

Lincoln Minerals Limited

ABN 50 050 117 023

Short Form Prospectus

For a non-renounceable issue at no cost to Shareholders of 1 Bonus Option for every 2 Shares held as at a Record Date of 7.00pm Sydney time on 8 June 2007.

Each Bonus Option gives the holder the right to subscribe for one Share at an exercise price of 30c each on or after 1 July 2007 and before 30 June 2010.

The Company will apply to ASX for Official Quotation of the Bonus Options.

SHAREHOLDERS ARE NOT REQUIRED TO TAKE ANY ACTION IN RELATION TO THE ISSUE OF BONUS OPTIONS PURSUANT TO THIS PROSPECTUS

IMPORTANT NOTICE

This Prospectus is a short form prospectus issued in accordance with section 712 of the *Corporations Act*. This Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type but refers to other documents, the information of which is deemed to be incorporated in this Prospectus.

TABLE OF CONTENTS

INDICATIVE TIMETABLE.....	2
CORPORATE DIRECTORY	2
IMPORTANT NOTICE	3
SHORT FORM PROSPECTUS	4
ELECTRONIC PROSPECTUS	4
DETAILS OF THE ISSUE.....	5
<i>The Issue</i>	5
<i>Existing Options</i>	5
<i>Purpose of the Issue</i>	5
<i>Action Required by Shareholders</i>	5
<i>Issue of Bonus Options</i>	5
<i>ASX Quotation</i>	6
<i>Overseas Shareholders</i>	6
<i>Taxation Implications</i>	6
<i>Enquiries</i>	6
INFORMATION DEEMED TO BE INCORPORATED IN THIS PROSPECTUS	7
<i>Summary of Information Deemed to be Incorporated</i>	7
COMPANY OVERVIEW	10
<i>Overview and Reference to January 2007 Prospectus</i>	10
<i>Matters Subsequent to January 2007 Prospectus</i>	10
<i>Continuous Disclosure</i>	10
EFFECT OF THE OFFER ON THE COMPANY.....	12
<i>Capital Structure of the Company</i>	12
<i>Effect on immediate Financial Position</i>	12
<i>Principal Effects of the Offer</i>	12
TERMS AND CONDITIONS OF BONUS OPTIONS.....	13
RIGHTS ATTACHING TO SHARES UPON CONVERSION OF BONUS OPTIONS	14
ADDITIONAL INFORMATION	16
<i>Market Price of Ordinary Shares</i>	16
<i>Legal Proceedings</i>	16
<i>Interests of Directors and Experts</i>	16
<i>Expenses of the Offer</i>	16
<i>Material Contracts</i>	16
<i>Consents</i>	17
AUTHORITY OF DIRECTORS	17
DEFINITIONS.....	18

INDICATIVE TIMETABLE

Prospectus lodged with ASIC and ASX and Appendix 3B lodged with ASX	30 May 2007
Shares quoted ex-bonus entitlement	4 June 2007
Bonus Options quoted on ASX on a deferred settlement basis	4 June 2007
Record Date for determining entitlements to Bonus Options	8 June 2007
Despatch date of holding statements and Prospectus	22 June 2007
Trading in Bonus Options commences on a normal settlement basis	25 June 2007

CORPORATE DIRECTORY

Directors

Richard V Ryan AO, Chairman
Dr A John Parker, Managing Director
Peter E Cox
Robert A Althoff

Secretary

Peter E Cox

Registered and Principal Office

Level 1, 28 Greenhill Road, Wayville, South Australia 5034

Phone: (618) 8274 0243

Facsimile: (618) 8373 1496

Email: info@lincolnminerals.com.au

Website: www.lincolnminerals.com.au

Independent Geologist

Snowden Mining Industry Consultants Pty Ltd
87 Colin Street
West Perth, Western Australia 6005

Phone: (618) 9213 9213

Facsimile: (618) 9322 2576

Website: www.snowdengroup.com

Auditor

KPMG
151 Pirie Street
Adelaide South Australia 5000

Share Registry

Computershare Investor Services Pty Ltd
Level 5, 115 Grenfell Street,
Adelaide South Australia 5000

GPO Box 1903,
Adelaide South Australia 5001

Enquiries (within Australia) 1300 556 161
Enquiries (outside Australia) +61 8 8236 2300

Computershare Investor Services Pty Ltd has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus. Its name is included for information purposes only.

