

10 November 2010

The Manager
ASX Announcements

Dear Sir,

Land acquisition and funds provided

The Company is pleased to announce that it has exercised its option and has now a completed contract for the acquisition of approximately 3,855 hectares of land at Gum Flat described in Certificates of Title Volume 6004 Folio 501 and Volume 6017 Folio 516. Settlement has been agreed between the parties to take place on 30 November 2010 and the remaining consideration payable is \$815,000 (of the original amount of \$825,000) plus relevant stamp duties and legal fees. The Company has also resolved to sell off part of the land (around 500 hectares) which would be of little benefit for future mining operations. To that end we have commenced negotiations with a local farmer but details have not yet been finalised.

The Company has also entered into an Underwriting Agreement with Tigermoth Investments Limited, a Singapore based company which has been a long time supporter of the Lincoln Minerals Limited. Tigermoth Investments will, if needed, underwrite a rights issue to the extent of \$1,500,000. The Board of Lincoln Minerals has not at this stage resolved to make a rights issue and is investigating various alternatives for raising funds to carry out the next stages of its evaluation of process at Gum Flat as well as providing working capital for other exploration and administration costs. The Underwriting Agreement has been sought to provide financing comfort for the Company whilst it acquires the above land package. A non-refundable engagement fee of 1% (\$15,000) has been paid by Lincoln but if the Agreement is not required, there will be no further fees payable. Elements of the Agreement include:

Underwritten amount	\$1,500,000
Expiry date	Disclosure document must be lodged by 31 January 2011
Number of shares underwritten	\$1.5million divided by the price per share
Price per share	The amount per Share which is the higher of 10 cents or the amount as may be calculated by applying a 10% discount to the value weighted average price at which the Company's Shares have traded on ASX for the fifteen business days prior to five days before the Company makes an announcement to ASX concerning the making of the Rights Issue.
Underwriting fee	6% of the amount underwritten

The acquisition of this land package is seen by the Board to be of great benefit for future mining operations as it will alleviate access and compensation to landowner issues as well as making easier the fulfilment of environmental and rehabilitation obligations.

Yours truly,

A handwritten signature in black ink, appearing to read "Peter E Cox", with a horizontal line underneath the name.

Peter E Cox

Director