



Rights Issue Offer Document

Lincoln Minerals Limited

ABN 50 050 117 023

A pro rata non-renounceable rights issue of 1 New Share for every 3 Existing Shares held at the Record Date at an Issue Price of \$0.05 per New Share to raise up to approximately \$3.35 million. The Offer is fully Underwritten to the value of \$3.35 million by Poan Group Holdings Pty Ltd.

This Offer Document is not a Prospectus.

It does not contain all of the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding, or about the rights attaching to, the New Shares offered under this Offer Document.

This document is important and requires your immediate attention.

It should be read in its entirety. If you do not understand its content or are in doubt as to the course you should follow, you should consult your stockbroker or professional adviser without delay.

This Offer opens on 14 May 2014 and closes at 5.00 p.m. Adelaide time on 6 June 2014.

Valid acceptances must be received before that time. Please read the instructions in this document and on the accompanying Entitlement and Acceptance Form regarding the acceptance of your Entitlement.

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Information in this document 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, 2012. Dr Parker consents to the release of the information compiled in this document in the form and context in which it appears.

Information extracted from previously published reports identified in this report is available to view on the Company's website www.lincolnminerals.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

*** It is emphasised that Exploration Target tonnage estimates given in this document 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.*

Important dates

Indicative Timetable for Rights Issue

Event	Date
Announcement of Offer	Mon 5 May 2014
Lodgement Date	Mon 5 May 2014
- Offer Document lodged with ASX	
- Appendix 3B lodged with ASX	
Lodgement of cleansing notice with ASX	Mon 5 May 2014
Despatch of Shareholder Notice	Tues 6 May 2014
Ex Date	Wed 7 May 2014
The date on which Existing Shares commence trading without the Entitlement to participate in the Offer	
Record Date	Fri 9 May 2014
- The date for determining Entitlements of Eligible Shareholders to participate in the Offer (7.00pm Sydney local time)	
Offer Document sent to Shareholders	Wed 14 May 2014
- Anticipated despatch of Offer Document and Entitlement and Acceptance Forms	
- Offer opens	
Closing Date	Fri 6 June 2014
The last day for receipt of Entitlement and Acceptance Forms (5.00pm Adelaide time)	
New Shares quoted on a deferred settlement basis	Tues 10 June 2014
Under-subscription notification to ASX (if any)	Thurs 12 June 2014
Issue Date	Mon 16 June 2014
Deferred settlement trading ends	
Expected commencement of normal trading in New Shares on ASX	Tues 17 June 2014

The above dates and times are indicative only. All times and dates are a reference to Adelaide time unless otherwise stated. Lincoln Minerals reserves the right to vary any of the above dates and times, including closing the Offer early or extending it subject to the Corporations Act, ASX Listing Rules and other applicable laws.

Key Offer statistics

Issue Price per New Share	\$0.05
Total number of New Shares available under the Offer	67,096,737
Maximum total of Lincoln Minerals Shares on issue following the Rights Issue	268,386,949 *
Maximum total proceeds of the Offer (before expenses of the Offer)	\$3,354,837

* Based on Shares on issue at 2 May 2014.

Key issues

Question	Answer	Where to find more information – section(s)
Who is the issuer?	Lincoln Minerals Limited	
What is the Offer?	Non-renounceable pro rata rights issue to raise approximately \$3.35 million (before expenses of the Offer).	Section 1.1
Terms of the Offer	<p>1 New Share for each 3 Existing Shares at an Issue Price of \$0.05 per New Share</p> <p>As the issue is non-renounceable, Eligible Shareholders do not have the right to sell their Entitlements. Eligible Shareholders have the opportunity to subscribe for all, part or none of their Entitlement to New Shares. Eligible Shareholders may apply for a greater number of Shares than their Entitlement. The Directors reserve the right to issue any Shortfall Shares, at their discretion, subject to any requirements in the ASX Listing Rules.</p>	Section 1.1
Use of net proceeds	<p>To provide funding in support of:</p> <ul style="list-style-type: none"> • Completion and processing of a Mining Lease application for the Kookaburra Gully graphite project on South Australia's Eyre Peninsula; • Ongoing flake graphite metallurgy and pilot plant testing of the Company's Kookaburra Gully and historic Koppio Mine graphite deposits; • Detailed geotechnical and water well drilling and bulk sample trenching at the Kookaburra Gully graphite deposit; • Detailed design and engineering of a graphite processing plant for the Kookaburra Gully graphite project; • Detailed mine planning and preparation of a Program for Environmental Protection and Rehabilitation (PEPR); • Establishing international markets and customers for graphite products from Kookaburra Gully; • Obtaining groundwater licenses and completing amendments to the Mining Lease Application for Stage 1 of the Gum Flat iron ore project also on South Australia's Eyre Peninsula; • Repayment of a \$250,000 loan; • Ongoing exploration for manganese, iron, silver and base metals at Uno and Eurilla on northern Eyre Peninsula, copper at Minbrie, and magnetite at Nantuma near Warrambo on central Eyre Peninsula; and • Working capital purposes. 	

Question	Answer	Where to find more information – section(s)
Who can invest?	Eligible Shareholders of Lincoln Minerals as at 7.00 pm Sydney local time on the Record Date (9 May 2014).	Section 1.1
What are the potential significant risks?	<p>The significant risks specific to an investment in Lincoln Minerals include:</p> <ul style="list-style-type: none"> • inherent risks in exploration; • inherent risks in obtaining Government approvals; • fluctuations of commodity prices; and • other risks as set out in Section 4. <p>If you do not take up all of your Entitlement, your shareholding in Lincoln Minerals will be diluted with respect to your right to future earnings and net assets of Lincoln Minerals.</p>	Section 4
What are the expenses payable by Lincoln Minerals?	The maximum total expenses of the Offer are expected to be approximately \$274,000 (inclusive of GST), assuming the Offer is Underwritten to the full extent.	Section 5.1
How can further information be obtained?	If you require advice as to whether to accept your Entitlement, you should read the continuous disclosure announcements on Lincoln Minerals' website or seek professional advice from your legal, investment or other professional advisor.	
Are there any Broker Handling Fees?	No.	
Offer Date	This Offer is dated 5 May 2014.	
How do I apply for New Shares?	<p>Return your Entitlement and Acceptance Form and cheque before 5.00pm Adelaide time on 6 June 2014 to:</p> <p>By mail: Lincoln Minerals Limited C/- Computershare Investor Services Pty Ltd GPO Box 2987 ADELAIDE SA 5001</p> <p>Alternatively, payment can be made by BPAY®: By following the instructions set out on the Entitlement and Acceptance Form.</p>	Section 2.4 and 2.5

Important information

This Offer Document is not a Prospectus

It does **not** contain all of the information that an investor would find in a prospectus or which may be required to make an informed investment decision regarding, or about the rights attaching to, the New Shares offered by this Offer Document. It has not been and will not be lodged with ASIC. Neither ASIC nor ASX or their respective officers takes any responsibility for the content of this Offer Document or for the merits of the investment to which this Offer relates.