Solicitor

Hunt & Hunt Lawyers
12th Floor
26 Flinders Street
Adelaide SA 5000

Investigating Accountant

KPMG Transaction Services
(Australia) Pty Limited
151 Pirie Street
Adelaide South Australia 5000

ASX code - LML

IMPORTANT NOTICE

This Prospectus is dated 30 May 2007.

A copy of this Prospectus was lodged with ASIC on 30 May 2007. ASIC takes no responsibility for the contents of this Prospectus.

No Bonus Options will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

The Bonus Options will comprise a new class of securities of the Company and application will be made by the Company to ASX within 7 days after the date of this Prospectus for admission of the Bonus Options to Official Quotation.

Pursuant to ASIC Class Order 00/1092 this Prospectus is not required to contain or be accompanied by an application form. Accordingly, there is no application form attached to or forming part of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus which is not contained in the Prospectus. In making representations in this Prospectus, regard has been given to the fact that ASX maintains a file containing publicly disclosed information about the Company and that the Company is a disclosing entity for the purpose of the *Corporations Act*, and certain matters may reasonably be expected to be known to professional advisers whom potential investors may consult.

Certain abbreviations and other defined terms used throughout this Prospectus have defined meanings which are set out at the end of this Prospectus.

SHORT FORM PROSPECTUS

This Prospectus is a short form prospectus issued in accordance with section 712 of the *Corporations Act*. This means that this Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type. Rather, the Prospectus incorporates, by reference, information contained in the disclosure document lodged by the Company with ASIC on 30 January 2007 for the offer of 35 million Shares at an issue price of 20 cents per Share (**January 2007 Prospectus**) and pursuant to which 35 million Shares were issued.

In referring to the January 2007 Prospectus, the Company:

- (a) identifies the January 2007 Prospectus as being relevant to the issue of Bonus Options under this Prospectus and containing information that will assist investors and their professional advisers in making an informed assessment of:
 - (i) the rights and liabilities attaching to:
 - (A) the Bonus Options; and
 - (B) the underlying Shares;
 - (ii) the capacity of the Company to issue the underlying Shares; and
 - (iii) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company;
- (b) refers Shareholders and their professional advisers or analysts to the section of this Prospectus which summarises the information in the January 2007 Prospectus deemed to be incorporated in this Prospectus;
- (c) informs Shareholders and their professional advisers or analysts that they are able to obtain, free of charge, a copy of the January 2007 Prospectus by contacting the Company during normal business hours during the Issue Period or by downloading a copy of the January 2007 Prospectus from the Company web site at www.lincolnminerals.com.au during the Issue Period; and
- (d) advises that the information in the January 2007 Prospectus will be primarily of interest to Shareholders and their professional advisers or analysts.

ELECTRONIC PROSPECTUS

A copy of this Prospectus can be downloaded from the Company's website at www.lincolnminerals.com.au.

DETAILS OF THE ISSUE

The Issue

The Company is making a non-renounceable free bonus issue of Bonus Options to Shareholders who are registered as holders of Shares on the Record Date.

The Bonus Options will be issued on the basis of one (1) Bonus Option for every two (2) Shares held at the Record Date. In the calculation of any Entitlement, fractions will be rounded up to the nearest whole number.

The Bonus Options will form a new class of securities of the Company and a summary of the terms and conditions of the Bonus Options is set out in the 'Terms and Conditions of Bonus Options' section of this Prospectus.

As at the date of this Prospectus there are 71,672,221 ordinary shares on issue, which would create the issue of approximately 35,836,111 Bonus Options.

Existing Options

At the date of this Prospectus the Company had on issue 9,103,332 Existing Options.

If all of the 9,103,332 Existing Options were to be exercised prior to the Record Date, then a further 4,551,666 Bonus Options would be issued under this Prospectus and the total number of Bonus Options to be issued would increase from approximately 35,836,111 to approximately 40,387,777.

Purpose of the Issue

The Issue was foreshadowed in the January 2007 Prospectus and accordingly, the purpose of the Issue is to reward Shareholders for their support of the Company and to provide for future exploration funds for the Company's prospects. Funds which may be generated to the Company by the exercise of Bonus Options throughout the period from 1 July 2007 to 30 June 2010 will be applied to:

Carrying out exploration programs on the Company's mineral tenements and ventures,

Funding working capital, and

Enabling the Company to investigate and take up investment opportunities in the energy and resources sector.

