



ASX ANNOUNCEMENT

31 January 2012

LINC ENERGY QUARTERLY REPORT

1 October 2011 – 31 December 2011

Linc Energy Ltd (ASX:LNC) (OTCQX:LNCGY) is pleased to release the attached Quarterly Report for the period ending 31 December 2011. In addition to the activity summary for the period, this Quarterly Report also outlines the priorities for the Company's three divisions for 2012 and activities during January 2012.

Highlights contained in the Quarterly Report include:

- Current oil production capacity in the USA is approximately 3,200 barrels of oil per day (BOPD) (Gross).
- USA oil & gas production revenues from the Gulf Coast and Wyoming operations are expected to fund the operational costs (OPEX) and general and administrative (G&A) costs of all USA oil operations during 2012.
- Linc Energy is on track to achieve the targeted increase in total oil production from the Gulf Coast and Wyoming operations to between 5,900 to 7,000 BOPD (Gross) by the end of 2012 which would provide approximately US\$110 million to US\$130 million in cash flow per annum (at \$100 oil price).
- All significant future capital expenditure in 2012 has been aligned with production revenues, monetisation of non-core assets and commercial initiatives such as a comprehensive cost efficiency program and introduction of strategic investors within each of the three business divisions.
- Linc Energy has secured access to additional capital by way of a A\$120 million loan facility ensuring that the Company remains well-funded irrespective of global debt and/or capital market changes throughout 2012 as it pursues its immediate business objectives.
- Linc Energy is continuing to explore a number of options with interested parties in relation to the Teresa coal asset, including full divestment and partial divestment/joint venture opportunities.
- Successful start-up of the Fifth Generation Gasifier (G5) at Chinchilla on 22 October 2011, with exceptionally stable operation being achieved producing good quality synthesis gas since this time.
- Operation of multiple gasifiers (G4 and G5) into the downstream processing facility at Chinchilla was achieved on 17 November 2011 producing Syncrude.

Mr Peter Bond, Chief Executive Officer, said, "I am pleased to see the significant progress which has been made within the Company's three divisions over the past quarter, particularly the production results achieved by our Oil & Gas division in the USA. From this solid foundation, we are very confident in our ability to deliver a significant increase in oil and gas production to around the 6,000 barrels per day with associated gross revenue of over \$200 million of per year (@\$100 oil) by the end of 2012. We are also well positioned in 2012 to make significant progress on our key developments, including the commercialisation of UCG to GTL, commencement of our Wyoming CO₂ EOR project and the development of our oil field at Umiat in Alaska by converting some of the estimated 1 billion barrels of oil in place to a 1P reserve by the end of our next drilling campaign."

"I continue to remain very confident of our ability to achieve successful outcomes in our current UCG to GTL joint venture negotiations and the divestment of our non-core coal assets in 2012. However, as we have always done (including prior to the Galilee Coal Sale in 2010), the Company has also secured access to additional funding early by entering into a A\$120 million line-of-credit debt facility."

For more information on this announcement visit www.lincenergy.com or contact our office on +61 7 3229 0800.



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Company Profile

Linc Energy is a globally focused, diversified energy company with a strong portfolio of coal, oil and gas deposits. It is Linc Energy's purpose to unlock the value of its resources to produce energy to fuel the future.

A publicly listed company, Linc Energy is the global leader in Underground Coal Gasification (UCG), which delivers a synthesis gas feedstock to supply commercially viable energy solutions – such as electricity, transport fuels and oil production – through gas turbine combined cycle power generation, Gas to Liquids (GTL) Fischer-Tropsch processing and Enhanced Oil Recovery.

Linc Energy has constructed and commissioned the world's only UCG to GTL demonstration facility located in Queensland, Australia. This facility produces the world's only UCG to GTL synthetic diesel fuel. Linc Energy also owns the world's only commercial UCG operation, Yerostigaz, located in Uzbekistan. Yerostigaz has produced commercial UCG synthesis for power generation for 50 years.

Linc Energy is on a rapid global expansion path to commercialise its portfolio of resources, with established offices across three continents in the United States, Europe and Australia.

Linc Energy is listed on the Australian Securities Exchange (LNC) and can also be traded in the United States via the OTCQX (LNCGY).

Quarterly Report

1 October 2011 – 31 December 2011



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HIGHLIGHTS

OIL & GAS

- Acquisition of ERG assets in Texas and Louisiana (Gulf Coast) USA
- Current oil production capacity in the USA is approximately 3,200 barrels of oil per day (BOPD) (Gross)
- The current program anticipates an increase in gross production from the USA to approximately 5900 to 7000BOPD (Gross) by December 2012
- Continuation of Umiat permitting activities, community and agency consultation, and development of the Project Description and Plan of Development in anticipation of the 2012 drilling season
- In Gulf Coast USA Linc Energy successfully completed three new wells and re-completion of two additional wells
- Increase in oil production in Wyoming from CO₂ Injection Huff and Puff

CLEAN ENERGY

- Start up of Gasifier 5
- Multi-panel UCG Gasifier (4 and 5) operated simultaneously for the first time to feed Gas to Liquids (GTL) facility
- Increased Syncrude production rates from Linc Energy's GTL facility
- First core well (TYEX01) spudded less than three miles from the Beluga Power Station in Alaska
- Seismic Program in Alaska for UCG Assets started
- Assessment of potential for UCG at three UK sites with UK Coal Ltd in Warwickshire, Yorkshire and Leicestershire continued.
- Acquisition of an exploration concession in Poland which covers approx. 1.2 billion tonne coal deposit
- Commenced in discussions with a potential cornerstone investor in the Company with which it may pursue significant UCG-GTL opportunities in Mainland China

COAL

- Drilling continued on the Emerald /Teresa resource upgrade program, with an emphasis on collecting additional coal quality and geotechnical data
- Additional base line environmental data collected for the Environmental Impact Statement (EIS) for the Teresa mine project
- Drilling and field work at Emerald/Teresa will continue into 2012
- Exploration commenced on EPC1526 within the "Great Northern Leases"
- Important negotiations for sale of Emerald / Teresa coals asset ongoing
- Adani continues to make significant progress on the proposed 60 million tonne per year Carmichael coal mine on which Linc Energy holds an indexed \$2 per tonne royalty

DIRECTORS

Acting Chairman and Director (Non-Executive)

Mr Ken Dark

Director, Legal & Corporate Affairs

Mr Craig Ricato

Managing Director

Mr Peter Bond

Director (Non-Executive)

Mr Jon Mathews

COMPANY SECRETARY

Mr Brook Burke

Forward Looking Statements

Statements in this document may relate to the future and are forward-looking statements. These statements may include, but are not limited to, statements relating to the Company's intentions, targets, projections, estimates, proposed timings and outlooks and may generally be identified by the use of words such as 'will', 'expects', 'anticipates', 'believes', 'intends', 'estimates', 'envisages' or similar words or expressions. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, by their very nature forward-looking statements involve risk and uncertainty as they are subject to a variety of events and circumstances which may or may not occur and which are outside the control of the Company. Given these risks and uncertainties undue reliance should not be placed on forward-looking statements. Subject to its legal obligations, the Company does not undertake to provide updates or revisions of any forward-looking statements contained in this document. No representation or warranty, express or implied, is made as to the accuracy, completeness or adequacy of the statements or information contained in this document and to the maximum extent permitted by law the Company and its related bodies corporate, directors, officers, agents and employees disclaim any liability for any loss or damage arising from the use or reliance on anything contained in or omitted from this document.

CORPORATE

Introduction

Since the Company's realignment into three divisions, as outlined in the 2011 Annual Report, the structure has been further refined following a recent review. This Quarterly Report communicates the changes, outlines priorities for 2012 and provides a summary of operations since the 2011 Annual Report was released last September.

Importantly, as part of the structural changes, the Company's business model will be streamlined to ensure that management within its three divisions, namely Clean Energy, Oil & Gas and Coal remain focused on their key objectives. The commercialisation of Underground Coal Gasification (UCG) and Gas to Liquids (GTL) remains the key priority and Linc Energy will continue to consider monetising a range of assets to a specific value target in order to facilitate this.

In addition to the Company's cash reserves and revenue generated from USA Oil & Gas operations, Linc Energy secured access to additional capital by way of a A\$120 million loan facility with an affiliate of the Fortress Investment Group, LLC which is capable of being drawn down in whole or part (see separate announcement dated 31 January 2012).

As the revised structure is progressively put in place, a dedicated management team will be appointed to each division to concentrate on maximising opportunities, increasing revenue, managing capital works expenses (CAPEX) and operational expenses (OPEX), and reducing general and administrative (G&A) costs whilst focusing on the following priorities:

Clean Energy

- the commercialisation of UCG and GTL with the identification of the first project location and completion of required feasibility studies;
- continue to progress the UCG permitting processes in Queensland and Wyoming; and
- continue to evaluate coal resources for commercial UCG project suitability upon

the Company's tenements in Australia, the USA and Poland and with strategic partners in Europe, Asia and Africa.

Oil & Gas

- Increase total oil production in the Gulf Coast and Wyoming regions with a target of 5,900 to 7,000 barrels of oil per day (BOPD) (Gross) by the end of 2012 (which, if achieved will provide \$110m to \$130m in cashflow per annum assuming an oil price of \$100 per barrel);
- progress the development of the pipeline and drilling at Umiat site in Alaska;
- progress the development of the CO₂ Enhanced Oil Recovery (EOR) program on the Glenrock oil fields in Wyoming;
- complete seismic interpretation work and continue to develop a long term conventional oil and oil shale exploration program in the South Australian petroleum exploration licences; and
- investigate strategic partnerships within the Oil & Gas portfolio in the USA and Australia.