As an Eligible Shareholder of Lincoln Minerals this Offer Document is important and requires your immediate attention

You should read the entire Offer before deciding whether to invest in the New Shares. Please carefully read the instructions on the accompanying Entitlement and Acceptance Form regarding the acceptance of your Entitlement under the Offer. If you have any questions regarding your Entitlement or the Offer, please contact your legal, investment or other professional adviser.

Professional advice

The information in this Offer Document is not financial product advice and does not take into account your investment objectives, financial situation or particular needs. It is important that you read this Offer in its entirety before deciding whether to take up your Entitlement to New Shares. In particular, you should consider the risk factors that could affect the performance of Lincoln Minerals, some of which are outlined in Section 4. You should carefully consider these factors in light of your personal circumstances (including financial and taxation issues) and seek professional guidance before deciding whether to take up your Entitlement. If you have any questions you should seek professional advice from your legal, investment or other professional adviser.

Foreign jurisdictions

The distribution of this Offer in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Offer outside Australia and New Zealand should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Lincoln Minerals has decided that it is unreasonable to make the Offer to Shareholders who have a registered address in a country outside of Australia and New Zealand, having regard to the number of shareholders in such places, the number and value of the New Shares that would be offered and the substantial costs of complying with the legal and regulatory requirements in those jurisdictions.

Accordingly, this Offer does not constitute an offer or invitation in any place outside Australia and New Zealand where, or to any person to whom, it would be unlawful to make such an offer or invitation. No action has been taken to register or qualify the New Shares or to otherwise permit an offering of the New Shares outside Australia and New Zealand. Residents of other jurisdictions should consider doing so using Australian domiciled entities, including nominee companies affiliated with Australian broking firms.

No representations other than in this Offer

No person is authorised to give any information or make any representation in connection with the Offer which is not contained in this Offer Document. Any information or representation not contained in this Offer Document may not be relied on as having been authorised by Lincoln Minerals or the Directors.

Future performance

Except as required by law, and only to the extent so required, none of Lincoln Minerals, its Directors or any other person warrants or guarantees the future performance of Lincoln Minerals or any return on any investment made pursuant to this Offer.

Privacy

By filling out the Entitlement and Acceptance Form to apply for New Shares, you are providing information to Lincoln Minerals (directly and/or via the Share Registry) that may constitute personal information for the purposes of the Privacy Act 1988 (Cth). Lincoln Minerals (and the Share Registry on its behalf) collects, holds and uses personal information provided on an Entitlement and Acceptance Form in order to assess your application and administer your holding of Shares.

If you do not provide the information requested in the Entitlement and Acceptance Form, Lincoln Minerals and the Share Registry may not be able to process or accept the form.

Access to your personal information may be provided to Lincoln Minerals' agents and service providers on the basis that they deal with such information in accordance with this privacy disclosure statement. You have a right to request access to the personal information that Lincoln Minerals holds about you subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to Lincoln Minerals registered office at:

Lincoln Minerals Limited
28 Greenhill Road
Wayville, South Australia 5034

Defined terms and conditions

Certain terms and abbreviations used in this Offer Document are defined in the Glossary.

References to Australian dollars or \$ are references to the lawful currency of Australia. Any discrepancies between the totals and the sum of all the individual components in the tables contained in this Offer Document are due to rounding.

Letter from the Chairman

Dear Shareholder,

On behalf of your Directors of Lincoln Minerals Limited, I am pleased to offer you the opportunity to participate in the pro rata non-renounceable rights issue which was announced by Lincoln Minerals on 5 May 2014 (**Rights Issue**).

Each Shareholder eligible to participate in the Rights Issue will be entitled to subscribe for one New Share in the capital of the Company for every three existing Ordinary Shares registered in their name at 7.00 pm Sydney local time on 9 May 2014 (the **Record Date**).

The 1 for 3 pro rata non-renounceable rights issue to Shareholders will raise approximately \$3.35 million (before costs) through the issue of up to 67,096,737 new fully paid ordinary shares

The New Shares will be issued at a cost of 5 cents per Share, being the minimum price in the Underwriting Agreement.

Lincoln Minerals is in an exciting phase where it is aiming to progress two projects from exploration to development: Kookaburra Gully graphite and Gum Flat iron ore. The Company is particularly excited about the Kookaburra Gully graphite deposit because it ranks within the Top 10 Global graphite deposits based on graphite grade.

It is intended that the net proceeds from the Rights Issue will be used to provide funding for the following purposes:

- To complete, lodge and process a Mining Lease Application for the Kookaburra Gully graphite project,
- Trenching and geotechnical drilling of Kookaburra Gully,
- Support ongoing Kookaburra Gully graphite metallurgy and pilot plant testing of bulk samples,
- Detailed mine planning and preparation of a Program for Environmental Protection and Rehabilitation (PEPR) for Kookaburra Gully,
- Detailed design and engineering of the proposed Kookaburra Gully Process Plant,
- To provide funding for obtaining groundwater licenses and completing amendments to the Mining Lease Application for Stage 1 of the Gum Flat iron ore project,
- Repayment of a \$250,000 loan,
- To provide funding for ongoing exploration for manganese, iron, silver and base metals at Uno and Eurilla on northern Eyre Peninsula, copper at Minbrie, and magnetite iron ore at Nantuma near Warrambo on central Eyre Peninsula,
- Working capital purposes.

The Rights Issue will be fully Underwritten to \$3,354,837.

I recommend you seek independent investment advice from your stockbroker, accountant or other professional advisor before making any investment decision.

The Board of Lincoln Minerals looks forward to your participation in the Rights Issue.

Yours faithfully

Yubo Jin
Chairman

About the Company's priority projects

Kookaburra Gully Graphite Project

The Kookaburra Gully graphite project on South Australia's Eyre Peninsula is an exciting world class deposit within the top 10 global graphite resources based on grade (excluding the small but extremely high grade Sri Lankan vein deposits).

In December 2013, the Company presented a revised Inferred and Indicated Resource for Kookaburra Gully of 2.20 million tonnes at 15.1% total graphitic carbon (TGC) with 332,000 tonnes of contained graphite at a nominal cut-off grade of 5% TGC (refer ASX release 19 December 2013).

Table 1. Kookaburra Gully Mineral Resource at a nominal 5% TGC lower cut-off grade

Mineral Resource Classification	Tonnage (Mt)	Average Grade (% TGC)	Contained Graphite (tonnes)	Density (g/cc)
Indicated	1.47	13.9	204,352	2.57
Inferred	0.73	17.3	127,425	2.52
TOTAL (>5% TGC)	2.20	15.1	331,778	2.55

Mt = million tonnes TGC = Total Graphitic Carbon

NB tonnages may not add up exactly as shown due to rounding of significant figures

That resource represents 500m of a 4.5km long airborne electromagnetic (EM) target, the remainder of which has not yet been drilled. However, drilling has been recently completed at the historic Koppio Graphite Mine where graphite mineralisation has been intersected over 400m of strike length and to a depth of at least 100m below ground level; assaying and resource definition are in progress.

