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The Manager  
 ASX Announcements

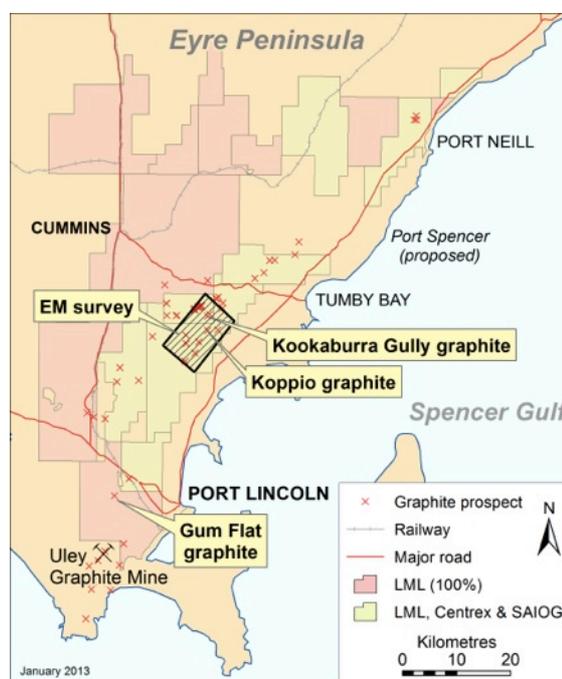
## Maiden resource drilling commences on world-class Eyre Peninsula graphite project in SA

Lincoln Minerals Limited (“LML”) has commenced its maiden resource definition drilling at its wholly owned and world-class Kookaburra Gully graphite project on South Australia’s Eyre Peninsula.

The drill start decision follows a successful EM aerial survey flown by the Company over the project last July which defined a 4.5 km long anomaly, and a subsequent conceptual scoping study by Parsons Brinckerhoff in September which showed a \$37.8 million plant could process 200,000 tonnes per annum to produce between 16,000-20,000 tonnes per annum of high grade flake graphite concentrate.

The Kookaburra Gully prospect is located approximately 35km north of Port Lincoln, and based on exploration by Pancontinental Mining in the early-mid 1980s, has an Inferred Resource of 880,000 tonnes at 11.5% graphitic carbon (TGC) down to a depth of 50m below ground level. The adjoining historic Koppio Graphite Mine currently has a small Inferred Resource but coarse flake graphite units range up to 32% TGC.

The maiden drilling campaign is aimed at testing the strike length and depth extent of the Kookaburra Gully graphite mineralisation to establish Inferred and/or Indicated Resources. Approval has also been obtained to drill adjacent to the historic Koppio Graphite Mine.



The Exploration Target for the drilling program at Kookaburra Gully, down to a depth of 100m below ground level and for a strike length of 625-700m, is 1.0 million to 3.1 million tonnes at an average grade of 10-15% TGC (SG = 2.2).

However, the total Exploration Target for graphite prospects in the Koppio-Kookaburra Gully EM survey area which also includes the historic Koppio Graphite Mine, is 14.2 million to 42.6 million tonnes at estimated averaged grades in the range 7-15% TGC (refer ASX Release 19 September 2012).

It is emphasized that exploration target tonnage estimates are entirely conceptual in nature. There has been insufficient or no drilling in the immediate areas of these targets and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Subject to weather and ground conditions, this phase of drilling should be completed in 2-3 weeks with assay results about 3-4 weeks later.

Both the Kookaburra Gully and Koppio deposits rank in the top ten deposits in the world in terms of the average grades of their in-situ graphitic carbon content.

Dr A John Parker  
 Managing Director

*Information in this report that relates to exploration activity and results, mineral resources and exploration targets 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.*



*Bullion Drilling aircore drilling rig on site at Kookaburra Gully, January 2013*