Coal

- conduct a strategic review of the Company's coal tenements in Australia and investigate commercial partnerships within the asset portfolio;
- establish a dedicated subsidiary entity to hold and manage the Company's Australian coal assets portfolio;
- monetise one or more non-core coal assets by full or partial divestment; and
- continue to progress the Teresa mining lease application in Queensland in parallel with the management of the ongoing commercial negotiations.

Cash Flow

The closing cash position of \$32.5m reflects the total accessible cash for the combined business. Furthermore, as noted above, Linc Energy finalised a \$120m credit facility. This line of credit redraw facility is available for a period of 12 months and ensures that the Company remains well-funded, irrespective of global debt and/or capital market changes, throughout 2012 as it pursues its immediate business objectives.

Material expenditure in the 4th Quarter 2011 includes:

- On 11 October 2011, Linc Gulf Coast Petroleum, Inc., a wholly owned subsidiary of Linc Energy USA, acquired thirteen oil and gas fields in Texas and Louisiana along with related assets securing immediate oil production for \$261,350,000 (including \$31m of working capital), of which \$131m was financed via a facility using Reserve Based Lending. Included in the acquisition were approximately 250 active wells which averaged 2,480 BOPD (Gross) during the 4th Quarter of 2011.
- Exploration expenditure of \$4.4m was mainly exploration in the Arckaringa Basin for traditional oil and oil shale.
- Development costs of \$23.0m included costs for development of the Teresa coal asset; the completion of Gasifier 5 (G5) at Chinchilla; the development of Gasifier 6 (G6) in Wyoming; drilling and development of the Gulf Coast assets and the CO₂ Injection Huff and Puff; plus the technical team operations (including Chinchilla).
- Production costs include the ongoing Lease Operating Expenses (LOE), workover expenses and production taxes costs for the Oil & Gas operations of \$3.6m.
- Administration costs for the total Linc Energy business of \$12.1m.
- Other payments include a realized hedging loss of \$949k.
- Share buyback of \$9.7m.

4th Quarter 2011 Operational Results

The Quarterly production results are driven materially from production in the USA.

Upon initial acquisition of the assets, production was reduced marginally until a full review of the assets and resources was complete. Highlights of operational results include:

- Linc Energy average daily production of 2,675 BOPD (Gross)/1,980 BOPD (Net) for the 4th Quarter 2011.
- As at 31 January 2012, oil production capacity is approximately 3,175 (Gross) / 2,350 (Net) BOPD.
- Average sale price per barrel of oil was \$97.14 for the Quarter and the average LOE of \$24.26 per barrel, with Production Taxes of \$3.60 per barrel.
- Net Revenue (including accruals across all operations), assuming Australian dollar parity with the US dollar, is \$17.5m for the 4th Quarter 2012 of which \$11.9m is cash.

2012 Operational Expectations

Oil & Gas USA

After the review of operations and assets in the Gulf Coast and Wyoming, management anticipates an increase in production through new wells and recompletes to between 5,900 BOPD (Gross) and 7,000 BOPD (Gross) by the end of 2012.

The capital expenditure program of approximately \$30-\$35 million for Linc Energy's Oil & Gas drilling programs in the Gulf Coast region for 2012 will be funded entirely from the production cash flow of the existing Gulf Coast oil operations.

USA Oil & Gas production revenues are also expected to fund the OPEX and G&A costs of all USA oil operations during 2012.

Exploration activities

South Australia

Arckaringa Basin Update

Exploration in the Arckaringa Basin included the processing and interpretation of the 2011 seismic data and the evaluation of the results of the drilling programs. No exploration drilling occurred in the Arckaringa Basin during this Quarter.

Analysis of samples from Wirrangula Hill 1/1A and Arck 1 indicated the presence of a shale with high Total Organic Content which is considered to be a prospective oil shale resource. Further work will be undertaken to continue evaluating this potential resource.

Raw processing and depth time migration was completed on the 1,152 line kilometres of two dimensional (2D) seismic and the interpretation of the lines are due to be completed in the 1st Quarter of 2012. This data has already assisted geological team members to identify a significant number of new conventional oil target locations and will continue to add value to the Arckaringa Basin assets whilst providing a solid platform for the next extensive exploration program in the Arckaringa Basin. At this stage, no further drilling will occur in the Arckaringa Basin before the end of June.

Cooper Basin Update

No work was done on PELAs 568 and 569 pending native title negotiations.

Walloway Basin Update

Walloway project is under technical review. No further exploration activity took place during the Quarter.

Operational activities

Tenure Management South Australia

Within South Australia, Linc Energy currently holds eight Petroleum Exploration Licences (PELs), two Petroleum Exploration Licences under application (PELAs) in the Cooper Basin seven current Exploration Licences (ELs) and

one Exploration Licence under application (ELA) in the Arckaringa Basin. Total area under PELs is 80,238km² (the approx. size of the state of Oklahoma) and total area held under existing ELs is 3,660km².

Key tenure matters addressed in the period include the lodgement of a new PEL application to secure 100% of the conditional relinquished area of PEL 120, Walloway Basin processed last Quarter.

Details of Linc Energy's South Australian tenements are contained in Annexure 1.

Alaska

The Umiat asset development continues to be the focus for Linc Energy in this region, despite the 2011-2012 winter drilling program being postponed due to logistical and weather (low snow levels which affected snow road development) issues. The Company plans to commence an aggressive delineation drilling, well testing and deep exploration program in the 2012-2013 winter season on the Umiat site and has already ordered a drill rig to commence this work.

In the meantime, the Company is actively engaged in all permitting activities, community and agency consultation, and development of the Project Description and Plan of Development in anticipation of the 2012-2013 drilling season with the goal of having Umiat in production in a timely manner.

Gulf Coast (Texas & Louisiana)

The Company has successfully completed three (3) new wells and re-completions on an additional two (2) wells. Two of the new wells are now in production, producing approximately 300 BOPD (Gross) combined, with the remaining new well and re-completed wells scheduled to come online shortly following upgrades to production surface infrastructure.

Additional re-completions, drilling operations and production planning continued across the Gulf Coast asset portfolio, with the immediate focus being upon the Barbers Hill and Black Bayou fields. These works are expected to

deliver significant increases in total production over 2012.

Production Capacity

The current program anticipates an increase in production from the Gulf Coast and Wyoming Assets in USA to approximately 5,900 to 7,000BOPD (Gross) by December 2012.

Gulf Coast

Current oil production capacity in the Gulf Coast region is approximately 3,000 BOPD (Gross). An initial production deficiency from the 3rd Quarter of 2011 is attributable to decline across older production wells within the portfolio and a temporary short-term loss of approximately 250 BOPD (Gross) as a result of the loss of a natural gas pipeline in the Port Neches Field in Orange County, Texas. This pipeline supplied fuel gas to a compressor which processed gas for artificial lifting within Linc Energy's oil wells in the field. In order to re-establish production and minimise disruption to operations moving forward, Linc Energy has installed an electrically powered gas compressor, which will eliminate the need for the pipeline. The Port Neches Field has now resumed production.

As noted above, operations remain on track to achieve significant increases in total production over 2012.

Wyoming



FIGURE 1 –BIG MUDDY FIELD, WYOMING

The 'CO₂ Huff and Puff' operation, designed to test the CO₂ EOR properties of the geological

structure, began on 23 November 2011. This operation involved injecting 500 tons of liquid CO₂ into the South Glenrock B #34 well, which was then allowed to 'soak' for 21 days to stimulate production from this well. On 13 December 2011 the well was flowed back to tanks on location until the CO₂ pressure was bled off, followed by the removal of standing fluid in the wellbore. Approximately 30 barrels of oil was recovered in the 36 hours.

Since the initial flow back, operations have been focused on putting the well on production using a conventional rod pump. The pumping unit was started on 6 January 2012 and on 12 January 2012, 77 barrels of 'new' oil were sold from the South Glenrock B#34. Current daily average production for the well is approximately 35 barrels of oil per day. Prior to the CO₂ EOR treatment, the well was producing 1 barrel of oil per day (a significant increase in percentage due to the CO₂ injection).

During the Quarter, the Company and ExxonMobil entered into an agreement whereby Linc Energy will purchase CO₂ from ExxonMobil on an interruptible basis, allowing for the continued development of EOR at Linc Energy's Glenrock assets. The two companies will be working over the first Quarter of 2012 to develop a CO₂ delivery point near Jeffery City, Wyoming, with the intent of initially trucking CO₂ and beginning a CO₂ flooding pattern at the South Glenrock B Unit in 2012, with the aim of taking this field from a gross production of 200 BOPD to over 2,000 to 4,000 BOPD. This oil production would be over and above the 5,900 to 7,000 BOPD (Gross) currently budgeted.

CLEAN ENERGY

Queensland

Chinchilla

Operation of multiple gasifiers into the downstream processing facility at Chinchilla was achieved on 17 November 2011. Synthesis gas from Fourth Generation Gasifier (G4) and Fifth Generation Gasifier (G5) was simultaneously used to produce Syncrude in Linc Energy's GTL facility in South East Queensland.

This provided valuable design confirmation and operational experience and is one of the last steps towards commercialisation of the value chain. The operation of multiple simultaneous gasifiers to supply Syngas for downstream beneficiation is a key element in the commercialisation of Linc Energy's UCG technology and a number of patent applications have been lodged.