The airborne EM survey noted above was flown over the Koppio-Kookaburra Gully area in July 2012. Revised modelling of that survey, based on the Kookaburra Gully Mineral Resource, has identified conceptual graphite Exploration Targets (**) totalling 33 million to 94 million tonnes at a potential grade of 7-15% TGC (refer ASX release 30 January 2014). An airborne EM survey was also completed over the Cockabidnie-Campoona area where there are additional graphite targets. *** It is emphasised that Exploration Target tonnage estimates 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.*

In 2012 and early 2013, the Company presented the results of Scoping Studies undertaken on its Koppio-Kookaburra Gully graphite project. The initial Scoping Study focused on mining and development of the Kookaburra Gully prospect. The Scoping Study estimated the capital cost as \$38 million, to Class 4 estimate accuracy, for the proposed infrastructure components of the project based on mining and processing a base case of 200,000 tonnes ore per annum (refer ASX release 19 September 2012). The capital cost would increase to \$48.5 million for a 400,000 tpa plant.

The estimated operating costs for beneficiation only were revised in April 2013 based on the upgraded Mineral Resource and range from \$402 to \$360 per tonne of final concentrate (at 95% TGC) for, respectively, 80% to 90% product recovery from 200,000 tpa ore (refer ASX release 8 April 2013).

During 2013 and early 2014, Lincoln has been undertaking detailed metallurgical testing of drill and trench graphite samples. This ongoing work has indicated that a highly sought after premium flake graphite product can be produced from Kookaburra Gully at grades of >94% TGC with standard flotation and no chemical leaching. The tests produced flake graphite concentrates with up to 98% TGC and up to 25% premium coarse flake after a simple 4 to 5 stage flotation process (refer ASX release 6 January 2014).

Lincoln Minerals is currently looking at a number of options for pilot plant testing of graphite from Kookaburra Gully. These include laboratory-based processing of 2-3 tonne bulk samples, off-site processing of 100-200 tonne bulk samples at a mini pilot plant or existing local or overseas graphite processing plant, and either on-site

or off-site pilot processing of much larger bulk samples >1,000 tonnes. Trial graphite production will facilitate project development and early product assessment by potential domestic and international customers.

Over the last few months, Lincoln Minerals, with the assistance of engineering services company Parsons Brinckerhoff, has been undertaking a series of environmental surveys, a comprehensive stakeholder communication program and various other planning programs in preparation of a Mining Lease Application (MLA) for the Kookaburra Gully deposit. It is proposed to lodge the MLA this quarter with the aim of securing a Mining Lease and all other approvals by early-mid 2015 so that proposed development of a mine and processing plant at Kookaburra Gully can commence mid-2015.

The combination of a Global Top 10 Mineral Resource, good metallurgy and changing global graphite market conditions, particularly recent events in China, are positive indicators for Lincoln Minerals' graphite projects.

Gum Flat Project – Mine planning, Groundwater Licensing and Mining Lease Application

Lincoln Minerals has 109 million tonnes of Inferred and Indicated hematite and magnetite iron ore Mineral Resources at its flagship Gum Flat iron ore project. Most of this is magnetite mineralisation, including a 12.3 million tonne magnetite Indicated Resource @ 26.6% Fe, but it also includes a 1.4 million tonne hematite-goethite Indicated Resource @ 50% Fe and 2.9 million tonnes of lower grade hematite that could be beneficiated (refer ASX release 7 June 2012).

In 2010 and 2011, the Company completed scoping studies to determine the costs and feasibility of mining hematite direct shipping ore (DSO) followed by mining and beneficiation of the lower grade hematite and magnetite mineralisation.

The Gum Flat Iron Ore Project is on southern Eyre Peninsula within 20km of Port Lincoln, an existing port capable of handling Panamax ships up to 15m draft, and within 100km of a proposed new bulk minerals handling ports proposed for loading Cape-size ships at Port Spencer and/or Cape Hardy.

Subject to obtaining suitable project finance, gaining access to appropriate port facilities and obtaining all necessary approvals including groundwater licenses, Lincoln Minerals is currently considering a two-stage development option:

- Stage 1 – mine and export up to 250,000 tonnes per annum hematite DSO
- Stage 2 – mine 1 million tonnes to 2 million tonnes per annum (Mtpa) lower grade hematite and/or magnetite ore and process to produce up to 400,000 tonnes per annum upgraded fines for export.

The Company has prepared a Mining Lease Application for Stage 1 but the South Australian State Government has refused to accept it for processing until groundwater licenses have been obtained.

The Company's initial (2011) application for a groundwater license was refused by the SA Minister for Sustainability, Environment and Conservation on the grounds that the extraction rate and the rate of lowering the water level exceeded the annual maxima allowed from the basement aquifer in that region despite the plan to re-inject most of that water back into the aquifer system.

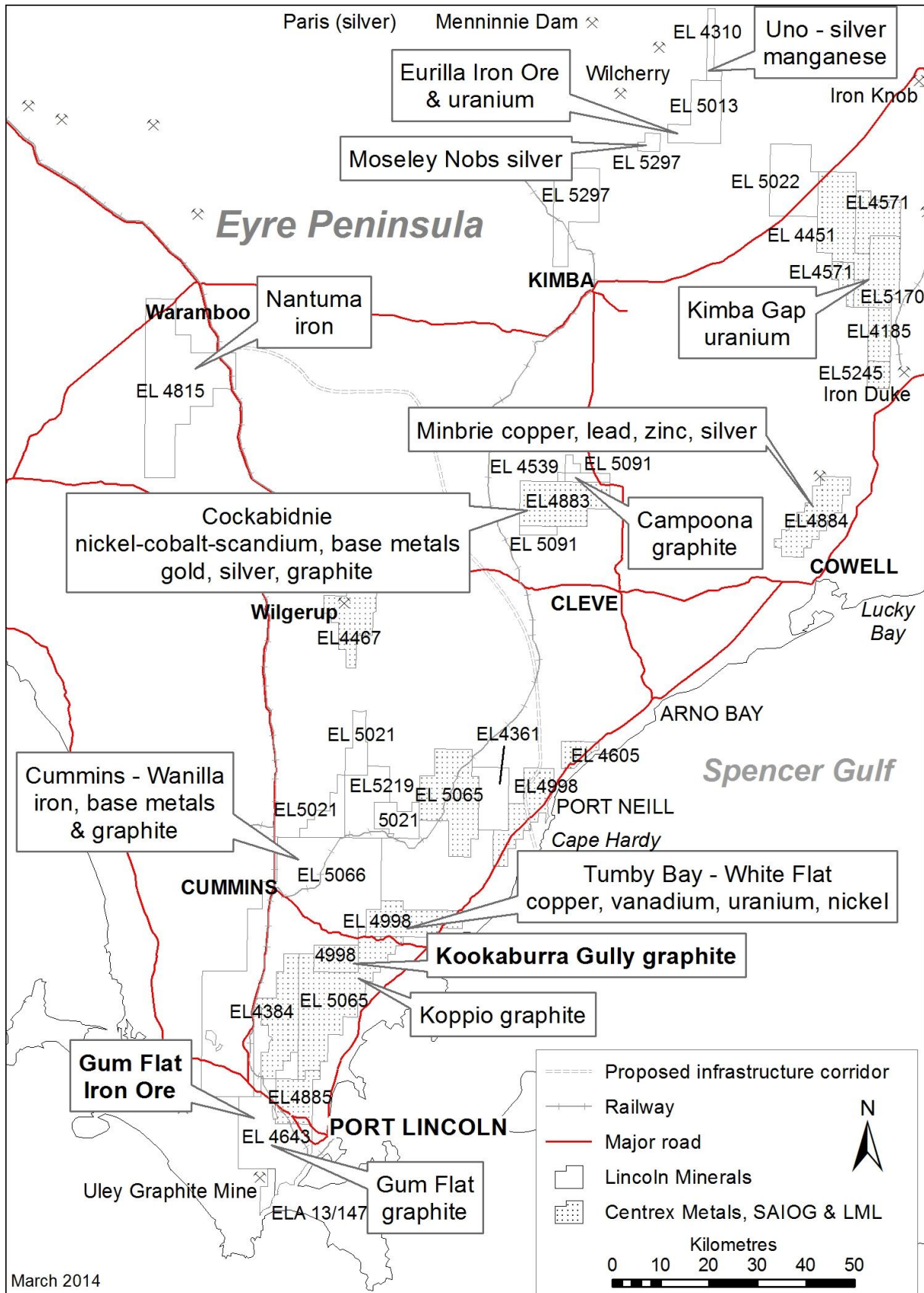
Consequently, the Company modified its proposed Stage 1 mining schedule to a longer 5 year operation and lodged a revised groundwater extraction license application in August 2013. Although Lincoln Minerals believes that the revised model conforms to the requirements of the Water Allocation Plan for the Gum Flat region, this application was also refused by the SA Minister for Sustainability, Environment and Conservation. Lincoln has lodged a new appeal with the Environment, Resources and Development Court of South Australia and a Hearing has been scheduled for May 2014.

