

30 April 2009

The Manager
ASX Announcements

Maiden Inferred Iron Ore Resources for Gum Flat

Lincoln Minerals Limited ("LML") is pleased to announce Inferred Resources for its Gum Flat Iron Ore Project on southern Eyre Peninsula less than 20km from the port of Port Lincoln.

Key points:

- Total Magnetite Inferred Resource 55.2 Mt at 20.6% DTR concentrate
- Total Hematite Inferred Resource 1.2 Mt at 51.6% Fe (45% Fe cutoff) or 2.5 Mt at 45.5% Fe (35% Fe cutoff)
- Hematite enrichment up to 60.5% Fe (GFRC103 - 18m @ 58.2% Fe)
- Up to 43.9% magnetic DTR concentrate
- DTR concentrates with up to 71% Fe and low silica, alumina and phosphorous
- Only half of cumulative 7km long aeromagnetic anomalies tested so far
- Magnetite Exploration Target 125-200 Mt at 15-25% Fe
- Hematite Exploration Target 3-10 Mt at 40-55% Fe
- Close to shipping port and other infrastructure

Deposit	Ore Style	Status	Size (Mt)	DTR%	Con Fe%	BIF (Head) Fe%
Barns	Magnetite (>10% DTR)	Inferred	49.8 Mt	20.2%	65.0%	
	Magnetite	Expl Target	100-150 Mt	15-25%		
	Hematite (>35% Fe)	Inferred	1.3 Mt			47.1%
	Hematite (>45% Fe)	Inferred	0.9 Mt			52.7%
	Hematite	Expl Target	2-7 Mt			45-55%
Rifle Range	Magnetite (>10% DTR)	Inferred	5.4 Mt	22.6%	68.2%	
	Magnetite	Expl Target	5-12 Mt	20-25%		
Sheoak West	Hematite (>35% Fe)	Inferred	1.2 Mt			43.8%
	Hematite (>45% Fe)	Inferred	0.3 Mt			48.3%
	Hematite	Expl Target	1-3 Mt			40-55%
Other	Magnetite	Expl Target	20-40 Mt	15-25%		

DTR = Davis Tube Recovery (magnetic concentrate); Con = DTR concentrate; BIF = banded iron formation; Head grade is primary BIF

Background

The Gum Flat Iron Ore Project is located on southern Eyre Peninsula within 20km of Port Lincoln. It is prospective for magnetite and hematite-goethite iron ore plus a large range of polymetallic minerals including gold, uranium, base metals (copper, lead, zinc, nickel) and graphite.

Extending west from Port Lincoln with a railway line, major highway and power lines running through the area plus a large underground water supply, EL3422 is ideally located with respect to infrastructure and proximity to a major shipping port.

Lincoln Minerals has a joint venture agreement with Indian iron ore mining company Mineral Enterprises Limited (MEL) and its subsidiary Mineral Enterprises Australia Pty Ltd (MEA). MEA has earned a 40% participating interest in EL 3422 by spending \$2.5 million on exploration. MEA is continuing to fund the project on a pro-rata basis with LML.

Exploration at Gum Flat commenced in 2007 soon after the Company was listed on the ASX. Ongoing exploration and resource definition drilling programs have been undertaken over the major aeromagnetic anomalies at Gum Flat since mid 2007. Phase 2-3 reverse circulation (RC) and diamond core (DDH) drilling was completed in January 2009.

Most assay data including Davis Tube Recovery (DTR) magnetic separation results from this drilling program have been received and processed to define a JORC compliant inferred resource for parts of the orebody.