Action Required by Shareholders

As the Bonus Options are issued for no cost, Shareholders are not required to take any action to accept and be issued with their Entitlement of Bonus Options.

The Offer is non-renounceable and accordingly, Shareholders may not dispose of or trade any part of their entitlement to receive Bonus Options.

Issue of Bonus Options

The Bonus Options will be issued and holding statements dispatched as soon as practicable after the Record Date and otherwise in accordance with the Indicative Timetable given in the front of this Prospectus.

It is the responsibility of each Shareholder to determine their Bonus Option holding before trading in the Bonus Options. Shareholders who sell Bonus Options before they receive their transaction confirmation statement do so at their own risk.

ASX Quotation

The Bonus Options will form a new class of securities of the Company and application to ASX for admission of the Options to Official Quotation will be made by the Company within seven (7) days of the date of this Prospectus.

If the Bonus Options are not admitted to Official Quotation within three (3) months after the date of this Prospectus, or such later date as is permitted by the *Corporations Act*, none of the Bonus Options offered by this Prospectus will be granted. If approval to list the Bonus Options is not granted by ASX and the Bonus Options are not issued, the Company will prepare a prospectus for the issue of Options on the same terms except that the Options will not be listed.

Overseas Shareholders

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. Shareholders outside of Australia and New Zealand will not be issued Bonus Options and should consult their professional advisors as to whether any government or other consents are required, or other formalities need to be observed to enable them to accept or deal with an Entitlement.

Taxation Implications

Shareholders should be aware that there may be taxation liabilities arising from the issue of Bonus Options pursuant to this Prospectus, the exercise and/or sale of the Bonus Options and/or the sale of Shares issued on exercise of the Bonus Options. For this reason, it is important that Shareholders obtain their own independent professional advice in connection with the taxation implications of acquiring Bonus Options.

The Company does not propose to give any taxation advice and neither the Company, nor its advisers and officers accept any responsibility or liability for any taxation consequences resulting from the issue of Bonus Options under the Issue.

Enquiries

If you have any questions concerning the Issue, please contact your professional advisor, or the Company on telephone +61 (0)8 8274 0243 or by email at info@lincolnminerals.com.au.

INFORMATION DEEMED TO BE INCORPORATED IN THIS PROSPECTUS

This Prospectus is a short form prospectus issued in accordance with section 712 of the *Corporations Act*. This means that this Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type. However it incorporates, by reference, information contained in the January 2007 Prospectus which was lodged with ASIC on 30 January 2007.

The information to be incorporated by reference into this Prospectus is summarised below and will primarily be of interest to investors and their professional advisers or analysts.

The Company informs investors and their professional advisers that they are able to obtain, free of charge, a copy of the January 2007 Prospectus by contacting the Company at its office during normal business hours during the Issue Period. The January 2007 Prospectus is also available from the Company's web site at www.lincolnminerals.com.au.

Summary of Information Deemed to be Incorporated

Set out below is a summary of the information contained in the January 2007 Prospectus that is deemed to be incorporated in this Prospectus to assist investors and their professional advisers to determine whether, for the purposes of making an informed investment decision in relation to the Bonus Options, they need to obtain a copy of the January 2007 Prospectus.

The headings and page numbers referred to below are references to the January 2007 Prospectus.

Investment highlights (pp 1). An overview of the Company, its property portfolio and prospects.

Chairman's letter (pp 3). A summary of the corporate strategy and exploration business of the Company.

Details of the Offer (pp 4-7). Information relating to the specific aspects of the offer under the January 2007 Prospectus. It details the management of the Public Offer, CHES participation and Issuer Sponsored holdings, a description of the purpose of the offer, an indicative budget for years 1 and 2 a table setting out the proposed capital structure of the Company and a note indicating the intention to issue the Bonus Options which are the subject of this Prospectus. This section also provides a summary of the Company's privacy policy.

Directors (pp 8 and 9). Background information on each of the Directors.

Corporate governance (pp 9 and 10) Information on the Company's corporate governance policies.