Subject to obtaining a groundwater license, Lincoln proposes to revise and lodge the Mining Lease Application and proceed with preparation of plans for mine development, production, transport and shipping approvals.

Other Projects

Lincoln Minerals needs to maintain an active exploration program to meet statutory requirements and progress other projects and opportunities on its other tenements in South Australia.

The exploration program on other tenements is focussing on iron ore, silver, manganese and uranium at Eurilla, copper and base metals in the Minbrie-Tumby Bay areas, nickel-cobalt and graphite at Cockabidnie and iron ore at Nantuma adjacent to the Warramboe-Central Eyre Iron Project.



March 2014

Lincoln Minerals' exploration licenses as at 31 March 2014 (NB on Centrex Metals/SAIOG ELs, Lincoln and its wholly owned subsidiary Australian Graphite Limited have the rights to all metals and minerals other than iron)

Details of the Offer

1.1 Description of the Offer

The Offer consists of a total of 67,096,737 New Shares offered by Lincoln Minerals by way of a pro rata non-renounceable rights issue to raise approximately \$3.35 million (before expenses of the Offer).

The Offer is explained in more detail in this Section 1.

The Offer is fully Underwritten to \$3,354,837. Refer Section 5.

If you are an Eligible Shareholder, you are being offered an Entitlement to acquire 1 New Shares for every 3 Existing Shares held as at the Record Date.

The Issue Price per New Share is \$0.05.

Your Entitlement to New Shares is rounded up to the nearest whole number. For rounding purposes, holdings in the same name are aggregated for the calculation of Entitlements. Lincoln Minerals reserves the right to aggregate holdings where it believes holdings have been split in order to take advantage of this rounding. Lincoln Minerals also reserves the right to aggregate holdings held by associated Eligible Shareholders for the purpose of calculating Entitlements.

The Entitlements are non-renounceable, meaning you do not have the right to sell your Entitlement. You have the opportunity to subscribe for all, part or none of your Entitlement to New Shares.

1.2 Ranking of New Shares

The New Shares will be fully paid and rank equally in all respects with Existing Shares.

1.3 Opening and Closing Dates

The Company will accept Entitlement and Acceptance Forms from 14 May 2014 (**Opening Date**) until 5.00pm Adelaide time on 6 June 2014 (**Closing Date**) or such later date as the Directors in their absolute discretion shall determine, subject to the requirements of the ASX Listing Rules.

1.4 Issue

Lincoln Minerals expects to issue all New Shares on 16 June 2014.

The allotment of New Shares to Applicants is expected to occur in accordance with the timetable on page 1. It is the responsibility of Applicants to determine their allocation prior to trading in New Shares. Applicants who sell New Shares before they receive their new holding statements following the issue of New Shares to them will do so at their own risk.

1.5 Acceptance

Lodgement of a completed Entitlement and Acceptance Form creates a legally binding contract between the Applicant and the Company for the number of New Shares applied for and is not revocable. The Entitlement and Acceptance Form does not need to be signed to be a binding acceptance of New Shares. If the Entitlement and Acceptance Form is not completed correctly it may still be treated as valid. If payment is made by BPAY® the Entitlement and Acceptance Form is not required to be completed as the payment of the application money is deemed to be acceptance by the Shareholder. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

1.6 Application Monies

Until the time of issue of New Shares, Lincoln Minerals will hold all Application Monies in relation to those New Shares in a purpose specific bank account. Interest earned on any Application Monies (whether or not allotment takes place) will remain the property of Lincoln Minerals.

1.7 Effect of the Offer on Control of the Company

It is a general rule under section 606 of the Corporations Act that a person cannot acquire a relevant interest in issued voting shares in a company if because of the transaction in relation to securities, a person's voting power in the company increases from 20% or below to more than 20%.

There are exceptions to that prohibition, including an acquisition pursuant to a rights issue (if the conditions of item 10 of section 611 of the Corporations Act are satisfied). That exception extends to an Underwriter or Sub-Underwriter.

The Company reserves the right to reject or scale back any application for Shortfall Shares which it considers may result in a breach of section 606. The Company expressly disclaims any responsibility for monitoring such applications or ensuring that Applicants to the Rights Issue do not breach section 606 as a result of participation in the Offer.

1.8 Foreign Shareholders

This Offer is made only to Shareholders with a registered address in Australia or New Zealand.

Lincoln Minerals is of the view that it is unreasonable to make the Offer to other overseas Shareholders (ie. those without registered addresses in Australia or New Zealand) (**Foreign Shareholders**) having regard to:

- the number of Foreign Shareholders;
- the number and value of New Shares that would be offered to Foreign Shareholders; and
- the cost of complying with overseas legal requirements.

This Offer does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. Lincoln Minerals is not required to make offers under this Offer Document to Foreign Shareholders. Where this Offer Document has been dispatched to Shareholders domiciled outside Australia or New Zealand and where the country's securities code and/or legislation prohibits or restricts in any way the making of the offers contemplated by this Offer, this Offer Document is provided for information purposes only.

