

4 February 2009  
The Manager  
ASX Announcements

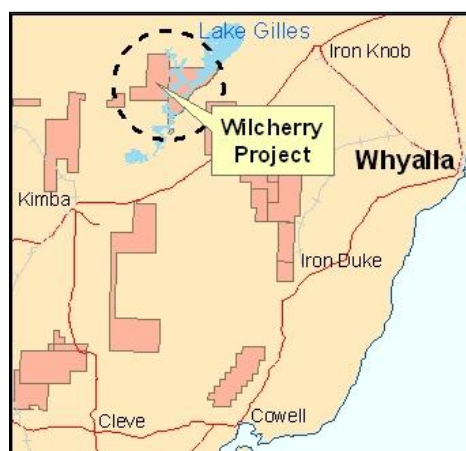
Dear Sir,

## **Lincoln retains 100% ownership of 21.7Mt Wilcherry iron ore inferred resource on SA's Eyre Peninsula**

In February 2008, Lincoln Minerals Limited (ASX: LML) signed a Heads of Agreement with IronClad Mining Limited (ASX: IFE) under which IFE could earn up to 80% of the rights to explore for and mine iron ore (only) within Lincoln's Wilcherry Exploration Licence, EL 3690 on northern Eyre Peninsula, South Australia.

EL3690 lies immediately to the south and east of IFE's Hercules iron ore target and covers the southern extension of the Hercules banded iron formation sequence beneath alluvial cover.

Under the terms of the Heads of Agreement, IronClad was required to spend A\$500,000 by 31 December 2009 to earn a 50% interest in the rights for iron ore on Lincoln's EL 3690 tenement.



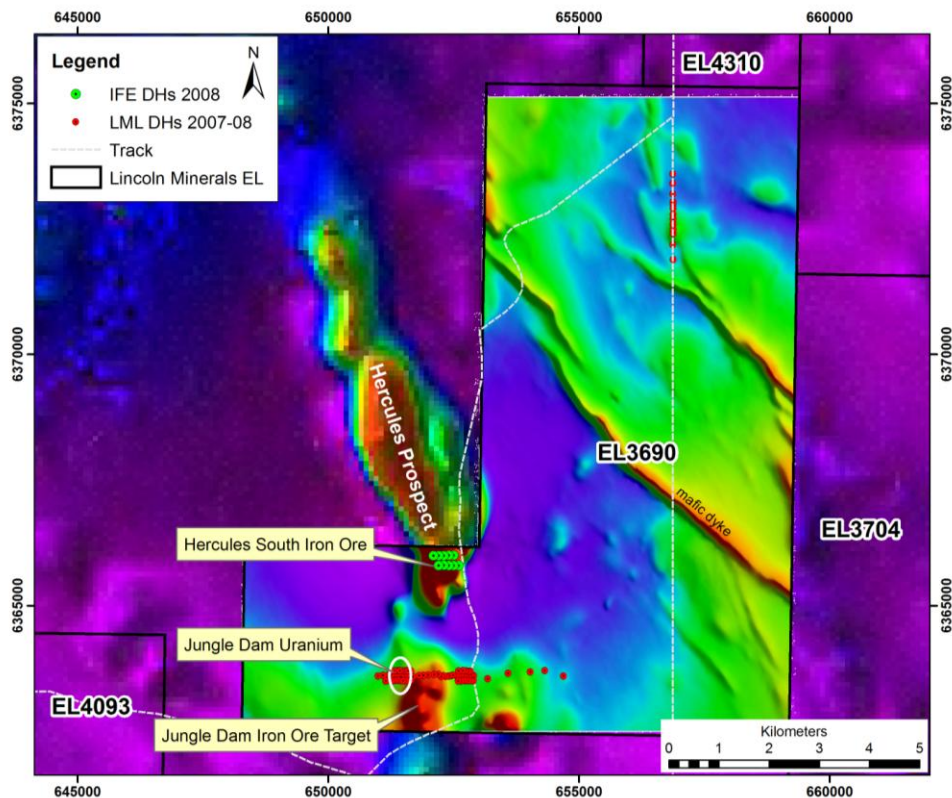
During the period of the joint venture, IronClad undertook an aeromagnetic survey, a detailed gravity survey and drilled 10 Reverse Circulation (RC) drillholes. However, IronClad did not meet the required JV expenditure commitments by 31 December, 2009 and, although offered an extension by Lincoln until 30 April, 2010 to fully meet those requirements, has advised Lincoln that it has withdrawn from the joint venture.

Consequently, Lincoln now retains at no cost to the Company, 100% of the iron ore rights on its Wilcherry Project and all associated resource estimates and drill data funded and assembled by IronClad.

As previously announced, the *in situ* Inferred Mineral Resource outlined by Golder Associates for that part of the Hercules target within Lincoln's EL 3690, is 21.7 million tonnes (\*Mt) @ 33.3% Fe.

*Table 1: Hercules South in situ Inferred Resource within EL 3690, using 0.001% Fe cut-off grades for domains 1,2 and 4 and 0.001% Mn cut-off for domain 3 (after Golder, 2008)*

Domain	Resource Category	Tonnage (Mt)	Fe (%)	Calcined Fe (%)	SiO <sub>2</sub> (%)	Al <sub>2</sub> O <sub>3</sub> (%)	P (%)	Mn (%)	S (%)	LOI (%)
1 Detrital	Inferred	2.2	41.21	44.40	21.68	7.35	0.05	0.32	0.12	6.99
2 Goethite-Hematite	Inferred	8.4	40.88	43.90	27.89	3.94	0.16	0.93	0.04	6.73
3 Goethite-Hematite-Manganese	Inferred	0.2	29.15	32.46	16.12	4.82	0.12	17.48	0.04	10.11
4 Magnetite	Inferred	11.0	25.99	26.44	49.39	1.89	0.18	0.40	0.07	2.60
<b>Total</b>	<b>Inferred</b>	<b>21.7</b>	<b>33.27</b>	<b>35.01</b>	<b>38.09</b>	<b>3.25</b>	<b>0.16</b>	<b>0.73</b>	<b>0.06</b>	<b>4.69</b>



*Figure 2: Location of Hercules South and Jungle Dam prospects in relation to total aeromagnetic intensity anomalies, EL 3690*

Based on a 1.6km strike length of high intensity aeromagnetic anomalies, Lincoln considers the combined exploration target for the Hercules South and Jungle Dam prospects is 50-100 Mt @ 30-35% Fe with potential for a small amount of direct shipping iron ore (DSO).

In addition to iron ore at Wilcherry, Lincoln has previously identified within EL 3690, a zone of uranium mineralisation approximately 200m wide and at least 200m long open both to the north and south along strike. Drilling results from 2007 and 2008 include intervals grading up to 0.06% U accompanied by up to 0.5% base metal (Zn+Pb+Ni+Cu+Co) in a weathered cap rock overlying pyritic and graphitic units of the Middleback Subgroup.

The uranium drilling results are coincident with uraniferous calcrete-soil and vegetation anomalies that extend north for ca. 2km.

The resumption of full ownership of the Wilcherry iron ore rights is in addition to Lincoln's significant other iron ore and other commodity exploration holdings elsewhere on Eyre Peninsula, including the Company's flagship Gum Flat iron ore project near Port Lincoln.

#### **Further inquiries:**

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*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.*

*It is emphasized that exploration target tonnage estimates given in this report are entirely conceptual in nature. There has been insufficient drilling in the immediate areas of these targets and it is uncertain if further exploration will result in the estimation of a Mineral Resource.*