Exploration strategy (pp 10-23). A description and discussion of the Company's property portfolio and proposed exploration, including:

Background summary,

Project portfolio and tenement summary,

Uranium mineralisation, including sediment hosted or paleochannel mineralisation, unconformity related mineralisation, iron oxide-copper-gold-uranium or breccia style mineralisation, and shear zone hosted mineralisation,

Eastern Eyre base metal province – Menninnie Dam model,

Central Gawler gold province, and

Olympic copper-gold-uranium province.

Technical report (pp 23-57) A description of the Company's exploration targets and projects, including Southern Eyre peninsula, Central Eyre Peninsula, Northern Eyre Peninsula and Lake Torrens areas. This section contains an analysis of the geological background, previous exploration and mineralisation targets for proposed exploration activity for the Company. Each tenement area is discussed.

Independent Geologist's report (pp 58-66). The report written by Snowden Mining Industry Consultants Pty Ltd provides detail of the geology, exploration history, exploration potential and the proposed exploration program and budget for the Company's tenements.

Solicitor's report (pp 67-79). The Solicitor's report has been prepared by Hunt & Hunt Lawyers, and contains details the Company's interests in its exploration tenements and assets. The report includes details the Company's interests in and status of its tenements, and all native title claims relevant to them. It also includes information on native title generally, native title in South Australia, Aboriginal heritage and uranium mining in South Australia.

Financial Information and Investigating Accountant's report (pp 80-91). Prepared by KPMG Transaction Services (Australia) Pty Ltd the report dated 30 January 2007 contains an un-audited pro-forma balance sheet as at 31 December 2006 on the basis that various transactions, including the issue of Shares pursuant to the January 2007 Prospectus, had been completed. Based on the assumptions set out in the notes and the movements in equity as set out, the Company would have had \$6,908,494 in pro-forma net assets (unaudited) as at 31 December 2006.

Risks of Investing (pp 92-94). This section sets out, for the benefit of potential investors, various risks associated with applying for Shares pursuant to the January 2007 Prospectus, including the speculative nature of the Company's securities.

Additional Information (pp 95-107). Provides a range of information for investors that was required to be disclosed in the January 2007 Prospectus and which are relevant to this present Prospectus, including:

Incorporation. Incorporation history of the Company.

Tax status. The Company will be taxed as a public company.

Litigation. Declares that the Company was not involved in any threatened or actual litigation or arbitration proceedings.

Directors' relevant interests. Discloses the relevant interests in securities of the Company held by Directors and the remuneration of the Directors.

Interests of named persons. Sets out the interests of the various persons named in the Prospectus including their remuneration for functions performed in connection with the Prospectus.

Expenses of the Offer. Gives an estimate of the costs in connection with the Offer.

Details of existing share and option holders. Sets out the top 20 shareholders and option holders as at the date of the Prospectus.

Consents. Advises the various persons named in the Prospectus and that they have consented, and not withdrawn their consents, to be named in the Prospectus.

Material Agreements. Includes material extracts in relation to the following:

Heads of Agreement between the Company and Centrex Metals Limited and South Iron Ore Group Pty Ltd,

Supplementary Agreement between Company and Centrex Metals Limited and South Iron Ore Group Pty Ltd,

Native Title Mining Agreement,

Managing Director's Employment Agreement,

Deed of Assignment of Ferrous Metals,

Corporate Advisory Services Agreement,

Underwriting Agreement, and

Loan Agreement.

Rights attaching to Shares. Gives information on a range of matters including voting rights, rights on winding up, transfer of shares, future increases in capital, variation of rights and dividend rights.

Options. The terms and conditions of each set of options with expiry dates of 31 December 2008 and 31 December 2011 are set out.

Director's deed of indemnity and access. Advises that the Company intends to enter into deeds with each director for indemnification and access to Company records while in office and for a period of seven years thereafter.

Electronic prospectus. Advises the conditions for issue of the January 2007 Prospectus electronically.

Applications by non-residents. Provides that non-residents who apply for shares will have represented and warranted that the Company may lawfully issue them with Shares.

Directors' responsibility statement and consent. A declaration by the Directors that, among other matters, they made all reasonable enquires to ensure the information, material and statements contained in the January 2007 Prospectus were neither misleading nor deceptive.

COMPANY OVERVIEW

Overview and Reference to January 2007 Prospectus

A comprehensive overview of the Company is set out in the January 2007 Prospectus that was lodged with ASIC on 30 January 2007 for the public offering of 35,000,000 Shares. Persons acquiring Bonus Options under this Prospectus should refer to previous sections of this Prospectus for a summary of the information contained in the January 2007 Prospectus deemed to be incorporated in this Prospectus.