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up Entitlements under the Offer does not breach regulations in the relevant overseas jurisdiction.

Return of a duly completed Entitlement and Acceptance Form will be taken by Lincoln Minerals to constitute a representation that there has been no breach of such regulations.

1.9 Taxation

The taxation consequences of investing in the New Shares will depend on your particular circumstances. It is your responsibility to make your own enquiries concerning the taxation consequences of an investment in Lincoln Minerals. If you are in doubt as to the consequences of an investment, you should consult with your taxation or other professional adviser before investing.

1.10 ASX official quotation of New Shares

The Company will apply to ASX for official quotation of the New Shares. If ASX does not grant permission for official quotation of the New Shares, all Application Monies will be returned, without interest, as soon as practicable.

1.11 CHESS

The Company participates in the Clearing House Electronic Sub-register System (**CHESS**) operated by ASX Settlement Pty Ltd (**ASTC**), a wholly owned subsidiary of ASX, in accordance with the ASX Listing Rules and ASTC Settlement Rules.

Under CHESS, the Company will not issue certificates to Applicants. Instead, Applicants will receive a statement on their holdings in the Company of New Shares.

If the Applicant is broker sponsored, the ASTC will send them a CHESS statement.

The CHESS statement will set out the number of New Shares issued under this Offer Document, provide the details of a Shareholder's holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the New Shares.

If you are registered on the issuer sponsored sub-register, your statement will be dispatched by the Share Registry and will contain the number of New Shares issued to you under this Offer Document and your security reference number.

A CHESS statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time, however, a charge may apply for additional statements.

1.12 Enquiries

If you require advice as to whether to accept your Entitlement, you should seek professional advice from your legal, investment or other professional adviser.

Action required by Eligible Shareholders

2.1 What Eligible Shareholders may do

The number of New Shares to which Eligible Shareholders are entitled (your Entitlement) is shown on the accompanying Entitlement and Acceptance Form. You may apply for additional New Shares in the event of a shortfall by completing the appropriate box on your Entitlement and Acceptance Form. However, the Directors will have sole and absolute discretion to accept or reject in whole or in part any application for additional New Shares so applied for.

If you take up your full Entitlement under the Offer, you will not have your shareholding in Lincoln Minerals diluted.

As an Eligible Shareholder, you may:

- take up all of your Entitlement;
- take up part of your Entitlement and allow the balance to lapse (refer Section 2.3);
- allow all your Entitlement to lapse (refer 2.3).

Foreign Shareholders may not take any of the steps set out in Sections 2.2 to 2.5.

2.2 Taking up all of your Entitlement and applying for any additional New Shares (if any)

If you wish to take up all of your Entitlement (and apply for any additional New Shares), complete the accompanying Entitlement and Acceptance Form for New Shares (and any additional New Shares) in accordance with the instructions set out in that form – and follow the steps set out in Section 2.4.

2.3 Taking up part or none of your Entitlement and allowing the balance to lapse

If you wish to take up part of your Entitlement and allow the balance to lapse, complete the accompanying Entitlement and Acceptance Form for the number of New Shares you wish to take up and follow the steps required in accordance with Section 2.4. If you take no further action, the balance of your Entitlement will lapse. Your Entitlement is non-renounceable, which means that Eligible Shareholders who do not wish to accept some or all of their Entitlement cannot sell or trade all or part of their Entitlement. If you do not take up your full Entitlement, your shareholding in Lincoln Minerals will be diluted with respect to your right to future earnings and net assets of Lincoln Minerals.

2.4 How do I accept all, or part, of my Entitlement, including application for additional New Shares.

You may accept all or part of your Entitlement and apply for additional New Shares by following the instructions set out below.

You should read this Offer Document in its entirety before deciding to complete and lodge your Entitlement and Acceptance Form.

(a) Payment by Cheque

The relevant Entitlement and Acceptance Form must be accompanied by the Application Money which is payable by a cheque in Australian dollars drawn on an Australian branch of an Australian bank for the Issue Price of the New Shares for which application is made. All cheques must be made payable to 'Lincoln Minerals Limited – Offer Account' and crossed 'Not Negotiable'. Do not forward cash or money orders. Receipts for Application Monies will not be issued.

Completed Entitlement and Acceptance Forms and accompanying cheques must be returned to the following address and received no later than 5.00pm Adelaide time on 6 June 2014.

By mail:

Lincoln Minerals Limited
c/o Computershare Investor Services Pty Limited
GPO Box 2987
ADELAIDE SA 5001

A reply paid envelope is enclosed for your convenience. If mailed in Australia, no postage stamp is required. Your completed Entitlement and Acceptance Form together with your Application Money must be received by Computershare by no later than 5.00pm Adelaide time 6 June 2014.

(b) Payment by BPAY®

A BPAY® option is also available. If you are accepting all or part of your Entitlement and payment is being made by BPAY®, you are not required to return the Entitlement and Acceptance Form. Your BPAY® payment must be received by no later than 5.00pm Adelaide time 6 June 2014.

If using the BPAY® payment option, you must contact your bank, credit union or building society to make payment from your cheque or savings account. Refer to the Entitlement and Acceptance Form for the Biller Code and Customer Reference Number. Shareholders who have multiple holdings will have multiple Customer Reference Numbers. Payment will only be accepted in Australian dollars drawn on an Australian bank.

2.5 Acceptance of applications under the Offer

Completing and lodging an Entitlement and Acceptance Form for the Offer or making a payment by BPAY® is an offer by you to Lincoln Minerals to subscribe for the number of New Shares so applied for at the Issue Price on the terms and conditions set out in this Offer Document and the Entitlement and Acceptance Form.

An application may be accepted in respect of the full amount applied for without further notice to the relevant Eligible Shareholder. Acceptance of an application will give rise to a binding contract with acceptance to take place upon quotation of the New Shares on ASX.

No stamp duty, brokerage or commission is payable by Applicants.

Purpose and effect of the Offer

3.1 Overview

The Directors are proceeding with this Rights Issue for the purposes referred to in Section 3.2.

If the Rights Issue is fully subscribed:

- the New Shares issued pursuant to the Rights Issue will constitute approximately 25% of the total number of issued Shares immediately after the allotment of the New Shares; and
- the maximum total number of Shares on issue after the Issue will be 268,386,949.

The Rights Issue will provide Lincoln Minerals with net proceeds of up to approximately \$3,354,837 before issue expenses of up to approximately \$274,000 (inclusive of GST). Please refer to Section 3.3 for further information regarding the impact of the Rights Issue on the capital structure.

3.2 Purpose of the Offer and use of proceeds

The purpose of the Offer is to raise additional equity funding to enable Lincoln Minerals to meet its anticipated costs of exploration and development projects in South Australia.

