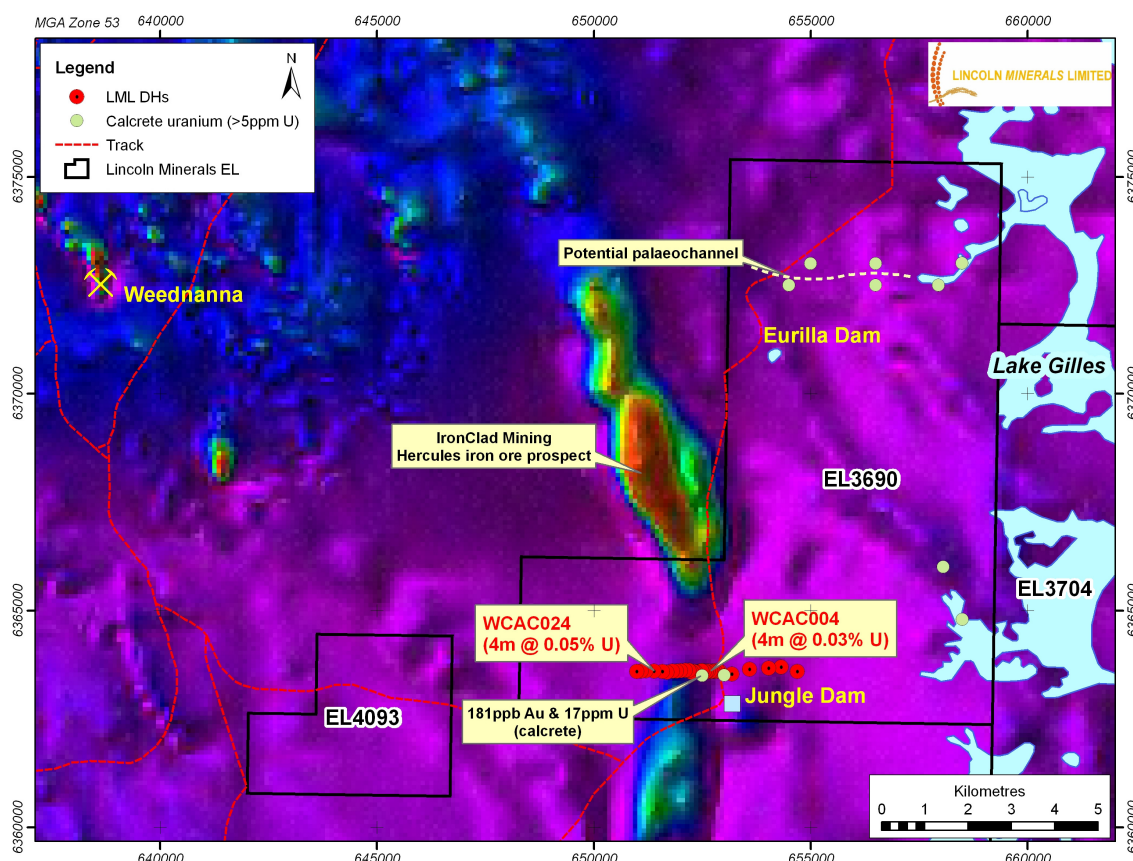
The Wilcherry Project is along strike from the Weednanna gold-magnetite and Menninnie Dam zinc-lead-silver deposits to the northwest and has potential for uranium, gold and/or base metal mineralisation maybe with associated hydrothermal iron oxide and/or sericite alteration.

Aircore and slimline RC drilling completed in October 2007 outlined a new uranium discovery northeast of Kimba on northern Eyre Peninsula

The results (see previous quarterly report) included 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 in WCAC024 (72-76m). A second hole intersected uranium mineralisation up to 0.026% + 0.07% base metal (WCAC004, 52-56m).

The uranium intersections are adjacent to uraniferous calcrete-soil anomalies with up to 17ppm U. Additional calcrete uranium anomalies define a potential untested palaeochannel northeast of Eurilla Dam. This will be drill tested in 2008 following Aboriginal heritage surveys.

During the quarter, LML undertook a trial vegetation sampling program over the area in which drilling intersected uranium. Sampling of red mallee and certain blue bush species has given good



results and will be followed up with more regional sampling to help delineate drill targets.

Figure 10: Anomalous calcrete samples and LML drillholes, Wilcherly

In early February, Lincoln Minerals announced that it had signed a Heads of Agreement with IronClad Mining Limited (IFE) under which IFE can earn up to 80% of the rights to explore for and mine iron ore within EL 3690. LML retains the sole rights to explore for and mine all minerals and substances excluding iron ore.

EL3690 lies immediately to the south and east of IFE's Hercules iron ore target and covers the extension of the BIF sequence, including the interpreted synclinal fold axis structure.

During the quarter IFE undertook a detailed gravity survey on parts of EL 3690 as well as a low-level airborne magnetic and radiometric survey. LML extended the airborne survey to cover the entire EL. It is anticipated initial drill testing will commence once the results of the geophysical surveys are received and assessed.

Koppio-Tumby Bay – ELs 3269, 3611, part 3731, part 3877 and 3883

(LML has exclusive rights to all minerals except iron on ELs 3269, 3611, 3731 and 3877 and exclusive rights to all minerals on EL 3883)

The Carinya-Koppio-Tumby Bay project on southern Eyre Peninsula is prospective for uranium, gold, base metals, iron ore, graphite and various other minerals. 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.