This follows the successful start-up of G5 on 22 October 2011. Exceptionally stable operation has been achieved with G5 consistently producing good quality synthesis gas. G5 showed improved temperature and pressure control with gas delivered within the hydrogen (H₂) to carbon monoxide (CO) ratio (H₂/CO) target of around 2, which is ideal for the downstream liquids manufacture in the GTL demonstration plant. Especially encouraging has been the high concentration of CO above the 10 per cent, by volume, levels achieved with air injection. The latest campaign of liquids production in the GTL plant commenced on 31 October 2011 with a progressive start-up of the gas and liquid separation and clean-up processes, followed by the Fischer Tropsch (FT) synthesis reactor start-up on 2 November 2011.

Since the start-up, Syncrude production rates have been consistently two to three times higher than previously achieved. The synthesis gas conversions were at the levels expected with the new catalyst that was loaded.

Contributing to these good results has been the improved preparation of the FT synthesis catalyst where a substantially higher catalyst reduction level has been achieved. The

stability of the plant has been good with an online availability of higher than 98 per cent to date (not accounting for the planned shutdown for external power network construction activities).

The Syncrude liquids are complementary to those produced during previous campaigns and achieved on G4 Syngas. These liquids will be used for product testing and promotional campaigns Linc Energy has scheduled for 2012, the first of which is the planned flight from Chinchilla to Perth of the Linc Energy powered jet to demonstrate the continued improvement of its GTL product.

Alaska

The Company has started drilling the first core well in its Alaska UCG exploration drilling program. The goal of the exploration program is to acquire quality resource data in a cost-effective, environmentally sound and safe manner. The data will help identify locations suitable for further evaluation and commercial UCG development.

The first core well, the TYEX01, is located less than three miles from the Beluga Power Station on the west side of Cook Inlet. The TYEX01 core hole is anticipated to penetrate coal seams in geological conditions and at depths suitable for commercial UCG development.

The Alaskan UCG team will run coring operations 24 hours per day, seven days per week. Drilling operations will continue for several weeks before reaching the total target depth of more than 3,500 feet (1,066m) using drilling equipment that is specially adapted to the winter drilling conditions common in Alaska.

Cable-free nodal Seismic System

The new seismic system applies state of the art technology and will initially be used to identify locations within Linc Energy's license areas which are suitable for further UCG evaluation and development.

The seismic work will include approximately 40 line miles (64km) of 2D profiles collected

CLEAN ENERGY

over the Interior and Cook Inlet UCG license areas. Additionally, 43 line miles of modern full-coverage 2D seismic data which the Company has purchased will be processed and interpreted along with the new profile data.

The state-of-the-art, cable-free nodal seismic system was purchased by Linc Energy from Fairfield Nodal, the premier cable-free seismic system manufacturer in the world. The system will be used to acquire both 2D and 3D survey data across Linc Energy's global UCG operations and its Oil & Gas programs.

This new technology utilises environmentally friendly 'wireless' geophones that allow the field crews to distribute the seismic data collection equipment on foot or by helicopter without construction of tracks which can leave an imprint visible for decades after completion of the survey. The new seismic system is highly versatile and can be used almost anywhere in the world. The system includes advanced recording software which runs on normal high powered laptops and delivers preliminary data to the operator in the field during data collection.

Drilling activity will follow the seismic surveys with up to five core holes scheduled to be completed in 2012.

Wyoming

Work is progressing on the development of a UCG demonstration plant in the area of Wyoming's Powder River Basin (PRB) coal reserves.

As announced in October last year, the approval process with the Wyoming Department of Environmental Quality (WDEQ) has commenced and builds on 16 months of work and collection of baseline data around the demonstration site.

The application approval process by the WEDQ, after submission of the R&D License Application, takes approximately 180 days.



FIGURE 2 – LINC ENERGY'S POWDER RIVER BASIN SITE

Concurrent with the Sixth Generation Gasifier (G6) permitting work, the Wyoming Clean Energy UCG team is actively drilling exploration wells throughout the Company's PRB leases in northeast Wyoming. The team has successfully drilled a total of 17,612 feet (5,368 metres) and subsequently installed 12 wells within seven (7) key areas of the PRB. Wells are completed into the target coal to provide Linc Energy's UCG Technical team valuable information concerning the coal's hydrogeologic characteristics and allowing for the collection of water quality samples. Of these 12 wells, two (2) of the wells were also cored for the purpose of rock strength analysis of the overburden and underburden, along with analysis of the target coal. Results from rock strength analysis and coal analysis are used to evaluate whether a commercial scale UCG project is feasible within the PRB.

Linc Energy will continue to evaluate its PRB leases during 2012. As part of this program, Linc Energy geologists are utilizing well logs from the approximately 50,000+ wells previously drilled in the PRB by coal bed methane and conventional oil and gas operators.

Seismic Program

Linc Energy has completed 2D seismic surveys on two (2) areas being considered for commercial development in the PRB. A high resolution output will allow the Company to "map" the subsurface without multiple borings which can be costly and time consuming.

Europe

Linc Energy continued to work with UK Coal to assess the potential for UCG at three of UK Coal's sites in Warwickshire, Yorkshire and Leicestershire.

Europe also presents significant opportunities for Linc Energy with a unique combination of high gas prices, significant volumes of stranded coal (particularly in Eastern Europe), growing demand for natural gas and decreasing local gas supply. These factors are strong drivers in choosing Poland as a key early region for the potential commercialisation of UCG. During the Quarter, the Company acquired an exploration concession in Poland which covers an approx. 1.2 billion tonne coal deposit.

Mainland China

As previously announced to the market, the Company is engaged in discussions with a potential cornerstone investor in the Company with which it may pursue significant UCG-GTL opportunities in Mainland China. Even though those discussions are very well progressed, no binding agreement has yet been reached.

COAL

Exploration activities

Queensland

Emerald

Discussions concerning the sale of the Teresa coal asset, near Emerald in Queensland, are continuing with several potential new buyers emerging in Q4, 2011. A number of offers were reviewed by the Company during 2011, however, they were declined for a number of reasons including suitability of the value of the proposed transactions and post-transaction ownership structures. To ensure the best outcome for the Company and shareholders, Linc Energy is continuing to explore a number of options, including full divestment and partial divestment/joint venture opportunities with interested parties.

At the same time, the development of the Teresa mine is proceeding to plan. Development of the project in parallel with the sale process makes the asset more appealing to potential purchasers and increases the value of the asset to all parties.

Drilling continued on the Emerald resource upgrade program, with an emphasis on collecting additional coal quality and geotechnical data. Drilling and field work at Emerald/Teresa will continue into 2012.

The collection of base line environmental data for the Environmental Impact Statement (EIS) continued. The Company expects the EIS to be completed during 2012 with the document to be submitted in late 2012 for government review and approval.

The Company has also made significant progress in developing a complete infrastructure package for the Teresa mine, including investigating accommodation options, negotiating port and rail access and securing water and power supplies. Based on current development progress, the Company considers that mine construction could commence in late 2013 after all necessary approvals have been granted.

Drilling in Q4, 2011 at Emerald / Teresa

Property Title Number	Type	Total Depth (m)
7TT49	Cored	276.5
7TT49	Cored	276.5
61RP620572	Chip	216
7TT49	Chip	255
63RP855508	Chip	246
25TT113	Cored	183
7TT49	Cored	289.9
63RP855508	Cored	234.55
61RP620572	Cored	207.55
7TT49	Cored	264.55
7TT49	Cored	278.6

Great Northern Leases (GNL)



FIGURE 3 - DRILLING ON EPC1526, 40KM NORTH EAST OF RICHMOND, CENTRAL QUEENSLAND

Exploration recommenced on EPC1526 within the Great Northern Leases in the Quarter. One chip hole was drilled to basement (794m). Further drilling is planned based on the findings to date, and will be reviewed on completion of the separate Emerald / Teresa drilling program.

South Australia

Walloway Basin Update

Walloway project is under technical review. No further exploration activity took place during the Quarter.

COAL

Operational activities

Tenure management Queensland

Linc Energy's Queensland tenements currently total 45. This breaks down to: 26 under Exploration Permits for Coal (EPCs); 6 under application (EPCa); one granted Mineral Development Licence (MDL) with a further four under application (MDLa); four Mining Lease applications (MLa) and four Petroleum Lease applications (PLa). Granted EPCs and those areas under EPC application combine to a total of 4,119 sub-blocks, with each sub-block approximately 3.4km², for a total area of approximately 14,005km². Total area covered under granted Mineral Development Licences (MDL) and applications (MDLa) is 432km². Total area covered under Mining Lease application (MLa) is 217km² and total area covered by Petroleum Lease application is 381km². Details of Linc Energy's Queensland tenements are contained in Annexure 1.

Dalby

The process of coordinating access to Surat Basin leases overlain by petroleum title via the Industry Consultative Committee was ongoing. No field work was undertaken during the period.

Pentland

The Company continues to market Pentland coal and provide technical and commercial detail to interested parties.

Adani Royalty

Linc Energy notes the progress made by India's Adani Group in developing the Carmichael Coal tenement (formerly Galilee) for which Linc Energy is entitled to a \$2 per tonne royalty (indexed to CPI) for the first 20 years of coal production.

Drilling, Mine Planning and the EIS

Adani has conducted an extensive drilling campaign, progressed with mine planning studies and started work on the EIS for both the mine and the rail.

Adani has also commenced an extensive exploration programme on the asset in order to finalise the mine plan ahead of development and construction work in 2013.

Ports

Adani has made significant progress on the infrastructure to support the development.