In March 2007, 35,000,000 Shares were allotted and issued at an issue price of 20 cents each pursuant to applications received under the January 2007 Prospectus and the Company was subsequently admitted to the Official List on 8 March 2007 with Official Quotation of its Shares commencing on 9 March 2007.

The Company presently has a total of 71,672,221 Shares and 9,103,332 Existing Options on issue.

Under the Listing Rules a total of 25,890,846 Shares and 8,903,332 Existing Options are classified as restricted securities and are subject to escrow as follows:

- 22,520,848 Shares and 8,903,332 Existing Options are subject to 24 months escrow commencing on 9 March 2007,
- 870,000 Shares are subject to 12 months escrow commencing on 28 November 2007, and
- 2,250,000 Shares are subject to 12 months escrow commencing on 25 January 2007.

The balance of the issued share capital of the Company, being 45,781,375 Shares, is quoted on ASX.

Matters Subsequent to January 2007 Prospectus

The Shares of the Company were initially quoted on the ASX on 9 March 2007.

Other than as stated in this Prospectus, the Company is not aware of any other material matter or circumstance that would impact on the contents of the January 2007 Prospectus or the activities and prospects of the Company and be relevant to assist investors or their professional advisers making an informed assessment of relevant matters.

Continuous Disclosure

The Company is listed on ASX and its Shares are quoted on ASX. The Company is a “disclosing entity” for the purposes of the *Corporations Act*. It is subject to regular reporting and disclosure obligations, which require it to disclose to ASX any information which it has or becomes aware of concerning the Company and which a reasonable person would expect to have a material effect on the price or value of securities in the Company.

All announcements used to notify ASX of information relating to the Company under the provision of the Listing Rules since 8 March 2007 can be viewed on the ASX web site at www.asx.com.au. At the time of lodging this Prospectus the only such announcements were:

Date	Headline
8 March 2007	Admission to Official List
8 March 2007	ASX Circular: Commencement of Official Quotation
8 March 2007	Top 20 shareholders
8 March 2007	Pre-quotation disclosure
8 March 2007	Restricted securities
8 March 2007	Renewals or grants of exploration tenements
8 March 2007	Distribution schedule
8 March 2007	Terms and conditions of options
8 March 2007	Appendix 1A: ASX listing application and agreement
8 March 2007	Corporate governance statement
8 March 2007	Constitution
9 March 2007	Media release - Listing
13 March 2007	Initial directors' interests x 4
13 March 2007	Amended initial director's interest
4 April 2007	Becoming a substantial shareholder
4 April 2007	Becoming a substantial shareholder
16 April 2007	Third quarter cash flow report
16 April 2007	Third quarter activities report
16 April 2007	Becoming a substantial shareholder
17 May 2007	Announcement re bonus options
17 May 2007	Appendix 3B re bonus options

EFFECT OF THE OFFER ON THE COMPANY

Capital Structure of the Company

If all Existing Options are exercised prior to the Record Date, then under the Issue approximately 40,387,777 Bonus Options will be issued. Upon completion of the Issue, the issued capital of the Company will comprise:

Shares	Number
Shares as at the date of this Prospectus	71,672,221
Existing Options on issue at the date of this Prospectus	9,103,332
Total Shares that could be issued upon exercise of all Existing Options	80,775,553
Bonus Options issued pursuant to this Prospectus*	40,387,777
Total number of Options post Issue*	40,387,777

* based on assumption that all Existing Options are exercised prior to Record Date.

Effect on immediate Financial Position

No amounts will be raised by the Company by the issue of Bonus Options under this Prospectus. The issue of Bonus Options pursuant to this Prospectus will not have a material impact on the Company's current financial position other than the decrease in cash reserves of approximately \$19,000 being the expenses of the Issue as set out later in this Prospectus. However, should any of the Existing Options be exercised, then the Company would receive 20 cents for each Existing Option so exercised, and the maximum cash that could be generated thereby would be \$1,820,666.