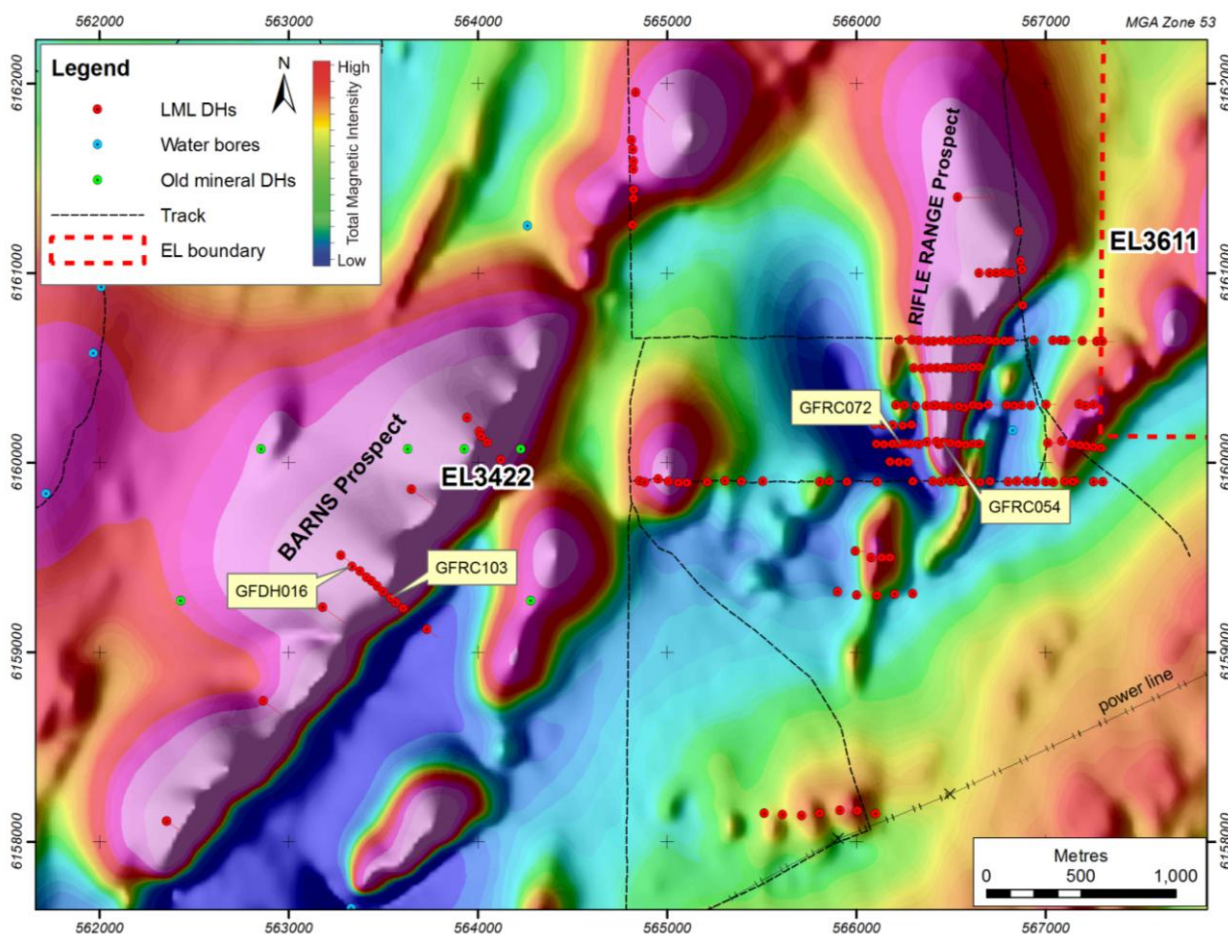
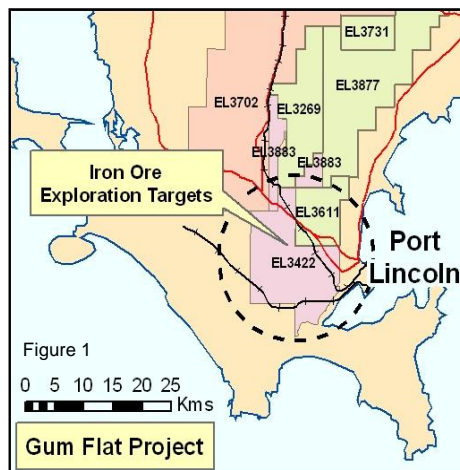


Figure 2: Total magnetic intensity map and location of drill holes, Gum Flat

Barns Prospect Hematite

Drilling across the high priority Barns exploration target has confirmed the geophysical exploration model of a shallowly west-dipping high grade hematite-goethite-magnetite BIF sequence approximately 80m thick (Fig. 3).