To provide funding in support of:

- Completion and processing of a Mining Lease application for the Kookaburra Gully graphite project on South Australia's Eyre Peninsula;
- Ongoing flake graphite metallurgy and pilot plant testing of the Company's Kookaburra Gully and historic Koppio Mine graphite deposits;
- Detailed geotechnical and water well drilling and bulk sample trenching at the Kookaburra Gully graphite deposit;
- Detailed design and engineering of a graphite processing plant for the Kookaburra Gully graphite project;

- Detailed mine planning and preparation of a Program for Environmental Protection and Rehabilitation (PEPR);
- Establishing international markets and customers for graphite products from Kookaburra Gully;
- Obtaining groundwater licenses and completing amendments to the Mining Lease Application for Stage 1 of the Gum Flat iron ore project also on South Australia's Eyre Peninsula;
- Repayment of \$250,000 loan;
- Ongoing exploration for manganese, iron, silver and base metals at Uno and Eurilla on northern Eyre Peninsula, copper at Minbrie, and magnetite at Nantuma near Warramboe on central Eyre Peninsula; and
- Working capital purposes

3.3 Impact on Lincoln Minerals capital structure

The table in this section shows the current structure of Lincoln Minerals and the capital structure on completion of the Rights Issue:

Shares	Number of securities
Existing Shares as at 2 May 2014	201,290,212
New Shares assuming full subscription	67,096,737
Total Shares assuming full subscription	268,386,949

Risk factors

4.1 Overview

There are a number of factors, both specific to Lincoln Minerals and of a general nature, which may affect the future operating and financial performance of Lincoln Minerals and the outcome of an investment in Lincoln Minerals.

There can be no guarantees that Lincoln Minerals will achieve its stated objectives, that forecasts will be met or that forward looking statements will be realised.

This section describes certain, but not all, risks associated with an investment in Lincoln Minerals. Prior to making an investment decision, prospective investors should carefully consider the following risk factors, as well as the other information contained in this Offer Document, in the Company's announcements on ASX, or of which they are otherwise aware.

4.2 Specific risk factors

(a) Gum Flat Groundwater

On 18 December 2013 the Minister for Sustainability, Environment and Conservation, for the second time, refused to grant the Company a licence to extract groundwater from the proposed location of a new mine at the Company's Barns deposit at Gum Flat near Port Lincoln ("**Gum Flat Iron Project**") on the grounds that the Company's application was not consistent with the relevant Water Allocation Plan. The Company made an announcement to the ASX regarding this refusal on 20 December 2013.

The Company has lodged an appeal against the decision with the Environment, Resources and Development Court of South Australia on the grounds that it believes that the Minister has erred in his interpretation of Principle 15 and Principle 16 of the Water Allocation Plan (WAP) for the Southern Basins Prescribed Wells Area.

Modelling by an independent hydrogeologist established in Lincoln's view that the annual reduction in saturated thickness of the basement aquifer based on its proposed mine schedule is consistent with Principle 15 and Principle 16 of the WAP. Furthermore, the balance of water proposed to be extracted on an annual basis is also well within the available 435 megalitre WAP allocation for the basement aquifer.

The Company's appeal is set down for a Hearing on 6 May 2014.

In the worst case scenario that the Company's revised application for a groundwater extraction license and/or appeal are rejected, and the other avenues being explored by the Company prove unfruitful, it is unlikely that the Company would be able to proceed with the Gum Flat Iron Project.

(b) Share Market

Share market conditions may affect the listed Shares regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- economic conditions and general economic outlook;
- changes in Australian and international stock markets;
- interest rates and inflation rates;
- currency fluctuations;
- commodity price fluctuation;
- changes in investor sentiment towards particular market sectors;
- taxation, government and monetary policies;
- the demand for, and supply of, capital; and
- war, terrorism or other hostilities.

(c) Commodity Price Volatility

Commodity prices inherently fluctuate and are affected by numerous factors beyond the control of the Company, including world demand for particular commodities, forward selling by producers and the level of production costs in major commodity producing regions. Moreover, commodity prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, a commodity.

(d) Foreign Currency Risks

Commodities are principally sold throughout the world in USD. As a result, any significant and/or sustained fluctuations in the exchange rate between the Australian and US currencies and/or adverse movements in commodity prices could have a material adverse affect on the Company's operations, financial position (including revenue and profitability) and performance.

Lincoln Minerals has an off-take Heads of Agreement (HoA) with Jiangyin Huaxi Steel Co., Ltd, a steel manufacturer based in China, for half of the Company's share of its Gum Flat iron ore production for up to five years, subject to availability of mineable reserves. A formal Off-take Agreement has not been agreed to at this stage.

(e) Economic Factors

Factors such as inflation, currency fluctuation, interest rates, supply and demand and industrial disruption have an impact on operating costs, commodity prices and stock market prices. The Company's future possible profitability and the market price of its quoted Shares can be affected by these factors, which are beyond the control of the Company and its Directors.

(f) Government Policy

Changes in Government, monetary policies, taxation and other laws and actions (including such matters as access to lands and infrastructure, and compliance with environmental regulations) can have a significant influence on the outlook for companies and the returns to investors.

(g) Exploration

Exploration, by its nature, contains elements of significant risk. Ultimate success depends on the discovery and delineation of economically recoverable mineral resources, establishment of an efficient exploratory operation and obtaining of necessary government, statutory and other approvals. The exploration activities of the Company may be affected by a number of factors including, but not limited to, geological conditions, seasonal weather patterns, technical difficulties and failures, availability of the necessary drilling rigs, technical equipment and appropriately skilled and experienced technicians, adverse changes in government policy or legislation and access to the required level of funding.

There can be no assurance that the Company's exploration activities, or any other projects, tenements or databases that the Company may acquire in the future, will result in the discovery of any significant mineral

resource. Even if a significant mineral resource is identified, there can be no guarantee that it can be economically exploited.

(h) Operational Risk

Exploration activities may be curtailed, delayed or cancelled as a result of weather conditions, mechanical difficulties, shortages or delays in the delivery of rigs and/or other equipment.

The occurrence of any of these risks could result in legal proceedings being instituted against the Company and substantial losses to the Company due to injury or loss of life, damage to or destruction of property, natural resources, or equipment, pollution or other environmental damage, clean-up responsibilities, regulatory investigation, and penalties or suspension of operations. Damages occurring to third parties as a result of such risks may give rise to claims against the Company.

(i) Tenure and Access

There is no guarantee that current or future applications, conversions or renewals of the mineral tenements in which the Company has an interest or potential interest will be approved. Tenement applications may result in a requirement for the Company to commence negotiations with the relevant landholders and/or indigenous representative bodies to gain access to the underlying land. There is no guarantee that such negotiations will be successful.

Tenements are subject to a number of State-specific legislative conditions including payment of rent and meeting minimum annual expenditure commitments. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister and may trigger native title negotiation rights. The inability to meet these conditions or triggering negotiation procedures in relation to any of the tenements comprising the Company's projects could affect the standing of a tenement or restrict its ability to be renewed, thereby adversely affecting the operations, financial position and performance of the Company.

(j) Environmental

The Company's Australian projects are subject to South Australian and Commonwealth laws and regulations regarding environmental matters and the discharge of hazardous wastes and materials. As with all mineral projects, the Company's projects are expected to have a variety of environmental impacts. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws, but may still be subject to accidents or other unforeseen events which compromise its environmental performance and have financial implications.