Principal Effects of the Offer

If all of the Bonus Options that may be issued pursuant to this Prospectus are exercised, then:

- the number of Shares on issue will increase by approximately 40,387,777. The Share capital would increase to 121,163,330 (including the shares issued pursuant to the exercise of all Existing Options); and
- the Company will receive \$0.30 for each Bonus Option exercised and raise additional funds of approximately \$12,116,333 (plus \$1,820,666 from exercise of all Existing Options). The likelihood of the Company raising the additional capital through the exercise of the Bonus Options is dependent on the price of the Shares throughout the period from 1 July 2007 until the Bonus Options expire on 30 June 2010.

TERMS AND CONDITIONS OF BONUS OPTIONS

The terms and conditions of the Bonus Options are as follows:

Entitlement. The Bonus Options entitle the holder to subscribe for one Share upon exercise of each Bonus Option.

Exercise Price. The exercise price of each Bonus Option is 30 cents.

Expiry Date. Each Bonus Option has an expiry date of 5.00pm (Adelaide time) on 30 June 2010.

Exercise Period. The Bonus Options may be exercised at any time on or after 1 July 2007, but prior to the Expiry Date by notice in writing to the Company and payment of the Exercise Price for each Bonus Option being exercised. Any notice of exercise of a Bonus Option received by the Company will be deemed to be a notice of the exercise of that Bonus Option as at the date of the receipt.

Shares issued on exercise. Shares issued on exercise of the Bonus Options will rank equally with all existing ordinary Shares of the Company.

Quotation of Shares on exercise. Application will be made by the Company to ASX for Official Quotation of the Shares issued upon exercise of the Bonus Options.

Timing of issue of Shares. After a Bonus Option is validly exercised, the Company must as soon as possible:

1. issue and allot the Share the subject of the Bonus Option; and
2. do all such acts, matters and things to obtain the grant of quotation of the Share on ASX no later than 5 business days from the date of exercise of the Bonus Option and receipt of cleared funds equal to the sum payable on the exercise of the Bonus Option.

Participation in new issues. There are no participation rights or entitlements inherent in the Bonus Options and holders will not be entitled to participate in new issues of capital offered to Shareholders unless the Bonus Option has been duly exercised prior to the relevant record date.

However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 business days after the issue is announced. This will give the holders of Bonus Options the opportunity to exercise their Bonus Options prior to the date for determining entitlements to participate in any such issue.

Bonus Issue of Shares: If there is a bonus share issue to the holders of Shares, the number of Shares over which a Bonus Option is exercisable will be increased by the number of Shares which the holder of the Bonus Option would have received if the Bonus Option had been exercised before the record date for the issue of the bonus shares.

Rights issue: If the Company makes a rights issue (other than a bonus issue) of Shares, then the exercise price of the Bonus Options will be reduced according to the formula prescribed in the Listing Rules.

Adjustments for reorganisation. If there is any reorganisation of the issued share capital of the Company, the rights of Bonus Option holders may be varied to comply with the Listing Rules which apply to the reorganisation at the time of the reorganisation.

Quotation of Bonus Options. Application will be made by the Company to ASX for Official Quotation of the Bonus Options.

Bonus Options transferable. Subject to the constitution of the Company, the *Corporations Act*, the Listing Rules and any other applicable laws, Bonus Options are freely transferable at any time prior to their expiry.

RIGHTS ATTACHING TO SHARES UPON CONVERSION OF BONUS OPTIONS

There is only one class of Share on issue in the Company being fully paid ordinary Shares. The rights and liabilities attaching to Shares in the Company are:

- (a) set out in the constitution of the Company, a copy of which can be inspected, free of charge, at the registered office of the Company during normal business hours; and
- (b) in certain circumstances, regulated by the *Corporations Act*, the Listing Rules and the general law.

The following is a summary of the more significant rights and liabilities attaching to the Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

(a) General Meeting

Each member is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to members under the Company's Constitution, the Corporations Act or the Listing Rules.

(b) Voting

Subject to any rights or restrictions for the time being attached to any class or classes of shares whether by the terms of their issue, the Constitution, the Corporations Act or the ASX Listing Rules, at a general meeting of the Company every holder of fully paid ordinary shares present in person or by a representative has one vote on a show of hands and every such holder present in person or by a representative, proxy or attorney has one vote per share on a poll. A person who holds an ordinary share, which is not fully paid, is entitled, on a poll, to a fraction of a vote equal to the proportion which the amount paid bears to the total issue price of the share. A member is not entitled to vote unless all calls and other sums presently payable by the member in respect of shares in the Company have been paid. Where there are two or more joint holders of the share and more than one of them is present at a meeting and tenders a vote in respect of the share (whether in person or by proxy or attorney), the Company will count only the vote cast by the member whose name appears before the other(s) in the Company's register of members.