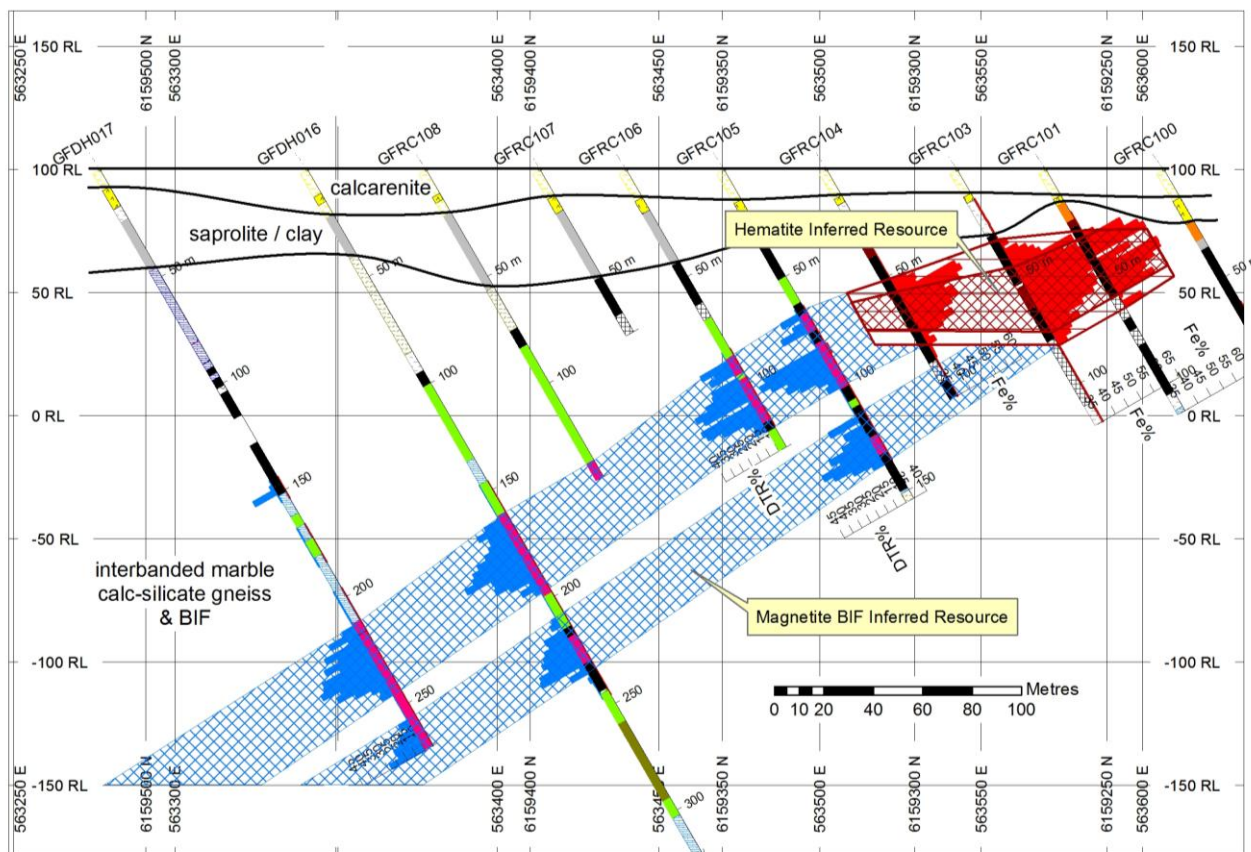


Figure 3: Southeast-northwest RC and diamond drill section across the Barns Prospect

The upper levels of this BIF sequence are oxidised and enriched to hematite and goethite down to approximately 60m vertical depth. Iron (Fe) enrichment grades up to 60.5% Fe (GFRC103 58-60m) within a short interval of potential direct shipping hematite-goethite ore (DSO):

Drillhole	From	To	Interval	Fe%	SiO ₂ %	Al ₂ O ₃ %	P%	Mn%	CaO%	LOI%
GFRC103	50	68	18	58.18	5.16	1.37	0.48	1.07	0.85	6.32

Drillholes GFRC101 to GFRC104 along the SE-NW oriented Section centred on 6159375N (Figure 3) collectively define an enriched hematite-goethite resource with an average grade of 47.13% Fe including a higher grade core @ 52.69% Fe.

Drillhole	From	To	Interval	Fe%	SiO ₂ %	Al ₂ O ₃ %	P%	Mn%	CaO%	LOI%
GFRC101 *	30	62	32*	45.53	22.60	2.2	0.37	0.7	1.14	6.55
including **	32	56	24**	49.74	16.39	2.04	0.39	0.71	1.26	6.83
GFRC103 *	34	82	48*	49.61	15.26	1.97	0.41	0.97	0.94	7.92
including **	44	72	28**	55.86	8.55	1.45	0.47	0.93	0.85	6.43
GFRC104 *	52	88	36*	45.26	17.97	1.01	0.49	2.31	1.96	8.83
including **	58	76	18	51.70	14.60	0.69	0.50	2.26	1.53	4.29
GFRC101-104 *			average	47.13	18.13	1.74	0.42	1.31	1.31	7.82
including **			average	52.69	12.80	1.46	0.45	1.20	1.17	6.02

* based on a cutoff grade of 35% Fe ** based on a cutoff grade of 45% Fe

The upper weathered and oxidised BIF sequence is overlain by 12-18m of Quaternary calcarenite lime sand and by local, variably thick Tertiary ferricrete, ferruginous sand and saprolitic clay (Figure 3).

