

31 July 2013

The Manager  
ASX Announcements

Dear Sir,

## **Lincoln Minerals announces fully-underwritten A\$1.4 million Non-renounceable Rights Issue to advance Graphite and Iron Ore development**

**Australian graphite and iron ore explorer and developer, Lincoln Minerals Limited** ABN 50 050 117 023 ("**LML**") has announced a fully-underwritten non-renounceable Rights Issue to shareholders who are registered at 12 August 2013, of approximately 28.8 million fully paid ordinary shares in the capital of the Company, at an issue price of A\$0.05 per share, to raise approximately A\$1.44 million (before expenses of the issue).

Proceeds of the Issue will be directed mainly at:

1. Providing funding in support of ongoing graphite exploration, metallurgy and market evaluation of Lincoln's wholly owned and advanced **Kookaburra Gully graphite project** on South Australia's Eyre Peninsula
2. Providing funding to commence preparation of a **Mining Lease Application** for the Kookaburra Gully graphite project
3. Providing funding for **obtaining groundwater licenses** and completing amendments to the Mining Lease Application for Stage 1 of the **Gum Flat iron ore project**, also on South Australia's Eyre Peninsula, and
4. Providing funding for reconnaissance exploration on the Nantuma iron ore exploration license near Warramboo on central Eyre Peninsula.

*Lincoln Minerals' Managing Director Dr John Parker said that "the Rights Issue provides all shareholders with the opportunity to further participate in the growth of the Company's advanced graphite and iron ore assets in South Australia.*

*"It would enable Lincoln to take another step towards mainstream commercial production of its "world class" Eyre Peninsula flake graphite resources and, with more electric cars, such as BMW's new i3, coming onto the market, the future for graphite is very good (\*).*

*"The Company is also confident that its revised iron ore mining schedule for Gum Flat Stage 1 will facilitate granting of a groundwater extraction license to enable its Mining Lease Application to be finalised and lodged for approval."*

The Issue will be offered to all Eligible Shareholders on the basis of One new share for every Six shares held on 12 August 2013, at the price of 5 cents per ordinary share.

**The Offer opens on 15 August 2013 and closes at 5.00 pm Adelaide Time on 29 August 2013.**

Dr John Parker  
Managing Director, Lincoln Minerals Limited  
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(\*) *there is about 10 to 20 times more graphite than lithium in a lithium-ion battery*