



Suite 4, Level 7, 350 Collins Street,
Melbourne, VIC 3000

Phone +61 3 9600 0782 (VIC)

Fax +61 3 9600 0783 (VIC)

Email info@lincolnminerals.com.au

Website lincolnminerals.com.au

ABN 50 050 117 023

Chairman's Address

Lincoln Minerals Limited Annual General Meeting

10.30am, 8 November 2016

Transition to Mining

During 2015 and 2016 and the opening months of 2016-17, Lincoln Minerals has continued to enhance shareholder value by progressing its potential South Australian graphite mining opportunities. In particular, a Mineral Lease ML 6460 was granted to Lincoln's wholly-owned subsidiary, Australian Graphite Pty Ltd, for its flagship Kookaburra Gully Graphite Project on SA's Eyre Peninsula.

Our Company is exceptionally pleased to have achieved this landmark step in the permitting process for the Kookaburra Gully graphite project. Kookaburra Gully is Australia's highest grade flake graphite deposit and in the world's Top 10 deposits based on grade.

"The grant of ML 6460 is the key pivot point and milestone to ensure delivery of Lincoln's transformation from mineral explorer and developer to an emerging graphite producer, in an industry at the forefront of the growing global green energy market and technology. It is also the de-risking step-change awaited by our potential project financiers and off-take customers to now elevate mine construction financing and operating negotiations to a level where commercial transaction outcomes can be achieved.

During 2015 and 2016, development activities at **Kookaburra Gully** included ongoing metallurgical bench-scale test work, ongoing environmental studies, geotechnical and resource definition drilling for mine planning, soil engineering investigations for design of the tailings facility, establishing groundwater monitoring wells and addressing community and Government requests for additional information or concerns. The Mining Lease Application for a proposed graphite mine and processing plant at Kookaburra Gully was lodged with the SA Department of State Development in February 2015 and the Response Documentation was submitted in January 2016 resulting in the **grant of a Mineral Lease on 3 June 2016**.

A Federal Government decision regarding the EPBC Referral was given on 24 December 2015 and declared that the proposed Kookaburra Gully mine is **Not a Controlled Action** if undertaken in a particular manner, namely, protection of a small Blue Gum Woodland within the Mineral Lease.

Lincoln is advancing a detailed Program for Environment Protection and Rehabilitation (PEPR) and is confident of Government approval in mid-2017.

Lincoln's JORC Inferred and Indicated Mineral Resources at Kookaburra Gully, just 35 km north of Port Lincoln, total 2.2 million tonnes at 15.1% TGC and rate within the Top 10 global graphite deposits on grade. Metallurgical studies have shown that a high grade 93%-98%



TGC flake graphite concentrate can be produced at recoveries of 80%-90% from a simple 4- to 6-stage flotation process. Combined with the Inferred Mineral Resource at the historic Koppio Graphite Mine, Lincoln's graphite inventory is in excess of 4 million tonnes at 12.4% TGC.

Over the past 6 years, Lincoln Minerals has been working towards developing a small direct shipping (DSO) hematite-goethite iron deposit, the Gum Flat Barns deposit 20 kilometres west of Port Lincoln. A key component to enable mining of this deposit was to seek approval to extract ground water from the basement aquifer within Eyre Peninsula's Southern Basins Prescribed Wells Area. Licencing was achieved but due to the prolonged timing and depressed iron ore prices, this project has been put on hold.

Lincoln Minerals has maintained **extensive tenement holdings on Eyre Peninsula** close to infrastructure in a politically safe environment and within the world-class Gawler Craton mineral province. In addition to the above projects, the Company has significant iron ore targets at Nantuma adjacent to Iron Road Limited's giant iron ore deposit on Central Eyre Peninsula. Elsewhere on Eyre Peninsula, the Company has exploration opportunities for copper, silver, manganese, vanadium, uranium, nickel, gold and base metals at Eurilla, Uno, Minbrie and in the Tumby Bay region.

In making preparations for and undertaking our exploration and proposed development program, we appreciate the significant contribution made by local communities including traditional inhabitants, farmers and district councils. In April 2016, the Company signed a Memorandum of Understanding (MoU) with the District Council of Tumby Bay supporting the Company's proposed development of the Kookaburra Gully graphite project. We have made good progress in our graphite development schedule and I look forward to the Company moving towards developing its first mining operation and successful delineation of further economic mineral deposits.

Finally, I thank and commend all our staff and my fellow Directors for their support and enthusiasm during the past year of substantial project achievement.

Jin Yubo
Chairman
8 November 2016

Information extracted from previously published reports identified in this presentation 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.