The strike extent of this mineralisation is not known but based on a 200m strike extent (viz. 100m either side of the drill traverse), the Inferred Resource for hematite-goethite mineralisation outlined by the above intersections (Figure 3) is 1.30 Mt @ 47.1% Fe with a higher grade core 0.92 Mt @ 52.7% Fe (see table below).

Barns Prospect – Hematite-Goethite Mineralisation	Inferred Resource (>35% Fe)	Inferred Resource (>45% Fe)	Exploration Target ** (lower)	Exploration Target ** (upper)
Average true thickness	38.7	23.3	20	40
Vertical extent of cover	25	25	25	25
Vertical extent of oxide zone below ground level	70	66	70	70
Assumed dip of BIF	25	25	30	25
Dip extent of oxide BIF below cover	106	97	90	106
Cross section area of mineralisation (m ²)	4,197	2,778	na	na
Strike length (based on aeromagnetic interpretation)	100	100	200	550
Volume of oxide BIF (m ³)	419,700	277,800	630,000	2,342,540
Oxidised BIF density	3.1	3.3	3.1	3.1
Tonnage (Mt)	1.3	0.9	2.0	7.3
Grade (% Fe)	47.1	52.7	45-55	

** It is emphasized that exploration target tonnage estimates are conceptual in nature and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

It is interpreted that enriched hematite-goethite BIF mineralisation extends along the full length of the aeromagnetic anomaly defining the Barns Prospect, viz. approximately 3.5 km. However, much of this zone is thinner and/or of lower Fe grade. Therefore, for the estimation of a hematite-goethite Exploration Target, a strike length ranging from 200m to 550m is assumed. This corresponds to the higher grade central magnetite zone outlined below.

Barns Prospect Magnetite

Below the hematite-goethite cap, the BIF becomes progressively more magnetite rich and less oxidised. There are two bands of high grade magnetite BIF which have a cumulative thickness in drill hole GFDH016 of 52m.

Testing of this ore involved crushing and grinding drillcore down to a nominal 90% passing 75 microns, analysing the pulp by XRF (Head grade), undertaking wet Davis Tube magnetic separation of a 20g subsample, determining the weight percentage of magnetic concentrate from that test (DTR) then analysing the DTR concentrate by XRF (Con grade). Magnetite content in these bands ranges up to 43.9% DTR grading 70.3% Fe (GFRC105 84-86m) with low phosphorous, silica and alumina.

Drillhole	From	To	Interval	Head Fe %	DTR %	Con Fe %	Con SiO ₂ %	Con Al ₂ O ₃ %	Con P %	CON LOI %
GFRC105	66	74	8	26.89	17.19	64.67	7.66	0.36	0.01	-3.24
GFRC105	82	100	18	29.54	29.23	68.18	3.65	0.51	0.01	-3.25
including	82	88	6	34.24	41.03	70.28	1.12	0.30	0.01	-3.28
GFRC105	118	136	18	25.81	26.36	65.81	6.99	0.44	0.01	-3.14
GFRC106	88	120	32	27.99	23.72	66.88	5.06	0.45	0.01	-3.29
including	96	114	18	29.06	28.84	68.97	2.81	0.36	0.01	-3.33
GFDH016	162	194	32	27.68	25.87	64.63	7.23	0.51	0.02	-2.92
GFDH016	214	234	20	23.16	23.99	65.34	7.09	0.65	0.01	-2.61
GFDH016 aggregated	162-194 214-234		52	25.94	25.14	64.90	7.18	0.56	0.01	-2.80
GFDH016	146	246	100	19.92	15.72	62.78	8.95	0.61	0.02	-2.48
GFDH017	146	152	6	14.89	14.50	65.65	7.12	0.55	0.01	-2.78
GFDH017	212	244	32	27.35	26.85	64.60	6.86	0.50	0.02	-3.02
GFDH017	256	270	14	18.79	19.97	64.64	7.02	0.56	0.01	-2.87
GFDH017 aggregated	212-244 256-270		46	24.74	24.75	64.61	6.91	0.52	0.02	-2.97
GFDH017	144	270	126	16.93	13.80	63.89	7.45	0.60	0.02	-2.90
GFDH018	128	210	82	21.75	10.41	61.57	10.52	0.43	0.01	-1.95
including	134	142	8	24.02	16.21	66.57	5.56	0.39	0.01	-2.06
including	160	184	24	22.02	16.19	65.51	6.23	0.48	0.01	-2.39
GFDH018 aggregated	134-142 160-184		32	22.52	16.19	65.77	6.06	0.46	0.01	-2.31
GFDH019	172	178	6	22.60	16.06	64.61	7.66	0.58	0.01	-1.95
GFDH020	198	218	20	19.20	15.34	63.80	8.65	0.62	0.01	-2.94
GFDH021	118	138	20	23.20	20.39	63.35	9.79	0.51	0.01	-2.69
GFDH021	162	228	66	21.47	15.10	59.30	12.22	0.50	0.02	-2.20
including	164	176	12	22.43	17.25	62.43	10.01	0.49	0.01	-2.62
including	180	198	18	25.38	17.66	55.84	14.76	0.45	0.03	-1.64
including	212	226	14	24.80	25.22	65.11	7.05	0.47	0.01	-2.56