Adani purchased Terminal One at the Abbot Point Coal Terminal for approximately AU\$1.83 billion in June 2011. In December 2011, Adani and Dudgeon Point Project Management, a subsidiary of the Brookfield Infrastructure Group, were named as the preferred proponents for the proposed Dudgeon Point Coal Terminal. This terminal, some 30 kilometres south of Mackay, will be a dedicated coal export facility adjacent to the existing Hay Point and Dalrymple Bay terminals. The proposed new terminals will provide export capacity of up to 180 million tonnes per year.

Rail

Adani is planning the construction of a 185km railway line from the proposed Carmichael mine to Moranbah. This route has been selected because it offers the most reliable options with the added flexibility to export through Dudgeon Point via the Goonyella system or through Abbot Point via the Newlands system. Importantly, Adani, subject to commercial negotiations, will also be able to access any of the proposed Galilee to Abbot Point networks once they are operational.

Land

Adani has satisfactorily resolved a majority of landowner issues and expects to resolve the remainder in 2012.

Coal Tenements - Australia

Linc Energy will undertake a review of all its coal tenements in Australia during 2012, with a view to identifying coal deposits that could potentially be used for UCG as distinct from traditionally minable coal deposits. The traditionally minable coal assets will be managed by the Company's Coal Division.

Annexure 1: Tenement Information

Linc Energy Queensland Tenements and Applications at 31 December 2011.

Tenement Name	Tenement #	Location	Sub-blocks	Area (km ²)
Queensland:				
Rathdowney	EPC 910	40km S Ipswich - Clarence Moreton Basin	41	139
Wowam	EPC 908	40km N Biloela - Biloela Basin	123	418
Gallilee South	EPC 1227	60km W Clermont - Galilee Basin	148	503
Pentland	EPC 526	220km SW Townsville - Galilee Basin	12	41
Jambin	EPC 909	25km N Biloela - Biloela/Callide Basins	118	401
Tipton Sth	EPC 938	60km SW Dalby - Surat Basin	40	136
Teresa/Lucknow	EPC 1226	30km N Emerald - SW Bowen Basin	58	197
Biloela	EPC1248	40km N Biloela - Biloela Basin	90	306
Cloncurry Nth	EPC 1525	120km NW Hughenden - Eromanga Basin	150	510
Cloncurry Sth	EPC 1526	85km NW Hughenden - Galilee/Eromanga Basins	243	826
Saxby	EPC 1549	150km NW Hughenden - Eromanga Basin	300	1020
Wilkie	EPC 897	40km SE Chinchilla - Surat Basin	40	136
Wilkie	EPC 898	30km SE Chinchilla - Surat Basin	50	170
Wilkie	EPC 899	20km NW Dalby - Surat Basin	47	160
Teresa	EPC 980	20km N Emerald - SW Bowen Basin	37	126
Tipton	EPC 1770	30km SW Dalby - Surat Basin	111	377
Chinchilla West	EPC 1046	20km S Chinchilla - Surat Basin	16	54
Tipton 2	EPC 902	30km S Dalby - Surat Basin	64	218
Teresa North	EPC 1267	20km N Emerald - SW Bowen Basin	10	34
Wowam West	EPC 1323	20km NW Wowan - Biloela Basin	38	129
Chinchilla	EPC1247	15km SW Chinchilla - Surat Basin	8	27
Chinchilla	EPC 635	15km S Chinchilla - Surat Basin	32	109
Dunmore	EPC 1537	50km SW Dalby - Surat Basin	36	122
Lily Pond	EPC 1550	130km NE Cloncurry - Eromanga Basin	300	1020
Dingo	EPC 1536	15km NW Biloela - Biloela/Callide Basins	46	156
Cloncurry Central	EPC 1527	100km NW Hughenden - Eromanga Basin	162	551
Gallilee North	EPCa1228	75km NW Clermont - Galilee Basin	299	1017
Agnes	EPCa 1541	90km NE Hughenden - Eromanga/Galilee Basins	300	1020
Devlin	EPCa 2543	10 S Hughenden - Eromanga/Galilee Basins	300	1020
Pelican	EPCa 2549	120 N Hughenden - Eromanga/Galilee Basins	300	1020
Walker	EPCa 2551	7 S Hughenden - Eromanga/Galilee Basins	300	1020
Cuthbert	EPCa 2552	95 N Hughenden - Eromanga/Galilee Basins	300	1020
TOTAL:			4119	14005

Annexure 1: Tenement Information

Tenement Name	Tenement #	Location	Sub-blocks	Area (km ²)
Queensland:				
			hectares	Area (km ²)
Chinchilla	MDL 309	15km S Chinchilla - Surat Basin	155	2
Tipton	MDLa 371	30km SW Dalby - Surat Basin	29344	293
Pentland	MDLa 361	220km SW Townsville- Galilee Basin	2711	27
Chinchilla Extended	MDLa 407	15km S Chinchilla - Surat Basin	11004	110
TOTAL:			43,214	432
			hectares	Area (km ²)
Hopeland 1	MLa 50242	15km S Chinchilla - Surat Basin	8198	82
Teresa	MLa 70405	20km N Emerald - SW Bowen Basin	10418	104
Teresa North	MLa 70442	30km N Emerald - SW Bowen Basin	3045	30
TOTAL:			21661	217
			Sub-blocks	Area (km ²)
Hopeland 2	PLa 284	20km S Chinchilla - Surat Basin	8	27
Lucknow	PLa 286	30km N Emerald - SW Bowen Basin	104	354
TOTAL:			112	381

Note: Some tenures/applications may overlap in part or full. 1 sub-block = approximately 3.4 km

Annexure 1: Tenement Information

Linc Energy South Australian Tenements at 31 December 2011.

Tenement Name	Tenement #	Location	Area (km ²)
South Australia			
Petroleum Exploration Licenses			
PEL117	PEL117	Arckaringa Basin	9515
PEL118	PEL118	Arckaringa Basin	7400
PEL119	PEL119	Arckaringa Basin	9751
PEL120	PEL120	Begins N Adelaide, extends N 257km ~50km W Port Augusta - St Vincent/Walloway Basins	9601
PEL121	PEL121	Arckaringa Basin	9806
PEL122	PEL122	Arckaringa Basin	8460
PEL123	PEL123	Arckaringa Basin	9646
PEL124	PEL124	Arckaringa Basin	9848
PELA 658	PELA 568	Cooper/ Eromanga Basin	3657
PELA 659	PELA 569	Cooper/ Eromanga Basin	2554
TOTAL:			80238
Exploration Licenses			
Arckaringa	EL 4502	130 NE Coober Pedy - Arckaringa Basin	185
Williams Bore	EL 4501	90 NE Coober Pedy - Arckaringa Basin	304
Walloway	EL 4148	90km SE Port Augusta - Walloway Basin	173
Cadaree Hill	EL 4272	80km NE Coober Pedy - Arckaringa Basin	632
Mt Andrews	EL 4273	70km SW Oodnadatta - Arckaringa Basin	693
Orroroo	EL 4454	90km E Port Augusta - Walloway Basin	693
Weira Plains	EL 4540	90km ENE Port Augusta - Walloway Basin	87
Mount Andrews	ELA 178/11	10km SW Oodnadatta – Arckaringa Basin	893
TOTAL:			3660
Note: Some tenures may overlap in part.			

Annexure 1: Tenement Information

Linc Energy Tenements at 31 December 2011 - Wyoming, Montana & North Dakota.

Lease Master #	Lease Name	County	State	Total Gross	Cum True Gr Acre	Cum Tr Our Dev Net Acre	Cum Tr Our Undev Net Ac
21*1000317	FRANK C AND CLARA MICHELS	WIBAUX	MT	801.3200	160.6000	0.0000	64.2940
21*1000325	ANNABELLE EMILY EDSALL, AKA AN	WIBAUX	MT	321.4700	0.0000	0.0000	64.2940
21*1000329	THE SALVATION ARMY	WIBAUX	MT	160.0000	160.0000	0.0000	160.0000
21*1000331	CAROL A BURCH ET VIR	WIBAUX	MT	960.0000	960.0000	0.0000	94.2222
21*1000332	HERBERT & ALICE M MICHELS H/T	WIBAUX	MT	321.4700	160.8700	0.0000	64.2940
21*1000333	JAMES P & RUTHANN ZIELSDORF	WIBAUX	MT	639.7700	639.7700	0.0000	213.2609
21*1000335	JAMES P & RUTHANN ZIELSDORF	GOLDEN VALLEY	ND	1245.6300	1245.6300	0.0000	426.0875
21*1000336	DOROTHY MICHELS STOLBERG	WIBAUX	MT	321.4700	0.0000	0.0000	64.2940
21*1000339	ELEANOR MICHELS, A WIDOW	WIBAUX	MT	321.4700	0.0000	0.0000	64.2940
21*1000347	JOANN K JABLONSKI, A WIDOW	WIBAUX	MT	161.4800	161.4800	0.0000	161.4800
21*1000349	EMRYS LLOYD ECKRE, A SINGLE MA	WIBAUX	MT	160.0000	160.0000	0.0000	60.0000
21*1000481	JOHN CASSELMAN JR	WIBAUX	MT	640.0000	640.0000	0.0000	26.6660
21*1000354	DENNIS P. AND JANICE HARDY	GOLDEN VALLEY	ND	800.0000	800.0000	0.0000	68.6992
21*1000357	FRANK C & CLARA MICHELS	GOLDEN VALLEY	ND	97.2400	97.2400	0.0000	19.4480
21*1000361	DOROTHY MICHELS STOLBERG	GOLDEN VALLEY	ND	97.2400	0.0000	0.0000	19.4480
21*1000362	ELEANOR MICHELS, A WIDOW	GOLDEN VALLEY	ND	97.2400	0.0000	0.0000	19.4480
21*1000363	ANNABELLE EMILY EDSALL AKA	GOLDEN VALLEY	ND	97.2400	0.0000	0.0000	19.4480
21*1000365	HERBERT & ALICE M MICHELS	GOLDEN VALLEY	ND	97.2400	0.0000	0.0000	19.4480
21*1000386	THE SALVATION ARMY	WIBAUX	MT	319.5800	319.5800	0.0000	319.5800
21*1000390	SHARON M ZINSLI, A WIDOW	GOLDEN VALLEY	ND	160.0000	160.0000	0.0000	160.0000