(k) Native Title and Aboriginal Heritage and Sacred Sites

These matters can affect access to exploration areas and the conduct of exploration and development activities in Australia.

(l) Financing

The future capital requirements of the Company will depend on many factors including the results of the proposed exploration programmes. An inability to obtain additional funding (if required) would have a material adverse affect on the Company's business and the price of its Shares.

(m) Insurance

Insurance of all risks associated with mineral exploration and production is not always available and, where available, the cost can be high. The Company will have in place insurances considered appropriate for the Company's needs having regard to the cost of obtaining insurance and the Company's available funds. The Company may not be insured against all possible losses, whether because of the unavailability of cover or because the premiums may be excessive relative to the benefits that would accrue and the Company's available funds.

(n) Reliance on Strategic Partners

The Company has existing relationships, and may develop relationships in the future, with a range of strategic partners. Should the relationships with strategic partners deteriorate, or further suitable strategic partners not be identified, there is a risk that adverse effects to the profitability and growth prospects of the Company may result.

(o) Resource Estimates

Resource estimates are based on knowledge, experience and industry practice. Estimates are a necessary practice, and though valid when originally calculated, may change significantly and cease to be accurate when new information becomes available through additional fieldwork and analysis. Resource estimates are by their nature imprecise and to an extent depend on interpretation, which may result in inaccuracies. This may cause changes to exploration, development and mining plans which may adversely affect the Company's operations.

(p) Regulatory Approvals

The Company will require government regulatory approvals for its operations and must comply with those approvals and other applicable laws, regulations and policies. This may from time to time affect timing and scope of work to be undertaken and the cost of undertaking that work.

Any proposed tenements of the Company which may be under application, can be the subject of delays. This may require the Company to focus its exploration activities on granted tenements. Although the Company is not aware of any reason why applications will not be promptly granted (unless otherwise stated in this Offer Document), the application process is subject to the exercise of discretions and hence there is the risk of adverse outcomes.

(q) Reliance on Key Executives

The success of the Company is dependent upon retaining its current experienced personnel. Although key executives have fixed term employment contracts (subject to contractual or statutory termination rights), the continued involvement of certain key Directors, employees and consultants cannot be assured.

(r) Access to Infrastructure

The Company will require access to transportation infrastructure (road, rail and ports). Failure to obtain appropriate access or obtaining such access on prohibitive terms, will adversely affect the prospects of the Company.

Additional information

5.1 Expenses of the Offer

Expenses connected with the Offer will be borne by Lincoln Minerals. The approximate expenses of the Offer (including GST where applicable) including underwriting fees, legal fees, share registry fees, printing fees and other general costs are estimated to be up to approximately \$274,000.

5.2 Disclosure

This Offer Document contains an Offer to subscribe for continuously quoted securities (as defined in the Corporations Act) of Lincoln Minerals and has been prepared in accordance with section 708AA of the Corporations Act. In broad terms, section 708AA relates to rights issues by certain companies that do not require the provision of a prospectus or other disclosure document. Accordingly, the level of disclosure in this Offer Document is significantly less than that required in a prospectus. Eligible Shareholders should therefore rely upon their own knowledge of Lincoln Minerals, refer to disclosures already made by it to ASX, and refer to their professional adviser before deciding to accept the Offer.

5.3 Underwriting by Poan Group Holdings Pty Ltd

The Rights Issue is fully Underwritten to the extent of \$3,354,837 (**Underwritten Amount**) by Poan Group Holdings Pty Ltd (Poan).

Essential provisions of the Underwriting Agreement include:

- The number of Underwritten Shares is 67,096,737.
- The Underwriter is entitled to an underwriting fee equal to 6% of the value of the Underwritten Shares (i.e. up to \$201,290 + GST if applicable).
- The Underwriter can terminate the Underwriting Agreement on the occurrence of certain events, in which case the Underwriter is relieved of its obligation to underwrite the Offer. Those events are summarised in Appendix 1.
- The Underwriting Agreement also contains a number of indemnities, representations and warranties from Lincoln Minerals to the Underwriter that are considered standard for an agreement of its type.

The Underwriting Agreement includes provision for the Underwriter to enter into a Sub-Underwriting Agreement(s) with other unrelated parties that are not existing Shareholders of Lincoln Minerals. The terms of the Sub-Underwriting Agreement(s) remain confidential, but it is a condition of the Underwriting Agreement that neither the Underwriter's nor the Sub-Underwriter's holdings will not exceed 20% of the Share capital of Lincoln following the issue.

As of 2 May 2014, the Underwriter is not a substantial Shareholder of the Lincoln Minerals. Assuming that the Underwriter takes up all of its pro-rata Entitlement as a Shareholder and is required to Underwrite the Offer to the maximum amount, the effect on its shareholding and control in the Company will be as set out in the table below. The maximum shareholding may be reduced by Entitlements and additional Shares taken up by other Shareholders under the Offer.

	As at 2 May 2014			Immediately after Shortfall Shares are issued		
	Shareholding	Option Holding	% of Shares	Maximum Shareholding	Option Holding	Maximum % of Shares
Poan Group Holdings Pty Ltd	6,746,782	0	3.35%	53,677,389	0	20.00%

5.4 Underwriting by Directors

Some Directors (or their nominees) have agreed with the Underwriter to partially Sub-Underwrite the Offer up to the amounts and on the terms set out below:

Director	Amount of Sub-Underwriting (\$)	Number of New Shares
Eddie Pang	\$50,000	1,000,000
John Parker	\$12,500	250,000
Total	\$62,500	1,250,000

These New Shares are in addition to the Entitlement Shares which may be issued to the Directors under the Offer.

No other Sub-Underwriters will be related parties of the Company.

The Sub-Underwriting agreements with the Directors are on standard commercial terms.

There are no fees paid to the Directors for partially Sub-Underwriting the Offer. The amounts Sub-Underwritten by the Directors have no impact on the underwriting fee paid to the Underwriter.

Glossary

ABN means Australian Business Number.

Applicant means an Eligible Shareholder who submits an Entitlement and Acceptance Form.

Application Money means the monies received from persons applying for Shares pursuant to the terms of the Offer.

ASIC means the Australian Securities and Investments Commission.

ASTC means ASX Settlement Pty Ltd (ABN 49 008 504 532)

ASTC Settlement Rules means the operating rules of the ASTC and, to the extent they are applicable, the operating rules of the ASX and the operating rules of the Australian Clearing House Pty Ltd.

ASX means the ASX Limited (ABN 98 008 624 691).

ASX Listing Rules means the listing rules of ASX.

Board means the board of directors of Lincoln Minerals Limited.

Business Day means a day on which ASX is open for trading in terms of the operating rules of the ASX markets and clearing and settlement facilities.

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

Closing Date means 6 June 2014.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the directors of Lincoln Minerals Limited as set out in the Corporate Directory.

Eligible Shareholder means a person who is a Shareholder on the Record Date who is not a Foreign Shareholder.