DTR = Davis Tube Recovery from magnetic separation; Head grade = total rock XRF assay prior to magnetic separation; Con grade = XRF assay of DTR magnetic concentrate; Intervals defined by a lower cutoff grade of 10% DTR

The relatively low concentrate Fe grades for diamond core samples (GFDH prefixes) indicates that the core should have been ground down further to achieve a higher grade concentrate >68% Fe. Only limited laser sizing analysis was undertaken on the test samples but it appears that some samples did not achieve optimum grinding with significant proportions coarser than 75 microns. Further work is being undertaken to determine an optimum grind size.

Based on the limited drilling done to date over the Barns Prospect, it is possible to define an Inferred Resource for the magnetite BIF combined with a revised Exploration Target. The definition and strike extent of the various blocks that comprise the Barns Prospect has been determined from geophysical interpretation of detailed low-level aeromagnetic data and maps (Figure 2). Based on that interpretation combined with drilling, the total Inferred Resource defined to date is 49.8 Mt @ 20.2% DTR magnetite concentrate. This resource would yield an inferred magnetite DTR concentrate of 10.1 Mt @ 65.0% Fe. As noted above, it is expected that further grinding will improve the concentrate grade.

BARNS PROSPECT	SW Gap	Central High Grade - SW	Central High Grade - B1	Sheoak	CRA Line
Diamond Core Drillholes	GFDH019	GFDH021	GFDH016,17 GFRC105,106	GFDH020	GFDH018
Average true thickness (cumulative)	6	46	52	20	32
Average DTR grade	16.1%	21.0%	24.6%	15.3%	16.2%
Average Fe grade of DTR concentrate	64.6%	63.6%	65.6%	63.8%	65.8%
Vertical extent of cover including saprolite	25	25	25	25	25
Vertical extent of oxidised zone below ground level	60	60	60	60	60
Vertical extent of Inferred Resource	200	200	250	200	200
Assumed dip of BIF	34	34	34	34	34
Dip extent of magnetite Inferred Resource	250	250	340	250	250
Strike length (based on aeromagnetic interpretation)	600	225	325	400	450
Volume of inferred magnetite resource (m ³)	901,299	2,591,235	5,742,204	2,002,887	3,605,196
BIF rock density (gm/cc)	3.3	3.4	3.4	3.3	3.3
Magnetite Inferred Resource	2.97 Mt	8.81 Mt	19.52 Mt	6.61 Mt	11.9 Mt
Inferred magnetite concentrate	0.48 Mt	1.85 Mt	4.8 Mt	1.01 Mt	1.93 Mt

Drilling along the full length of the Barns Prospect either did not go deep enough or extend along the entire 3.2 km strike length of the aeromagnetic anomaly to test its full potential. The revised Exploration Target for Barns, taking these into consideration, is 100-150 Mt @ 15-25% DTR.

Rifle Range Prospect Magnetite

Drilling across the Rifle Range Prospect has identified at least two, quite shallow dipping (10-40°) but relatively thin BIF units that are variably folded to locally define thicker drill intersections. In GFRC054 using a cutoff grade of 10% DTR, folding forms a 42m thick band of BIF from 34-76m averaging 22.5% DTR @ 68.6% Fe (Con).

The BIF units are variably oxidised down to 40-55m (true depth) and locally enriched at shallow levels to higher grade hematite-goethite bodies (eg. GFRC054 36-46m and GFRC053 20-28m).