Annexure 1: Tenement Information

Lease Master #	Lease Name	County	State	Total Gross	Cum True Gr Acre	Cum Tr Our Dev Net Acre	Cum Tr Our Undev Net Ac
21*1000417	MARION E THOMPSON, A WIDOW	WIBAUX	MT	640.0000	640.0000	0.0000	320.0000
21*1000418	MARION E THOMPSON, A WIDOW	WIBAUX	MT	320.0000	320.0000	0.0000	320.0000
21*1000482	ALETA F HECKAMAN	GOLDEN VALLEY	ND	259.3500	259.3500	0.0000	32.4188
21*1000483	CHARLES W & BOONTUANG HECKAMAN	GOLDEN VALLEY	ND	259.3500	0.0000	0.0000	32.4188
21*1000490	THOMAS W & JOAN Y HECKAMAN	GOLDEN VALLEY	ND	259.3500	0.0000	0.0000	32.4188
21*1000492	DUANE L & JOAN M HECKAMAN	GOLDEN VALLEY	ND	259.3500	0.0000	0.0000	32.4188
21*1000534	RKT TRUST (J M MCCLURE TTEE)	WIBAUX	MT	320.0000	320.0000	0.0000	106.6667
21*1000619	ERNEST WOJAHN, A SINGLE MAN	WIBAUX	MT	1040.0000	1040.0000	0.0000	540.0000
21*1000621	ESTHER E. LLOYD	WIBAUX	MT	160.0000	160.0000	0.0000	60.0000
21*1000622	DONALD E WOJAHN, MMDSSP	WIBAUX	MT	320.0000	320.0000	0.0000	1.1850
21*1000631	A & L BEGGER TRUST	WIBAUX	MT	166.7400	166.7400	0.0000	166.7400
22*1000004	STATE OF WYOMING NO. 0-41099	JOHNSON	WY	1120.0000	1120.0000	0.0000	1120.0000
22*1000031	ROBERT EDWARD MCCLEAN	CAMPBELL	WY	119.2300	0.0000	0.0000	29.8075
22*1000198	WYW 164691	CONVERSE	WY	200.0000	200.0000	0.0000	200.0000
22*1000306	E R MCQUAID ET UX	CONVERSE	WY	320.0000	320.0000	120.0000	200.0000
22*1000307	C M KOPP ET UX	CONVERSE	WY	640.0000	640.0000	173.3332	40.0000
22*1000308	IONA M CAMPBELL ET VIR	CONVERSE	WY	320.0000	320.0000	120.0000	200.0000
22*1000309	T R KOPP ET UX	CONVERSE	WY	280.0000	280.0000	280.0000	0.0000
22*1000310	WYW 077076	CONVERSE	WY	400.0000	400.0000	400.0000	0.0000
22*1000311	WYW 002217	CONVERSE	WY	40.0000	40.0000	40.0000	0.0000
22*1000312	WYW 003035	CONVERSE	WY	199.8900	199.8900	199.8900	0.0000
22*1000313	ST WY 0-02900	CONVERSE	WY	600.0000	600.0000	440.0000	160.0000
22*1000314	WYW 077837	CONVERSE	WY	79.8900	79.8900	79.8900	0.0000
22*1000315	GARY POTHE UT UX	CONVERSE	WY	317.0500	317.0500	157.0500	160.0000
22*1000316	ST WY 0-4592	CONVERSE	WY	40.0000	40.0000	40.0000	0.0000
22*1000318	C E KOPP ET UX	CONVERSE	WY	640.0000	0.0000	173.3332	40.0000

Annexure 1: Tenement Information

Lease Master #	Lease Name	County	State	Total Gross	Cum True Gr Acre	Cum Tr Our Dev Net Acre	Cum Tr Our Undev Net Ac
22*1000320	WYW 164393	CONVERSE	WY	120.0000	120.0000	0.0000	120.0000
22*1000321	A J KOPP ET UX	CONVERSE	WY	640.0000	0.0000	173.3332	40.0000
22*1000322	GEORGE A LEACH ET AL	CONVERSE	WY	320.0000	320.0000	155.4000	22.2000
22*1000323	USA WYW 077843	CONVERSE	WY	1025.5200	1025.5200	1025.5200	0.0000
22*1000388	ST WY 0-6117	CONVERSE	WY	903.3600	903.3600	903.3600	0.0000
22*1000391	ST WY 0 7790	CONVERSE	WY	959.7800	959.7800	959.7800	0.0000
22*1000393	ST WY 0-4392	CONVERSE	WY	160.0000	160.0000	120.0000	40.0000
22*1000395	GUS ENGLEKING ET AL	CONVERSE	WY	320.0000	320.0000	40.0000	280.0000
22*1000396	CHICAGO & N WESTERN TRANS	CONVERSE	WY	17.0000	17.0000	17.0000	0.0000
22*1000397	ST WY 0-7787	CONVERSE	WY	800.0000	800.0000	151.5778	606.3111
22*1000399	H C YOUNG ET AL	CONVERSE	WY	800.0000	800.0000	800.0000	0.0000
22*1000400	MARY JANE CURRY	CAMPBELL	WY	119.2300	0.0000	0.0000	29.8075
22*1000402	ST WY 0-3459	CONVERSE	WY	40.0000	40.0000	40.0000	0.0000
22*1000404	V R RANCH	CONVERSE	WY	1612.1600	0.0000	1074.7733	0.0000
22*1000410	ST WY 0-4393	CONVERSE	WY	80.4800	80.4800	80.4800	0.0000
22*1000411	EDWARD WALKINSHAW ET UX	CONVERSE	WY	80.0000	80.0000	80.0000	0.0000
22*1000412	ST WY 0-9125	CONVERSE	WY	120.1400	120.1400	120.1400	0.0000
22*1000419	WYW 162618	CONVERSE	WY	40.0000	40.0000	40.0000	0.0000
22*1000421	WYW 178089	CONVERSE	WY	160.0000	160.0000	0.0000	160.0000
22*1000422	STATE OF WYOMING NO 11-00100	CAMPBELL	WY	200.0000	200.0000	0.0000	200.0000
22*1000423	WYW 172991	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000
22*1000424	WYW 172989	NATRONA	WY	160.0000	160.0000	0.0000	160.0000
22*1000425	WYW 173001	CONVERSE	WY	2161.4300	2161.4300	0.0000	2161.4300
22*1000426	ST WY 06-00465	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000
22*1000427	ST WY 05-00268	CONVERSE	WY	320.5200	320.5200	0.0000	320.5200
22*1000428	ST WY 05-00269	CONVERSE	WY	478.9500	478.9500	0.0000	478.9500
22*1000429	ST WY 05-00270	CONVERSE	WY	640.0000	640.0000	400.0000	240.0000
22*1000431	ST WY 04-00241	CONVERSE	WY	600.0000	600.0000	600.0000	0.0000
22*1000432	WYW 163900	CONVERSE	WY	596.4000	596.4000	0.0000	596.4000
22*1000433	WYW 161771	CONVERSE	WY	320.0000	320.0000	0.0000	320.0000
22*1000467	WYW 0170073	CONVERSE	WY	40.0000	40.0000	0.0000	40.0000
22*1000478	JAMES M LASLEY TRUST	CAMPBELL	WY	480.0000	0.0000	0.0000	8.4848