Entitlement means the non-renounceable right of an Eligible Shareholder to subscribe for New Shares under the Offer.

Entitlement and Acceptance Form means the personalised form attached to or accompanying this Offer.

Existing Shares means Shares on issue on the Record Date for the Offer.

Foreign Shareholder means a Shareholder described in Section 1.8.

GST means goods and services tax.

Issue Price means the issue price of \$0.05 per New Share.

New Shares means the Shares offered under this Offer.

Offer means the offer of Entitlements to New Shares under this Offer.

Offer Document means this document and any supplementary or replacement offer document.

Record Date means the date for determining Entitlements under the Offer, being 7.00pm. Sydney local time on 9 May 2014.

Rights Issue means the issue of New Shares upon receipt of valid acceptances under this Offer.

Shareholder means a holder of Shares.

Share Registry means Computershare Investor Services Pty Limited.

Shares means ordinary shares in Lincoln Minerals Limited.

Shortfall Shares means any New Shares not taken up by Eligible Shareholders pursuant to their Entitlements.

Sub Underwritten Amount has the meaning given in Section 5.4.

Underwriter means Poan Group Holdings Pty Ltd.

Underwriting Agreement means the underwriting agreement entered into between the Company and the Underwriter on 17 April 2014.

Underwritten Amount has the meaning given in Section 5.3.

USD means dollars of the currency of the United States of America.

\$ and AU\$ means Australian dollars.

Corporate Directory

Directors

Yubo Jin, Chairman

Dr A John Parker, Managing Director

Kee G Saw

Alex HK Lim

Eddie LY Pang

Company Secretary

Jaroslaw (Jarek) Kopias

Registered office

28 Greenhill Road

Wayville, South Australia 5034

Phone: (61 8) 8274 0243

Facsimile: (61 8) 8274 0242

Auditor

KPMG

151 Pirie Street

Adelaide, South Australia 5000

Lawyers

Hunt & Hunt Lawyers

Level 10, 400 King William Street

Adelaide, South Australia 5000

Share Registry

Computershare Investor Services Pty Limited

Level 5, 115 Grenfell Street

Adelaide, South Australia 5000

Phone: 1300 365 998 (within Australia)

+61 3 9415 4611 (outside Australia)

Website address

www.lincolnminerals.com.au

ASX code

LML

Appendix 1 – Underwriting agreement termination events

Following is a list of events which can give the Underwriter the right to terminate the Underwriting Agreement.

(Market fall): after the date hereof and up to the later of the Closing Date or lodgement of Valid Applications for the Shortfall:

- S&P/ASX Midcap Resources Index (Code: XMR): for three (3) consecutive business days the S&P/ASX Midcap Resources Index falls to a level that is 20.00% below the level at the close of trade on the trading day prior to the date of signing this Agreement by the party last to sign it;
- S&P/ASX Small Resources Index (Code: XSR): for three (3) consecutive business days the S&P/ASX Small Resources Index falls to a level that is 20.00% below the level at the close of trade on the trading day prior to the date of signing this Agreement by the party last to sign it;

(No Certificate): the Issuer does not furnish the Certificate or any statement in the Certificate is or becomes false or misleading in a material respect;

(No ASX Approval): ASX approval for Quotation has not been granted by the date the Shortfall Notice is due to be issued to the Underwriter or, the approval is qualified or conditional, (other than being conditional upon issue) or, at any time up to the date advised by ASX when the quoted Shares will be listed, having been granted, is subsequently withdrawn, withheld or qualified;

(Rights Issue Offer Document): the Issuer does not lodge the Rights Issue Offer Document on the Lodgement Date, the Underwriter is not satisfied with the form of the Rights Issue Offer Document by the Lodgement date, or the Rights Issue Offer Document or the Issue is withdrawn by the Issuer;

(Application for Rights Issue Offer Order): ASIC applies for an order under section 1324B of the Act against the Issuer or any of its Directors or officers in relation to any aspect of the Issue;

(Injunction): ASIC or any other person applies for an injunction order under section 1324 or an order under section 1325 of the Act in relation to any aspect of the Issue;

(Indictable Offence): a Director of the Issuer or any of its Related Body Corporate is charged with an indictable offence or is the subject to a court proceeding which makes an adverse finding as to the conduct, honesty or ability to manage a corporation or is found to have misused their position as an officer of a corporation;

(Investigation): any person is appointed under any legislation in respect of companies to investigate the affairs of the Issuer or any of its Related Body Corporate;

(Security): the Issuer gives security in favour of any person who is not a security holder at the date of this Agreement except in the normal course of the business of the Issuer in procuring licences and leases, or conducting exploration on existing held tenements;

(Authorisation): any authorisation which is material to anything referred to in the Rights Issue Offer Document is repealed, revoked or terminated or expires, or is modified or amended in a manner that is unacceptable to the Underwriter;

(Adverse Events): any of the following events occur:

- (Material Contract): a material contract (as identified in the Rights Issue Offer Document) of the Issuer is terminated or amended or found void or voidable;
- (Default): a material default or breach by the Issuer under this Agreement of any term, condition, covenant or undertaking;
- (Incorrect or untrue representation): any representation, warranty or undertaking given by the Issuer in this Agreement is or becomes untrue or incorrect;
- (Contravention of constitution or Act): a material contravention by a Relevant Company of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
- (Misleading information): any information supplied at any time by the Issuer or any person on its behalf to the Underwriter in respect of any aspect of the Issue or the affairs of any Relevant Company is or becomes misleading or deceptive or likely to mislead or deceive;
- (Default Occurrence): a Default Occurrence occurs, other than as disclosed in the Rights Issue Offer Document;
- (Suspension of debt payments): the Issuer suspends payment of its debts generally;
- (Event of Insolvency): an Event of Insolvency occurs in respect of a Relevant Company;
- (Suspension): removal of the Shares from the official list of the ASX or trading in the Shares is suspended for longer than 24 hours;
- (Judgment against a Relevant Company): a judgment is obtained against a Relevant Company and is not set aside or satisfied within 7 days;
- (Litigation): litigation, arbitration, administrative or industrial proceedings are after the date of this Agreement commenced against any Relevant Company;

- (Board and senior management composition): there is a change in the composition of the Board or a change in the senior management of the Issuer before completion without the prior written consent of the Underwriter;
- (Change in shareholdings): a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Relevant Company;
- (Timetable): there is a delay in any specified date in the Timetable which is greater than 15 Business Days;
- (Hostilities): there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of this Agreement involving one or more of Australia, New Zealand, Indonesia, Japan, the United Kingdom, the United States of America, India, Pakistan, or the Peoples Republic of China, Israel or any member of the European Union, the Middle East, the Russian Federation, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world;
- (Force Majeure): an event of Force Majeure affecting the Issuer's business or any obligation under the Agreement lasting in excess of 7 days occurs;
- (Certain resolutions passed): a Relevant Company passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;
- (Capital Structure): any Relevant Company alters its capital structure in any manner not contemplated by the Rights Issue Offer Document;
- (Market Conditions): a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets.