

24 July 2007

Mr Dion Silvy  
Issuers (Adelaide)  
ASX Markets Supervision Pty Ltd

Dear Mr Silvy,

**Price query**

We refer to your letter dated 24 July 2007 wherein you sought an explanation regarding today's change in price and extraordinary volumes in the trading of Lincoln Minerals Limited securities.

The Company has sought a voluntary suspension in trading because it is currently in discussions, at very preliminary stages, with three parties in relation to one of its exploration licences, and whereby the potential may exist for an issue of further capital in the Company. These discussions were commenced over the last couple of weeks, and at the most recent board meeting held last Friday, the Directors resolved to conclude the negotiations as soon as possible.

The Directors do not know from where the buying support for its securities has come.

The Company has not been in a position to make any announcement at this stage.

The Company is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

Yours truly,



Peter E Cox  
Director and Company Secretary