Drillhole	From	To	Interval	Head Fe %	DTR %	Con Fe %	Con SiO ₂ %	Con Al ₂ O ₃ %	Con P %	CON LOI %
GFRC013	50	58	8	29.53	25.67	69.06	2.78	0.40	0.01	-3.18
GFRC035	54	62	8	27.97	18.05	68.38	3.27	0.62	0.01	-3.41
GFRC036	84	96	12	24.63	-	-	-	-	-	-
GFRC037	20	26	6	33.81	17.96	68.25	1.59	0.39	0.02	-0.12
GFRC037	58	82	24	30.84	27.85	68.08	3.76	0.47	0.02	-3.09
GFRC039	140	145	5	19.73	17.30	68.80	3.09	0.47	0.02	-3.09
GFRC053	20	28	8	38.02	-	-	-	-	-	-
GFRC054	34	76	42	22.49	68.55	2.94	0.48	0.01	-2.72	32.94
including	36	46	10	40.04	36.7	69.83	0.97	0.35	0.01	-1.64
including	64	74	10	31.62	30.8	70.83	1.24	0.31	0.01	-3.6
GFRC056	88	96	8	30.24	22.90	69.23	2.62	0.49	0.01	-3.24
GFRC057	56	62	6	28.49	23.93	69.75	2.15	0.53	0.01	-3.60
GFRC058	86	92	6	25.99	21.08	69.21	2.82	0.49	0.01	-3.65
GFRC064	40	44	4	26.56	14.84	69.75	1.88	0.43	0.01	-2.85
GFRC065	44	46	2	30.61	22.09	69.61	2.37	0.38	0.01	-3.36
GFRC065	66	86	20	25.34	20.49	67.38	4.65	0.36	0.01	-3.12
including	66	78	12	28.91	26.42	68.91	2.89	0.34	0.01	-3.16
GFRC066	50	54	4	23.57	12.99	66.90	4.73	0.59	0.01	-3.33
GFRC066	78	100	22	30.54	26.94	67.77	4.08	0.40	0.02	-3.10
GFRC068	74	78	4	20.25	17.97	67.78	3.53	0.43	0.01	-3.06
GFRC068	124	132	8	31.10	27.51	66.71	5.14	0.38	0.02	-2.83
GFRC096	46	64	18	25.05	18.90	66.71	4.97	0.57	0.01	-3.12
including	52	56	4	30.73	28.53	69.94	2.00	0.37	0.01	-3.26
GFRC098	92	104	12	25.93	20.81	68.12	3.62	0.55	0.01	-3.24
including	98	104	6	31.25	29.91	69.39	2.68	0.38	0.02	-3.32

DTR = Davis Tube Recovery from magnetic separation; Head grade = total rock XRF assay prior to magnetic separation; Con grade = XRF assay of DTR magnetic concentrate. Intervals defined by a lower cutoff grade of 10% DTR. All samples have been nominally ground to 90% passing 75 microns but laser sizing was only carried out on 1 in 20 samples.

Based on the results listed above and interpreted cross section areas (Figure 4), a small magnetite resource has been defined for the Rifle Range Prospect. Using a 10% DTR cutoff, a cumulative strike length of 900m and a maximum vertical depth of 100m below ground level as defined by RC drilling, the Inferred Resource of magnetite BIF is 5.37 Mt @ 22.6% DTR magnetite concentrate. This resource would yield an inferred magnetite DTR concentrate of 1.21 Mt @ 68.2% Fe.