Annexure 1: Tenement Information

Lease Master #	Lease Name	County	State	Total Gross	Cum True Gr Acre	Cum Tr Our Dev Net Acre	Cum Tr Our Undev Net Ac
22*1000479	J L GOODNER ET UX	CONVERSE	WY	40.0900	40.0900	7.1962	0.0000
22*1000491	TED STEWART ET AL	CONVERSE	WY	40.0900	0.0000	5.4763	0.0000
22*1000501	WYW 161722	CONVERSE	WY	160.0000	160.0000	0.0000	160.0000
22*1000502	WYW 178088	CONVERSE	WY	600.0000	600.0000	0.0000	600.0000
22*1000503	LESLIE GAY BOLIN, A WIDOW	CONVERSE	WY	680.9700	680.9700	15.9200	11.1826
22*1000505	MINER D CRARY JR	CONVERSE	WY	680.9700	0.0000	20.1600	14.1609
22*1000516	HORACE I CRARY	CONVERSE	WY	680.9700	0.0000	20.1600	14.1609
22*1000518	KGN MINERAL TRUST (SUSAN)	CONVERSE	WY	680.9700	0.0000	6.4800	4.5517
22*1000519	ST WY 0-4392	CONVERSE	WY	120.0000	120.0000	120.0000	0.0000
22*1000520	KGN MINERAL TRUST (PHYLLIS)	CONVERSE	WY	680.9700	0.0000	6.4800	4.5517
22*1000521	ARTHUR E SYMONS	CONVERSE	WY	680.9700	0.0000	44.8000	31.4686
22*1000522	ST WY 0-6048	CONVERSE	WY	1076.2500	1076.2500	1054.9490	0.0000
22*1000523	WYW 000249	CONVERSE	WY	237.5000	237.5000	237.5000	0.0000
22*1000524	KGN MINERAL TR (MARY LOUISE)	CONVERSE	WY	680.9700	0.0000	16.0000	11.2388
22*1000525	WYC 070469	CONVERSE	WY	160.0000	160.0000	156.8308	0.0000
22*1000526	ST WY 0-9299	CONVERSE	WY	120.0000	120.0000	120.0000	0.0000
22*1000528	KGN MINERAL TRUST(RICH EYRE)	CONVERSE	WY	680.9700	0.0000	2.3907	1.6801
22*1000529	KGN MINERAL TRUST(D C BRAMBLY)	CONVERSE	WY	680.9700	0.0000	2.3907	1.6801
22*1000530	WYW 079294	CONVERSE	WY	240.0000	240.0000	240.0000	0.0000
22*1000532	ST WY 0-6876	CONVERSE	WY	120.0000	120.0000	120.0000	0.0000
22*1000533	SANDRA PERRYMAN VALERIO, TRUST	CAMPBELL	WY	404.7400	80.0000	0.0000	40.2963
22*1000535	SANDRA PERRYMAN VALERIO, TRUST	CAMPBELL	WY	404.7400	0.0000	0.0000	40.2963
22*1000536	KGN MINERAL TRUST(T C DAVIDGE)	CONVERSE	WY	680.9700	0.0000	6.4800	4.5517
22*1000537	KGN MINERAL TRUST(R H DAVIDGE)	CONVERSE	WY	680.9700	0.0000	6.4800	4.5517
22*1000538	KGN MINERAL TRUST(W H DAVIDGE)	CONVERSE	WY	680.9700	0.0000	6.4800	4.5517

Annexure 1: Tenement Information

Lease Master #	Lease Name	County	State	Total Gross	Cum True Gr Acre	Cum Tr Our Dev Net Acre	Cum Tr Our Undev Net Ac
22*1000539	WESTPORT OIL AND GAS CO LP	CONVERSE	WY	800.9700	120.0000	91.2000	91.4212
22*1000540	KGN MINERAL TRUST(R G W MARLOW	CONVERSE	WY	680.9700	0.0000	2.6903	1.8897
22*1000542	KGN MINERAL TRUST(L C GRISWOLD	CONVERSE	WY	800.9700	0.0000	28.6400	28.7095
22*1000543	KGN MINERAL TRUST(D G DAVIDGE)	CONVERSE	WY	680.9700	0.0000	6.4800	4.5517
22*1000544	STEPHEN T CRARY MARITAL TRUST	CONVERSE	WY	680.9700	0.0000	10.8000	7.5862
22*1000545	ANN OBRZUT	CONVERSE	WY	680.9700	0.0000	15.9200	11.1826
22*1000546	KGN MINERAL TRUST(C Y KELLER)	CONVERSE	WY	680.9700	0.0000	0.0066	0.0046
22*1000547	THE NORTHWEST OIL COMPANY	CONVERSE	WY	40.0000	40.0000	40.0000	0.0000
22*1000548	ST WY 00-1822	CONVERSE	WY	1040.0000	1040.0000	1040.0000	0.0000
22*1000549	WYW 085311	CONVERSE	WY	33.5700	33.5700	33.5700	0.0000
22*1000551	ST WY 0-23543	CONVERSE	WY	320.0000	320.0000	80.0000	60.0000
22*1000558	ST WY 0-7791	CONVERSE	WY	640.0000	640.0000	627.3332	0.0000
22*1000559	ST WY 0-6049	CONVERSE	WY	635.8800	635.8800	623.2948	0.0000
22*1000560	CAROLYN L RIDLEY ET AL	CONVERSE	WY	680.9700	0.0000	28.6400	20.1175
22*1000561	ST WY 0-6050	CONVERSE	WY	699.4000	699.4000	685.5576	0.0000
22*1000571A	MARGARET MARY MCCLEAN	CAMPBELL	WY	119.2300	119.2300	0.0000	29.8075
22*1000572	WESTPORT OIL AND GAS CO	CONVERSE	WY	40.0000	40.0000	5.0000	0.0000
22*1000573	KGN MINERAL TRUST DT 9/9/98	CONVERSE	WY	40.0000	0.0000	35.0000	0.0000
22*1000574	J L GOODNER ET AL	CONVERSE	WY	197.3200	197.3200	105.7772	0.0000
22*1000575	CLYDEM WATTS ET AL	CONVERSE	WY	157.3200	0.0000	15.4206	0.0000
22*1000576	JAMES C TVARUZEK ET UX	CONVERSE	WY	197.3200	0.0000	73.0084	0.0000
22*1000577	ST WY 0-66051	CONVERSE	WY	921.9500	921.9500	903.7029	0.0000
22*1000578	ST WY 0-6052	CONVERSE	WY	1280.0000	1280.0000	1254.6665	0.0000
22*1000579	FRED WALKINSHAW ET AL	CONVERSE	WY	76.5900	76.5900	75.0741	0.0000

Annexure 1: Tenement Information

Lease Master #	Lease Name	County	State	Total Gross	Cum True Gr Acre	Cum Tr Our Dev Net Acre	Cum Tr Our Undev Net Ac
22*1000581	CHARLES B OLIN ET AL	CONVERSE	WY	938.4100	938.4100	834.5590	87.0000
22*1000582	MINNIE O MOFFETT	CONVERSE	WY	165.0000	165.0000	161.7135	0.0000
22*1000583	PAMELA DUGAN	CONVERSE	WY	680.9700	0.0000	2.4800	1.7420
22*1000585	WILLILAM BARBER	CONVERSE	WY	90.3200	90.3200	67.2931	0.0000
22*1000586	FENEX OIL COMPANY, ET AL	CONVERSE	WY	160.0000	160.0000	160.0000	0.0000
22*1000587	S M ANDERSON ET AL	CONVERSE	WY	447.7200	447.7200	204.4081	178.6995
22*1000588	C LEONARD SMITH ESTATE	CONVERSE	WY	410.1400	410.1400	2.3891	2.3959
22*1000589	LINCOLN PETROLEUM COMPANY	CONVERSE	WY	447.7200	0.0000	30.5975	25.3675
22*1000590	WYW 0-000610	CONVERSE	WY	160.0000	160.0000	160.0000	0.0000
22*1000592	ST WY 0-4063	CONVERSE	WY	122.8200	122.8200	122.8200	0.0000
22*1000594	WYW 072335	CONVERSE	WY	40.0000	40.0000	40.0000	0.0000
22*1000595	SUSANNE B BRUBAKER	CONVERSE	WY	120.0000	120.0000	120.0000	0.0000
22*1000596	SUSANNE B BRUBAKER	CONVERSE	WY	40.0000	40.0000	40.0000	0.0000
22*1000597	GEORGE W KELLY ET AL	CONVERSE	WY	1612.1600	1612.1600	537.3867	0.0000
22*1000598	CHRIS EYRE	CONVERSE	WY	680.9700	0.0000	2.3907	1.6801
22*1000599	KGN MINERAL TRUST(M S YERKES)	CONVERSE	WY	680.9700	0.0000	7.1780	5.0420
22*1000600	KGN MINERAL TRUST(S STROUGHON)	CONVERSE	WY	680.9700	0.0000	7.1780	5.0420
22*1000601	KGN MINERAL TRUST(G H ANDERSON)	CONVERSE	WY	680.9700	0.0000	7.1780	5.0420
22*1000602	KGN MINERAL TRUST(W C VALE TR)	CONVERSE	WY	680.9700	0.0000	7.1780	5.0420
22*1000603	KGN MINERAL TRUST(J K CARROS)	CONVERSE	WY	680.9700	0.0000	0.0066	0.0046
22*1000640	Thomas L. Christinck	CAMPBELL	WY	371.7700	7.0700	0.0000	20.7454
22*1000643	MARGARET A BATH	CAMPBELL	WY	371.7700	0.0000	0.0000	15.0196
24*1000079A	STATE OF WYOMING NO 41115	JOHNSON	WY	1280.0000	1280.0000	0.0000	1280.0000

Annexure 1: Tenement Information

Lease Master #	Lease Name	County	State	Total Gross	Cum True Gr Acre	Cum Tr Our Dev Net Acre	Cum Tr Our Undev Net Ac
24*1000080A	STATE OF WYOMING NO 41116	JOHNSON	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000081A	STATE OF WYOMING NO 41117	JOHNSON	WY	1120.0000	1120.0000	0.0000	1120.0000
24*1000082A	STATE OF WYOMING NO 41118	JOHNSON	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000083A	STATE OF WYOMING NO 41119	JOHNSON	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000084A	STATE OF WYOMING NO 41120	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000085A	STATE OF WYOMING NO 41121	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000086A	STATE OF WYOMING NO 41122	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000087A	STATE OF WYOMING NO 41123	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000088A	STATE OF WYOMING NO 41124	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000089A	STATE OF WYOMING NO 41127	CAMPBELL	WY	640.0000	640.0000	0.0000	640.0000
24*1000090A	STATE OF WYOMING NO 41128	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000091A	STATE OF WYOMING NO 41129	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000092A	STATE OF WYOMING NO 41130	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000093A	STATE OF WYOMING NO 41131	CAMPBELL	WY	1273.1200	1273.1200	0.0000	1273.1200
24*1000094A	STATE OF WYOMING NO 41132	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000095A	STATE OF WYOMING NO 41133	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000096A	STATE OF WYOMING NO 41134	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000

