



ABN: 60 076 157 045
ACN: 076 157 045
Smellie & Co Building
32 Edward Street
(GPO Box 1315)
BRISBANE QLD 4001
Telephone: (07) 3229 0800
Facsimile: (07) 3229 6800

ASX ANNOUNCEMENT / MEDIA RELEASE

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LINC ENERGY SIGNS GTL ENGINEERING AGREEMENT WITH AKER SOLUTIONS

Linc Energy Ltd (ASX: LNC) (OTCQX: LNCGY) has today executed a contract with Aker Solutions to jointly develop the conceptual design of Linc Energy's proposed 20,000 barrels per day commercial Gas to Liquids (GTL) facility that is planned to be based in South Australia. Aker Solutions ASA (formerly known as 'Aker Kvaerner') through its subsidiaries and affiliates ("Aker Solutions") is a leading global provider of engineering and construction services, technology products and integrated solutions, with operations in 30 countries and having reported revenues of NOK 58.3 billion (AUD 12.3 billion) in 2008.

As a result of concluding this agreement, Aker Solutions will bring its global resources and process engineering capability together with Linc Energy's own technologies, experiences and people to form a strong relationship capable of further refining, improving and defining Linc Energy's GTL technology in order to accelerate its commercialisation.

The scope of this phase of the development includes the confirmation and initial optimisation of the process configuration for the GTL complex, the identification and refinement of key technologies and equipment for the facility plus the development of capital and operating cost estimates.

This conceptual design phase has a schedule of six months and will commence in early August 2009 and target completion by mid February 2010. At the completion of the work, Linc Energy expects to have study data outlining expected operating and capital costs such that it can further validate the expected shareholder value that this first plan can realise.

The feedstock for the proposed conceptual plant will be synthesis gas produced from Linc Energy's Underground Coal Gasification (UCG) process. The heart of the GTL process scheme will be based on Linc Energy's in-house developed Fischer-Tropsch (FT) fixed bed cobalt technology. Results from Linc Energy's Chinchilla GTL demonstration facility, where these two technologies have been successfully combined, will assist in validating key assumptions for the conceptual study.

Continued technology improvements at the Chinchilla GTL demonstration facility will be an ongoing focus with the data and validation obtained being key ingredients for further engineering development for the proposed 20,000 barrels per day commercial operation. A particular focus of the technology improvement work is the refinement of the FT catalyst to be utilised in the commercial design which is being undertaken by the Company with additional third party support both from a commercial manufacturing and laboratory performance testing perspective.

This announcement is further recognition of Linc Energy's significant progress upon its vision and technical development. This engineering agreement with Aker Solutions is an important next step in the Company's progression towards commercialisation of its UCG / GTL technologies. The outcome of this work will lay the foundations on which the execution of the commercial project will be based.

In announcing this agreement, Mr Peter Bond, Chief Executive of Linc Energy commented that "after a detailed evaluation process involving a number of international engineering groups, Aker Solutions has been selected to work with us in developing our GTL technology for commercialisation. I appreciate Aker Solutions' enthusiasm for our project and believe that it is fair to say that we now have a shared commitment to pursue Linc Energy's vision. We believe that by bringing together the respective resources and capabilities of both of our businesses, we can create a partnership capable of delivering long-term value and opportunity for shareholders in both companies. On the back of our recent capital raise, the agreement with Aker Solutions is an example of the fast tracking of our progress towards commercialisation in action. I would also add that the commencement of this engineering work is a significant step towards Linc Energy's vision of commercialisation of UCG to GTL in South Australia."

For further information please contact Peter Bond on +61 7 3229 0800.



Peter Bond
Chief Executive Officer.

Information for Media:

Mr Peter Bond
Chief Executive Officer
Phone: +61 7 3229 0800
E-mail: pab@lincenergy.com.au

ASX Contact:

Mr Craig Ricato
Company Secretary
Phone: +61 7 3229 0800
E-mail: craig.ricato@lincenergy.com.au

Information for investors:

Ms Janelle van de Velde
Manager Investor Relations &
Corporate Communications
Phone: +61 7 3229 0800
E-mail: janelle.vandavelde@lincenergy.com.au

Company Profile

Linc Energy is an innovative, forward-thinking company developing a significant energy business based on the production of cleaner energy solutions.

Linc Energy has successfully combined two known technologies and demonstrated its vision of being a leading supplier of a new source of clean liquid transport fuels for the future.

The technologies are Underground Coal Gasification (UCG) and Gas to Liquids (GTL). UCG technology provides access to coal, deep underground and by in-situ gasification produces a high quality synthesis gas (syngas) containing carbon (CO) and hydrogen (H₂). Aboveground, in the GTL process, syngas is processed via Fischer-Tropsch technology to produce high quality, sulphur free synthetic hydrocarbons.

Linc Energy plans to combine its UCG and GTL technologies commercially at sites in Australia and around the globe as it realises its vision of becoming the world's leader in providing clean synthetic diesel and jet fuels from stranded coal resources.

UCG produced syngas can also be used as a feedstock to generate gas turbine combined cycle power, resulting in reduced greenhouse gas emissions.

With significant coal deposits suitable for UCG technology, Linc Energy can provide alternative sources of liquid fuels and power generation well into the foreseeable future.

Linc Energy represents a new future for liquid fuels production and high efficiency energy generation.