

19 November 2013

The Manager
ASX Announcements

Mining Lease Application underway for Lincoln's world-class Eyre Peninsula graphite project

Lincoln Minerals Limited ("LML") is pleased to advise that Parsons Brinckerhoff has been appointed to prepare a Mining Lease Application for the Company's wholly-owned and world-class Kookaburra Gully flake graphite project in the southern Eyre Peninsula region of South Australia.

Lincoln has a target date of 2015 for full-scale production from Kookaburra Gully, whose known resource inventory to date already puts it into the global Top Ten graphite deposits based on grade.

Parsons Brinckerhoff's scope of services includes:

- Preparation of the mining lease proposal (MLP) report in support of the Mining Lease Application;
- Delivery of the required technical study components, either directly or through sub-consultants appointed by Lincoln Minerals;
- Preparation and implementation of a Stakeholder Consultation Plan; and
- Meetings as necessary with DMITRE and other parties.

The mining lease proposal will require sufficient detail to be provided on the proposed open pit, tailings storage facility, processing plant, transport routes, water supply, power and other infrastructure to enable an assessment of the potential environmental impacts and mitigation and management measures. AMC Consultants Pty Ltd is preparing a conceptual mine plan, EBS Ecology is undertaking flora, fauna and cultural heritage surveys and Aldam Geoscience is undertaking a groundwater study to support the MLP.

Lincoln Managing Director, Dr John Parker:

"The scale of the proposed graphite mining operation is quite small compared to iron ore projects proposed on Eyre Peninsula but, nevertheless, a key component of the Kookaburra Gully project will be the Stakeholder Consultation Plan.

"This will address impacts and benefits to surrounding landholders, stakeholders and the wider Eyre Peninsula community including impacts from general mining operations and traffic/truck movements and impacts on ground/surface water and agricultural operations.

"Mining and proposed new mining operations on Eyre Peninsula are a topical subject and landholders and the community in the past have shown a high level of interest about mining proposals in relation to the environmental, social and economic impacts and benefits.

Parsons Brinckerhoff has extensive knowledge and experience in stakeholder engagement, co-ordinating studies that support mining lease applications and preparing the necessary documentation to facilitate the requirements of the statutory approvals process for mining developments in South Australia. The appointment is a key step forward to making the eventual transition to a mining operation at Kookaburra Gully within our targeted timeframes."

Bulk sample testing of Kookaburra Gully's mineralisation is currently underway with earlier work by Lincoln identifying that a low risk, low capital cost mine and processing plant could be established on site for under A\$50 million with processing costs less than A\$400 per tonne of concentrate.

Dr A John Parker
Managing Director

Information in this report that relates to exploration activity and mineral resources was compiled by Dr A John Parker who is a Member of the Australasian Institute of Geoscientists and Managing Director of Lincoln Minerals Limited. Dr Parker 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.