Annexure 1: Tenement Information

Lease Master #	Lease Name	County	State	Total Gross	Cum True Gr Acre	Cum Tr Our Dev Net Acre	Cum Tr Our Undev Net Ac
24*1000097A	STATE OF WYOMING NO 41135	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000098A	STATE OF WYOMING NO 41136	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000099A	STATE OF WYOMING NO 41139	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000101A	STATE OF WYOMING NO 41140	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000102A	STATE OF WYOMING NO 41141	CAMPBELL	WY	640.0000	640.0000	0.0000	640.0000
24*1000103A	STATE OF WYOMING NO 41142	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000104A	STATE OF WYOMING NO 41143	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000105A	STATE OF WYOMING NO 41144	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000106A	STATE OF WYOMING NO 41145	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000107A	STATE OF WYOMING NO 41146	CAMPBELL	WY	640.0000	640.0000	0.0000	640.0000
24*1000109A	STATE OF WYOMING NO 41149	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000110A	STATE OF WYOMING NO 41151	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000111A	STATE OF WYOMING NO 41152	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000112A	STATE OF WYOMING NO 41153	CAMPBELL	WY	640.0000	640.0000	0.0000	640.0000
24*1000113A	STATE OF WYOMING NO 41154	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000114A	STATE OF WYOMING NO 41155	CAMPBELL	WY	640.0000	640.0000	0.0000	640.0000
24*1000115A	STATE OF WYOMING NO 41156	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000

Annexure 1: Tenement Information

Lease Master #	Lease Name	County	State	Total Gross	Cum True Gr Acre	Cum Tr Our Dev Net Acre	Cum Tr Our Undev Net Ac
24*1000116A	STATE OF WYOMING NO 41157	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000119A	STATE OF WYOMING NO 41158	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000120A	STATE OF WYOMING NO 41159	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000121A	STATE OF WYOMING NO 41160	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000122A	STATE OF WYOMING NO 41161	JOHNSON	WY	640.0000	640.0000	0.0000	640.0000
24*1000123A	STATE OF WYOMING NO 41162	CAMPBELL	WY	320.0000	320.0000	0.0000	320.0000
24*1000124A	STATE OF WYOMING NO 41163	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000125A	STATE OF WYOMING NO 41316	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000126A	STATE OF WYOMING NO 41317	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000130A	STATE OF WYOMING NO 41318	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000131A	STATE OF WYOMING NO 41319	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000132A	STATE OF WYOMING NO 41320	SHERIDAN	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000133A	STATE OF WYOMING NO 41321	SHERIDAN	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000145A	STATE OF WYOMING NO 41323	SHERIDAN	WY	320.0000	320.0000	0.0000	320.0000
24*1000146A	STATE OF WYOMING NO 41324	SHERIDAN	WY	160.0000	160.0000	0.0000	160.0000
24*1000148A	STATE OF WYOMING NO 41325	SHERIDAN	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000149A	STATE OF WYOMING NO 41326	SHERIDAN	WY	1280.0000	1280.0000	0.0000	1280.0000

Annexure 1: Tenement Information

Lease Master #	Lease Name	County	State	Total Gross	Cum True Gr Acre	Cum Tr Our Dev Net Acre	Cum Tr Our Undev Net Ac
24*1000151A	STATE OF WYOMING NO 41327	JOHNSON	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000152	STATE OF WYOMING NO 41328	JOHNSON	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000153A	STATE OF WYOMING NO 41329	JOHNSON	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000154A	STATE OF WYOMING NO 41330	JOHNSON	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000155A	STATE OF WYOMING NO 41331	JOHNSON	WY	886.2500	886.2500	0.0000	886.2500
24*1000163A	STATE OF WYOMING NO 41332	JOHNSON	WY	1125.2300	1125.2300	0.0000	1125.2300
24*1000164A	STATE OF WYOMING NO 41333	JOHNSON	WY	1188.5200	1188.5200	0.0000	1188.5200
24*1000165A	STATE OF WYOMING NO 41334	JOHNSON	WY	356.5600	356.5600	0.0000	356.5600
24*1000168A	STATE OF WYOMING NO 41335	JOHNSON	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000169A	STATE OF WYOMING NO 41336	SHERIDAN	WY	1160.0000	1160.0000	0.0000	1160.0000
24*1000170A	STATE OF WYOMING NO 41337	SHERIDAN	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000171A	STATE OF WYOMING NO 41338	JOHNSON	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000172A	STATE OF WYOMING NO 41339	JOHNSON	WY	1040.0000	1040.0000	0.0000	1040.0000
24*1000173A	STATE OF WYOMING NO 41340	JOHNSON	WY	760.0000	760.0000	0.0000	760.0000
24*1000174A	STATE OF WYOMING NO 41341	JOHNSON	WY	720.0000	720.0000	0.0000	720.0000
24*1000175A	STATE OF WYOMING NO 41342	SHERIDAN	WY	1120.1200	1120.1200	0.0000	1120.1200
24*1000176A	STATE OF WYOMING NO 42156	CAMPBELL	WY	680.0000	680.0000	0.0000	680.0000

Annexure 1: Tenement Information

Lease Master #	Lease Name	County	State	Total Gross	Cum True Gr Acre	Cum Tr Our Dev Net Acre	Cum Tr Our Undev Net Ac
24*1000177A	STATE OF WYOMING NO 42157	CAMPBELL	WY	160.0000	160.0000	0.0000	160.0000
24*1000178A	STATE OF WYOMING NO 42158	CAMPBELL	WY	1200.0000	1200.0000	0.0000	1200.0000
24*1000179A	STATE OF WYOMING NO 42159	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000180A	STATE OF WYOMING NO 42160	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000181A	STATE OF WYOMING NO 42161	CAMPBELL	WY	80.0000	80.0000	0.0000	80.0000
24*1000184A	STATE OF WYOMING NO 42166	JOHNSON	WY	1286.7100	1286.7100	0.0000	1286.7100
24*1000185A	STATE OF WYOMING NO 42162	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000186A	STATE OF WYOMING NO 42163	CAMPBELL	WY	640.0000	640.0000	0.0000	640.0000
24*1000187A	STATE OF WYOMING NO 42167	SHERIDAN	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000188A	STATE OF WYOMING NO 42168	SHERIDAN	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000189A	STATE OF WYOMING NO 42169	SHERIDAN	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000190A	STATE OF WYOMING NO 42170	JOHNSON	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000191A	STATE OF WYOMING NO 42171	JOHNSON	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000199	STATE OF WYOMING NO 42310	JOHNSON	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000200	STATE OF WYOMING NO 42311	SHERIDAN	WY	640.0800	640.0800	0.0000	640.0800
24*1000201	STATE OF WYOMING NO 42312	SHERIDAN	WY	640.0000	640.0000	0.0000	640.0000
24*1000202	STATE OF WYOMING NO 42313	SHERIDAN	WY	640.0000	640.0000	0.0000	640.0000

Annexure 1: Tenement Information

Lease Master #	Lease Name	County	State	Total Gross	Cum True Gr Acre	Cum Tr Our Dev Net Acre	Cum Tr Our Undev Net Ac
24*1000203	STATE OF WYOMING NO 42314	SHERIDAN	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000204	STATE OF WYOMING NO 42315	SHERIDAN	WY	580.1500	580.1500	0.0000	580.1500
24*1000205	STATE OF WYOMING NO 42316	SHERIDAN	WY	640.0000	640.0000	0.0000	640.0000
24*1000206	STATE OF WYOMING NO 42317	SHERIDAN	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000207	STATE OF WYOMING NO 42318	SHERIDAN	WY	320.0000	320.0000	0.0000	320.0000
24*1000208	STATE OF WYOMING NO 42319	SHERIDAN	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000209	STATE OF WYOMING NO 42320	SHERIDAN	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000210	STATE OF WYOMING NO 42321	SHERIDAN	WY	622.7700	622.7700	0.0000	622.7700
24*1000211	STATE OF WYOMING NO 42322	SHERIDAN	WY	640.0000	640.0000	0.0000	640.0000
24*1000212	STATE OF WYOMING NO 42323	SHERIDAN	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000213	STATE OF WYOMING NO 42324	SHERIDAN	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000214	STATE OF WYOMING NO 42325	SHERIDAN	WY	640.0000	640.0000	0.0000	640.0000
24*1000215	STATE OF WYOMING NO 42378	JOHNSON	WY	1040.0000	1040.0000	0.0000	1040.0000
24*1000216	STATE OF WYOMING NO 42379	JOHNSON	WY	635.4600	635.4600	0.0000	635.4600
24*1000217	STATE OF WYOMING NO 42380	JOHNSON	WY	640.0000	640.0000	0.0000	640.0000
24*1000218	STATE OF WYOMING NO 42381	JOHNSON	WY	1196.4300	1196.4300	0.0000	1196.4300
24*1000219	STATE OF WYOMING NO 42382	JOHNSON	WY	318.8200	318.8200	0.0000	318.8200