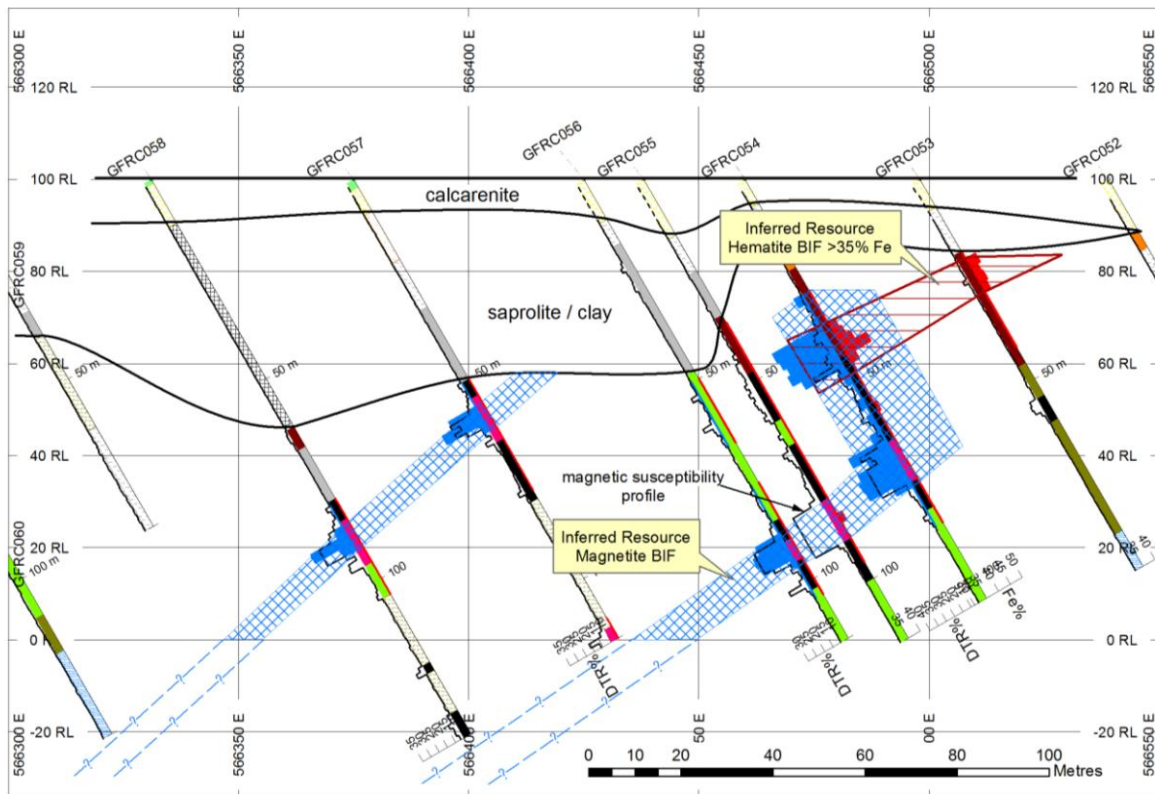


Figure 4: East-west RC drill section 6160100mN across the Rifle Range Prospect

Sheoak West Prospect Hematite

Throughout the Rifle Range area there are shallow zones of local hematite enrichment. Sheoak West hematite prospect is one such example and in RC hole GFR072, whole rock assays range up to 50.7% Fe and average 47.6% Fe over 16m from 32-48m.

Drillhole	From	To	Interval	Head Fe%	Head SiO ₂ %	Head Al ₂ O ₃ %	Head P%	Head Mn%	Head CaO%	Head LOI%
GFR072 **	32	48	16	47.56	23.21	1.61	0.31	0.25	0.28	5.03
GFR073 **	32	58	26	48.41	20.44	1.29	0.61	0.79	0.38	5.62
GFR074 *	42	52	10	37.26	26.41	0.82	1.59	6.15	0.43	7.10
GFR074 *	58	64	6	44.27	24.01	0.71	1.54	2.82	0.56	4.45
GFR075 *	44	46	2	42.52	23.26	2.07	1.49	1.58	0.26	7.11
GFR075 *	50	70	20	44.70	24.09	1.11	1.60	1.85	0.42	4.06
including **	62	68	6	47.28	19.71	0.56	2.04	1.62	0.38	5.54
GFR076 *	70	88	18	37.43	21.50	4.18	1.25	1.72	0.37	11.57
GFR078 *	46	74	28	43.36	22.92	1.37	1.46	2.47	0.47	6.27
including **	62	68	6	50.60	15.53	0.92	0.85	1.94	0.57	5.38
Average Sheoak West >35%				43.84	22.76	1.68	1.14	1.93	0.40	6.38
Average Sheoak West >45%				48.28	20.63	1.26	0.70	0.85	0.38	5.41

* based on a cutoff grade of 35% Fe ** based on a cutoff grade of 45% Fe

Based on these assays and the sectional area of mineralisation (Fig. 5), a small hematite-goethite (\pm magnetite) Inferred Resource has been calculated for Sheoak West:

Sheoak West Prospect - Hematite-Goethite Mineralisation	Inferred Resource (>35% Fe)	Inferred Resource (>45% Fe)	Exploration Target ** (lower)	Exploration Target ** (upper)
Average true thickness based on intercepts with >30% Fe and/or high grade magnetite	21	22	15	25
Vertical extent of cover including saprolite	28	28	35	28
Vertical extent of oxide zone below ground level	65	65	65	65
Assumed dip of BIF	10	10	20	20
Polygon area of mineralisation	3915	820		
Strike length (based on aeromagnetic interpretation)	100	100	200	300
Volume of oxide BIF **	391500	82000	263142	811356
Oxidised BIF density	3.1	3.3	3.1	3.1
Tonnage (million tonnes)	1.21 Mt	0.27 Mt	0.8 Mt	2.5 Mt
Grade (Fe %)	43.8%	48.3%	40-50%	

** It is emphasized that exploration target tonnage estimates are conceptual in nature and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

