



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

ASX ANNOUNCEMENT

10 August 2010

LINC COMPLETES COAL SALE TO ADANI & BANKS \$500 MILLION

- **Linc Energy completes the sale of its 100% interest in the Galilee coal tenement (EPC 1690) to Adani Mining Pty Ltd**
- **\$500 million in cleared funds paid into Linc Energy's bank account today**
- **Ongoing royalty of \$2 per tonne (indexed to CPI) over 20 production years (estimated at approximately \$2.5 billion in revenue)**

Linc Energy Ltd (ASX:LNC) (OTCQX:LNCGY) is pleased to announce that the transaction with Adani Mining Pty Ltd ("Adani") for sale of the Galilee Tenement (EPC 1690) has now been completed and \$500 million in cleared funds has been deposited into Linc Energy's bank account today.

Late last week Linc Energy and Adani received approval for the transfer of the Galilee coal tenement (EPC 1690) from the Queensland State Government which finalises the regulatory approval process, having already received approval from the Foreign Investment Review Board (FIRB). The State Government's approval completes the sale and Linc Energy will continue to update the market on the progress of the development of the Galilee coal tenement by Adani as the operation moves closer to production.

Linc Energy's CEO, Mr Peter Bond, said today, "This is one of the best managed sales transactions in recent memory. We have gone from announcement of a deal to completion and receipt of funds in less than a week. This is an extraordinary result, and one directly related to the incredible hard work and diligence of both the Linc Energy and Adani teams."

"We would also like to take this opportunity to thank the various levels of the Queensland Government for their assistance on this deal. Given that this was the biggest investment into Australia by an Indian company, it was great to see that Queensland put its best foot forward. We very much appreciated the willingness of the Minister for Natural Resources, Mines and Energy, Mr Stephen Robertson, to meet with us at short notice and the assistance of the relevant Queensland government departments during the approval process," Mr Bond said.

A handwritten signature in black ink, appearing to read "Peter Bond".

Peter Bond
Chief Executive Officer

Information for Media:

Greg Meyer
Media Manager
Phone: +61 7 3229 0800
E-mail: greg.meyer@lincenergy.com.au

ASX Contact:

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

Information for Investors:

Anton Rohner
Chief Financial Officer
Phone: +61 7 3229 0800
E-mail: anton.rohner@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, Underground Coal Gasification (UCG) and Gas to Liquids (GTL) and has demonstrated its vision of being a leading supplier of a new source of cleaner liquid transport fuels for the future.

UCG technology provides access to coal, deep underground and by in-situ gasification produces a high quality synthesis gas (syngas) containing carbon monoxide and hydrogen. 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 realizes its vision of becoming the world's leader in providing cleaner 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.