(c) Issues of Further Shares

The Directors may, on behalf of the Company, issue, grant options over or otherwise dispose of unissued shares to any person on the terms, with the rights, and at the times that the Directors decide. However, the Directors must act in accordance with the restrictions imposed by the Company's Constitution, the ASX Listing Rules, the Corporations Act and any rights for the time being attached to the shares in special classes of shares.

(d) Variation of Rights

At present, the Company has on issue one class of shares only, namely ordinary shares. The rights attached to the shares in any class may be altered only by a special resolution of the Company and a special resolution passed at a separate meeting of the holders of the issued shares of the affected class, or with the written consent of the holders of at least three quarters of the issued shares of the affected class.

(e) Transfer of Shares

Subject to the Company's Constitution, the Corporations Act, the ASTC Settlement Rules and the ASX Listing Rules, ordinary shares are freely transferable.

The shares may be transferred by a proper transfer effected in accordance with ASTC Settlement Rules, by any other method of transferring or dealing introduced by ASX and as otherwise permitted by the Corporations Act or by a written instrument of transfer in any usual form or in any other form approved by the Directors that is permitted by the Corporations Act. The Company may decline to register a transfer of shares in the circumstances described in the Company's Constitution and where permitted to do so under the ASX Listing Rules. If the Company declines to register a transfer, the Company must, within five business days after the transfer is lodged with the Company, give the lodging party written notice of the refusal and the reasons for refusal. The Directors must decline to register a transfer of shares when required by law, by the ASX Listing Rules or by the ASTC Settlement Rules.

(f) Partly Paid Shares

The Directors may, subject to compliance with the Company's Constitution, the Corporations Act and the ASX Listing Rules, issue partly paid shares upon which amounts are or may become payable at a future time(s) in satisfaction of all or part of the unpaid issue price.

(g) Dividends

The Company in general meeting may declare a dividend if the Directors have recommended a dividend, and a dividend shall not exceed the amount recommended by the Directors. The Directors may authorise the payment to the members of such interim dividends as appear to the Directors to be justified by the Company's profits and for that purpose may declare such interim dividends.

Subject to the rights of members entitled to shares with special rights as to dividend (if any), all dividends in respect of shares (including ordinary shares) are to be declared and paid proportionally to the amount paid up or credited as paid up on the shares.

(h) Winding Up

Subject to the rights of holders of shares with special rights in a winding up, if the Company is wound up, members (including holders of ordinary shares) will be entitled to participate in any surplus assets of the Company in proportion to the shares held by them respectively irrespective of the amount paid up or credited as paid up on the shares.

(i) Dividend Plans

The Directors or the members of the Company, in general meeting, may establish and maintain dividend plans under which (among other things) a member may elect that dividends payable by the Company be reinvested by way of subscription for shares in the Company or a member may elect to forego any dividends that may be payable on all or some of the shares held by that member and to receive instead some other entitlement, including the issue of shares.

(j) Directors

The Company's Constitution states that the minimum number of directors is three.

(k) Powers of the Board

The Directors have power to manage the business of the Company and may exercise that power to the exclusion of the members, except as otherwise required by the Corporations Act, any other law, the ASX Listing Rules or the Company's Constitution.

ADDITIONAL INFORMATION

Market Price of Ordinary Shares

The Shares of the Company were initially quoted on the ASX on 9 March 2007.

The highest and lowest recorded market sale prices of the Shares quoted on ASX from 9 March 2007 to the date of this Prospectus were 42.0 cents on 13 March 2007 and 21.5 cents on 20 April 2007 respectively.

The last market sale price of the Shares on ASX on 29 May 2007 was 23.5 cents.

Legal Proceedings

As at the date of this Prospectus, the Company is not involved in any material legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against or involving the Company.