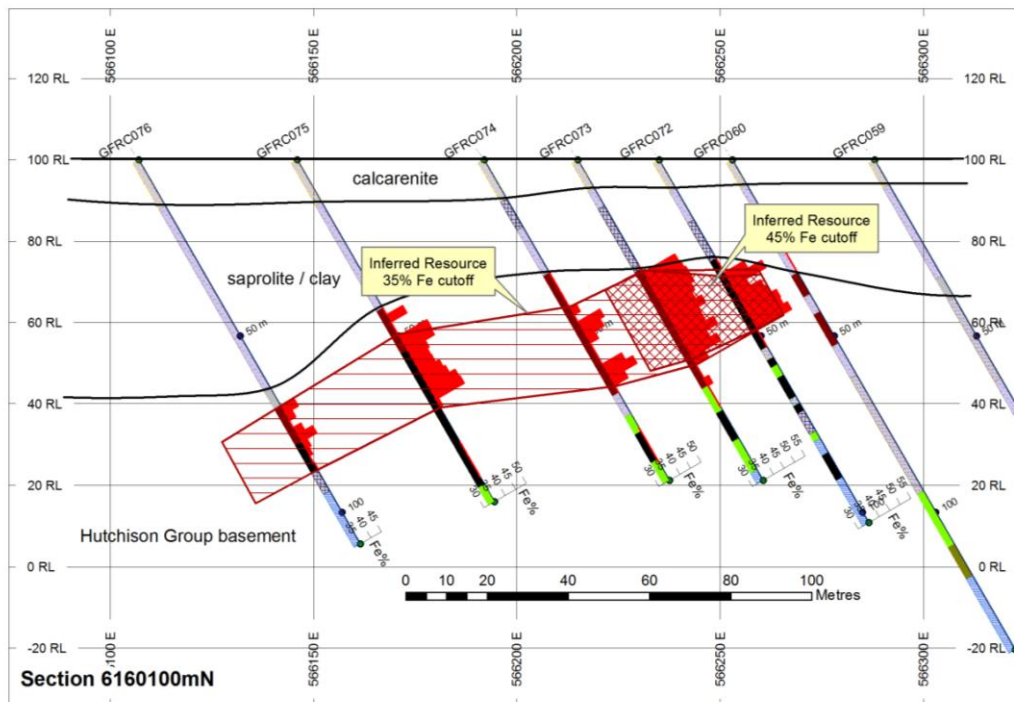


Figure 5: East-west RC drill section across the Sheoak West Prospect

Summary

This is an exciting development for Lincoln Minerals and its JV partners, the Mineral Enterprises Group. It is the Lincoln's maiden iron ore resource on South Australia's Eyre Peninsula and establishes the framework upon which to base future scoping and feasibility studies.

Yours truly,

Dr A John Parker
Managing Director

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

It is emphasized that exploration target tonnage estimates given in this report are entirely conceptual in nature. There has been insufficient drilling in the immediate areas of these targets and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Locations of drillholes cited in this report

Drillhole	Easting (MGA94 Zone 53)	Northing (MGA94 Zone 53)	Depth	Dip	Azimuth
GFDH016	563337	6159453	377	-60	126
GFDH017	563276	6159511	270	-60	126
GFDH018	563943	6160237	231	-60	126
GFDH019	562866	6158742	264.2	-60	126
GFDH020	563650	6159860	330	-60	126
GFDH021	563180	6159238	291	-60	126
GFRC013	566626	6160649	127	-60	90
GFRC035	566541	6160297	127	-60	90
GFRC036	566491	6160297	104	-60	90
GFRC037	566463	6160299	85	-60	90
GFRC039	566371	6160298	100	-60	90
GFRC053	566498	6160104	97	-60	90
GFRC054	566460	6160107	105	-60	90
GFRC056	566425	6160112	115	-60	90
GFRC057	566375	6160110	115	-60	90
GFRC058	566331	6160097	139	-60	90
GFRC064	566545	6160500	103	-60	90
GFRC065	566503	6160499	109	-60	90
GFRC066	566484	6160501	110	-60	90
GFRC068	566428	6160500	137	-60	90
GFRC072	566235	6160102	103	-60	90
GFRC073	566215	6160098	91	-60	90
GFRC074	566192	6160099	91	-60	90
GFRC075	566146	6160097	97	-60	90
GFRC076	566107	6160100	109	-60	90
GFRC078	566246	6160195	91	-60	90
GFRC096	566818	6161000	115	-60	90
GFRC098	566742	6161000	145	-60	90
GFRC101	563566	6159261	113	-60	126
GFRC103	563541	6159287	118	-60	126
GFRC104	563498	6159318	106	-60	126
GFRC105	563469	6159348	154	-60	126
GFRC106	563440	6159375	130	-60	126