A ground spectrometer survey undertaken over an 800m long uranium-only airborne radiometric anomaly at Carinya located minor uranium within lateritic surface samples.

Stony Hill – ELs 3018 (ELA 453/07), 3048, 3125, 3287, 3375 and part 3704

(LML has exclusive rights to all minerals except iron)

The Stony Hill project is located in northeastern 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 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.

Surface calcrete and soil sampling was undertaken within the Stony Hill area (EL 3287) and trial vegetation sampling undertaken in the area surrounding the Kimba Gap radiometric anomaly (EL 3018). Assay results are pending.

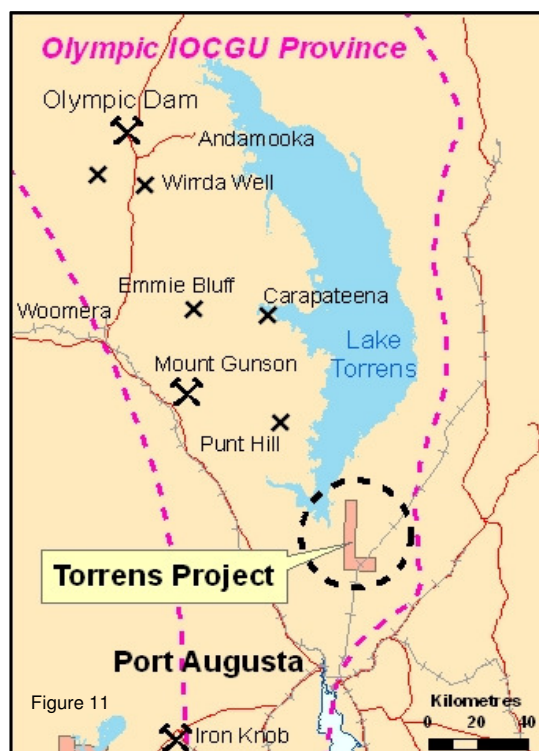
Torrens Project – EL 3563

(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 (IOCGU) Province.

Although the Torrens Project is east of the Torrens Hinge Zone in an area where depths to Mesoproterozoic basement have traditionally been believed to be >1,000 m, previous investigations interpreted a narrow, NNW-trending anomaly on regional aeromagnetic data as a possible uplifted basement structure, the “Yadlamalka Horst”. Depths to magnetic units along the lineament may be as shallow as 200 m.

A detailed gravity survey and 18 line-km of ground magnetics over the Yadlamalka Horst were completed in December 2007. Interpretation of the data supports the presence of shallow, high density basement. Modelling of the data is consistent with the presence of an uplifted block of Palaeoproterozoic basement beneath Beda Volcanics, the latter at a depth of 200m to 300 m.



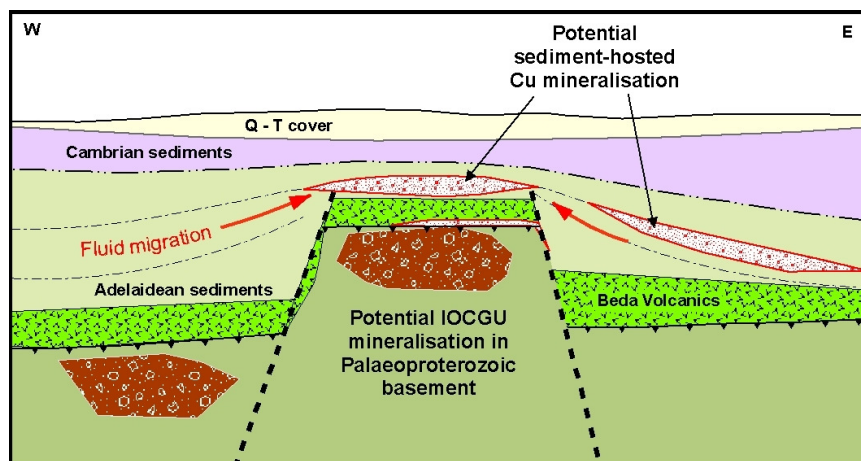


Figure 12: Conceptual exploration model for the Torrens project

Potential sediment-hosted Cu and IOCGU mineralisation associated the uplifted block is to be drill-tested by deep diamond holes. A PACE grant of \$100,000, to assist with this drilling, was awarded to LML in February 2008.

Aboriginal heritage surveys over identified drill targets were carried out with the Barngarla people in March 2008.

FINANCE

As at 31 March 2008 the Company had \$6.3 million cash. Cash expenditure on exploration activities by the Company during the March 2008 quarter was \$185k.

CORPORATE

Board and Management

Richard V. Ryan AO	Chairman (Non-Executive)
Dr A John Parker	Managing Director
Peter E. Cox	Director (Non-Executive) and Company Secretary
Robert A. Althoff	Director (Non-Executive)

Shareholder Structure

Shares on issue at 31 March 2008	75,172,221
Options outstanding at 31 March 2008	
Exercisable at 20 cents, expiring 31 December 2008	4,353,332
Exercisable at 30 cents, expiring 30 June 2010	35,776,854
Exercisable at 20 cents, expiring 31 December 2011	4,750,000
Total Options	44,880,186

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.