Interests of Directors and Experts

A full disclosure of the interests of Directors, experts and promoters of and to the Company for the issue of the January 2007 Prospectus is set out in the "Additional Information" (pp 95) section of that document. The relevant interests of the Directors in the securities of the Company as at the date of this Prospectus are as follows:

Directors	Shares	Existing Options December 2008	Existing Options December 2011
Richard V Ryan AO	100,000	-	1,000,000
Dr A John Parker	-	-	2,000,000
Peter E Cox	100,000	-	1,000,000
Robert A Althoff	509,980	353,332	750,000

The Directors and their associates will receive the same entitlement to Bonus Options as all other Shareholders under the Issue in respect of Shares in which they hold an interest on the Record Date.

Hunt & Hunt Lawyers have acted as Solicitors to the Company in relation to this Issue. The Company estimates it will pay Hunt & Hunt Lawyers \$5,000 (exclusive of GST) for these services.

Expenses of the Offer

The total expenses of the Offer are estimated to be approximately \$19,000 including legal costs, accounting fees, ASX fees, printing and other administrative expenses.

Material Contracts

Investors and their professional advisers are referred to the "Summary of Material Contracts" of the January 2007 Prospectus (pp 98-103) which is referred to earlier in this Prospectus. No material contracts other than those referred to in the January 2007 Prospectus have been entered into by the Company between then and the date of this Prospectus. In that intervening period the Company has advanced a Co-operation Agreement between itself, Centrex Metals Limited and South Australian Iron Ore Group Pty Ltd as was anticipated by the Heads of Agreement and the Supplementary Agreement referred to in Sections 12.9.1 and 12.9.2 of the January 2007 Prospectus. Until the

detailed terms of the Co-operation Agreement are agreed and completed by the respective parties, the original Heads of Agreement and Supplementary Agreement remain.

Consents

The following persons have each consented to the inclusion of the following statements and statements identified in this Prospectus as being based on statements made by those persons, in the form and context in which they are included or referred, and have not withdrawn that consent before lodgement of this Prospectus with ASIC:

KPMG have given and as at the date hereof have not withdrawn their consent before lodgement of this prospectus with ASIC, to be named in this prospectus as the Auditor of the Company in the form and context on which they are named, and **KPMG Transaction Services (Australia) Pty Ltd** to the incorporation by reference in this prospectus of their Investigating Accountant's Report, dated 30 January 2007.

Other than as referred to above, neither KPMG nor KPMG Transaction Services (Australia) Pty Ltd are not responsible for any part of the Prospectus and have not authorised or caused the issue of any part of this Prospectus.

Snowden Mining Industry Consultants Pty Ltd has given its consent to the incorporation of and reference to the Independent Consulting Geologist's Report in the January 2007 Prospectus and the reference to that report in this Prospectus and reference being named in the January 2007 Prospectus as Independent Consulting Geologist to the Company.

Hunt & Hunt Lawyers have given their consent to the incorporation of and reference to the Solicitors Report on the Tenements in the January 2007 Prospectus and to being named in this Prospectus as Solicitors to the Company.

AUTHORITY OF DIRECTORS

This Prospectus is issued by the Company and in accordance with section 720 of the *Corporations Act*, each Director has consented and has not withdrawn his consent to the lodgement of this Prospectus with ASIC.

Dated: 30 May 2007.

Richard V Ryan AO

Chairman

Lincoln Minerals Limited

DEFINITIONS

ASIC means Australian Securities and Investments Commission.

January 2007 Prospectus means the prospectus lodged by the Company with ASIC on 30 January 2007.

ASX means ASX Limited (ACN 008 624 691).

Board means the board of Directors unless the context indicates otherwise.

Bonus Option means an Option to be issued under this Prospectus.

Company means Lincoln Minerals Limited (ABN 50 050 117 023).

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company.

Entitlement means the non-renounceable right of a Shareholder to receive Bonus Options under the Issue.

Existing Options means Options on issue on the Record Date with an exercise price of \$0.20.

Issue means the bonus issue of Bonus Options pursuant to this Prospectus.

Issue Period means the period commencing on the date of this Prospectus and ending on the date of despatch of Bonus Option holding statements to Shareholders.

Listing Rules means the Listing Rules of ASX.

Official List means the Official List of ASX.

Official Quotation means quotation of securities by the ASX in accordance with the Listing Rules.

Option means an option to acquire a Share.

Option holder means the holder of an Option.

Prospectus means this prospectus dated 30 May 2007.

Public Offer has the meaning given in the January 2007 Prospectus.

Record Date means 7:00pm (Sydney time) on 8 June 2007.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means the holder of a Share.