Annexure 1: Tenement Information

Lease Master #	Lease Name	County	State	Total Gross	Cum True Gr Acre	Cum Tr Our Dev Net Acre	Cum Tr Our Undev Net Ac
24*1000223	STATE OF WYOMING NO 42309	SHERIDAN	WY	640.0000	640.0000	0.0000	640.0000
24*1000224	STATE OF WYOMING NO 42308	SHERIDAN	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000225	STATE OF WYOMING NO 42307	SHERIDAN	WY	960.0000	960.0000	0.0000	960.0000
24*1000226	STATE OF WYOMING NO 42306	SHERIDAN	WY	1112.2400	1112.2400	0.0000	1112.2400
24*1000227	STATE OF WYOMING NO 42305	SHERIDAN	WY	640.0000	640.0000	0.0000	640.0000
24*1000228	STATE OF WYOMING NO 42304	SHERIDAN	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000229	STATE OF WYOMING NO 42303	SHERIDAN	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000230	STATE OF WYOMING NO 42302	SHERIDAN	WY	1120.0000	1120.0000	0.0000	1120.0000
24*1000231	STATE OF WYOMING NO 42301	SHERIDAN	WY	880.0000	880.0000	0.0000	880.0000
24*1000232	STATE OF WYOMING NO 42300	JOHNSON	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000234	STATE OF WYOMING NO 42299	JOHNSON	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000235	STATE OF WYOMING NO 42298	CAMPBELL	WY	640.0000	640.0000	0.0000	640.0000
24*1000236	STATE OF WYOMING NO 42297	SHERIDAN	WY	1120.0000	1120.0000	0.0000	1120.0000
24*1000237	STATE OF WYOMING NO 42296	CAMPBELL	WY	640.0000	640.0000	0.0000	640.0000
24*1000238	STATE OF WYOMING NO 42295	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000239	STATE OF WYOMING NO 42294	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000240	STATE OF WYOMING NO 42293	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000

Annexure 1: Tenement Information

Lease Master #	Lease Name	County	State	Total Gross	Cum True Gr Acre	Cum Tr Our Dev Net Acre	Cum Tr Our Undev Net Ac
24*1000241	STATE OF WYOMING NO 42292	CAMPBELL	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000242	STATE OF WYOMING NO 42177	JOHNSON	WY	320.0000	320.0000	0.0000	320.0000
24*1000243	STATE OF WYOMING NO 42176	JOHNSON	WY	1200.0000	1200.0000	0.0000	1200.0000
24*1000244	STATE OF WYOMING NO 42175	JOHNSON	WY	480.0000	480.0000	0.0000	480.0000
24*1000245	STATE OF WYOMING NO 42174	JOHNSON	WY	1159.7400	1159.7400	0.0000	1159.7400
24*1000246A	STATE OF WYOMING NO 42173	JOHNSON	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000247	STATE OF WYOMING NO 42172	JOHNSON	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000248	STATE OF WYOMING NO 42528	JOHNSON	WY	1280.0000	1280.0000	0.0000	1280.0000
24*1000249	STATE OF WYOMING NO 42388	JOHNSON	WY	638.8400	638.8400	0.0000	638.8400
24*1000250	STATE OF WYOMING NO 42384	SHERIDAN	WY	1156.3800	1156.3800	0.0000	1156.3800
24*1000251	STATE OF WYOMING NO 42383	SHERIDAN	WY	480.2300	480.2300	0.0000	480.2300
24*1000252	STATE OF WYOMING NO 42385	SHERIDAN	WY	640.0000	640.0000	0.0000	640.0000
24*1000253	STATE OF WYOMING NO 42386	JOHNSON	WY	638.0800	638.0800	0.0000	638.0800
24*1000254	STATE OF WYOMING NO 42387	JOHNSON	WY	320.0000	320.0000	0.0000	320.0000
24*1000255	STATE OF WYOMING NO 42719	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000
24*1000256	STATE OF WYOMING NO 42720	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000
24*1000257	STATE OF WYOMING NO 42721	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000

Annexure 1: Tenement Information

Lease Master #	Lease Name	County	State	Total Gross	Cum True Gr Acre	Cum Tr Our Dev Net Acre	Cum Tr Our Undev Net Ac
24*1000258	STATE OF WYOMING NO 42722	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000
24*1000259	STATE OF WYOMING NO 42723	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000
24*1000260	STATE OF WYOMING NO 42724	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000
24*1000261	STATE OF WYOMING NO 42725	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000
24*1000262	STATE OF WYOMING NO 42726	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000
24*1000263	STATE OF WYOMING NO 42727	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000
24*1000264	STATE OF WYOMING NO 42728	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000
24*1000265	STATE OF WYOMING NO 42729	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000
24*1000266	STATE OF WYOMING NO 42730	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000
24*1000267	STATE OF WYOMING NO 42731	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000
24*1000268	STATE OF WYOMING NO 42732	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000
24*1000269	STATE OF WYOMING NO 42733	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000
24*1000271	STATE OF WYOMING NO 42735	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000
24*1000272	STATE OF WYOMING NO 42736	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000
24*1000273	STATE OF WYOMING NO 42737	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000
24*1000275	STATE OF WYOMING NO 42785	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000
24*1000276	STATE OF WYOMING NO 42786	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000

Annexure 1: Tenement Information

Lease Master #	Lease Name	County	State	Total Gross	Cum True Gr Acre	Cum Tr Our Dev Net Acre	Cum Tr Our Undev Net Ac
24*1000277	STATE OF WYOMING NO 42787	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000
24*1000278	STATE OF WYOMING NO 42788	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000
24*1000279	STATE OF WYOMING NO 42789	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000
24*1000280	STATE OF WYOMING NO 42790	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000
24*1000281	STATE OF WYOMING NO 42791	CONVERSE	WY	640.0000	640.0000	0.0000	640.0000
24*1000304A	STATE OF WYOMING NO 41097	SHERIDAN	WY	640.0000	640.0000	0.0000	640.0000
24*1000430	STATE OF WYOMING NO 42799	CARBON	WY	640.0000	640.0000	0.0000	640.0000
24*1000434	STATE OF WYOMING NO 42798	CARBON	WY	640.0000	640.0000	0.0000	640.0000
24*1000435	STATE OF WYOMING NO 42797	CARBON	WY	640.0000	640.0000	0.0000	640.0000
24*1000436	STATE OF WYOMING NO 42802	CARBON	WY	640.0000	640.0000	0.0000	640.0000
24*1000437	STATE OF WYOMING NO 42801	CARBON	WY	640.0000	640.0000	0.0000	640.0000
24*1000438	STATE OF WYOMING NO 42800	CARBON	WY	120.0000	120.0000	0.0000	120.0000
24*1000625A	STATE OF WYOMING 42810	CARBON	WY	640.0000	640.0000	0.0000	640.0000
24*1000626A	STATE OF WYOMING 42809	CARBON	WY	640.0000	640.0000	0.0000	640.0000
24*1000627A	STATE OF WYOMING 42813	SWEETWATER	WY	640.0000	640.0000	0.0000	640.0000
24*1000816	STATE OF WYOMING NO 42811	LINCOLN	WY	640.0000	640.0000	0.0000	640.0000
		Totals:		224356.7700	197639.7900	19517.5729	171899.6298

Annexure 1: Tenement Information

Linc Energy Tenements at 31 December 2011 - Alaska.

LEASE NAME	COUNTY	STATE	TOTAL (acres)	TOTAL (km ²)
STATE OF ALASKA ADL 390588	MATANUSKA-SUSITNA BOROUGH	ALASKA	4,630.66	18.7357
STATE OF ALASKA ADL 390591	A MATANUSKA-SUSITNA BOROUGH	ALASKA	5,616.55	22.7246
STATE OF ALASKA ADL 390590	A MATANUSKA-SUSITNA BOROUGH	ALASKA	5,543.97	22.4309
STATE OF ALASKA ADL 390592	MATANUSKA-SUSITNA BOROUGH	ALASKA	4,753.82	19.2340
STATE OF ALASKA ADL 390575	MATANUSKA-SUSITNA BOROUGH	ALASKA	1,612.37	6.5236
STATE OF ALASKA ADL 390576	MATANUSKA-SUSITNA BOROUGH	ALASKA	4,700.53	19.0183
STATE OF ALASKA ADL 390594	MATANUSKA-SUSITNA BOROUGH	ALASKA	5,760.00	23.3050
STATE OF ALASKA ADL 390593	MATANUSKA-SUSITNA BOROUGH	ALASKA	4,400.09	17.8028
STATE OF ALASKA ADL 390582	MATANUSKA-SUSITNA BOROUGH	ALASKA	1,531.50	6.1964
STATE OF ALASKA ADL 390581	MATANUSKA-SUSITNA BOROUGH	ALASKA	4,583.68	18.5456
STATE OF ALASKA ADL 390584	MATANUSKA-SUSITNA BOROUGH	ALASKA	3,246.45	13.1351
STATE OF ALASKA ADL 390587	MATANUSKA-SUSITNA BOROUGH	ALASKA	4,188.31	16.9459
STATE OF ALASKA ADL 390583	MATANUSKA-SUSITNA BOROUGH	ALASKA	771.32	3.1208
STATE OF ALASKA ADL 390580	MATANUSKA-SUSITNA BOROUGH	ALASKA	2,786.80	11.2754
STATE OF ALASKA ADL 390589	MATANUSKA-SUSITNA BOROUGH	ALASKA	5,389.95	21.8077
AK MENTAL HEALTH TRUST MHT 9300061	MATANUSKA-SUSITNA BOROUGH	ALASKA	1,569.69	6.3523
LINC ENERGY (ALASKA) INC	MATANUSKA-SUSITNA BOROUGH	ALASKA	10.00	0.0405
STATE OF ALASKA ADL 390558	KENAI PENINSULA BOROUGH	ALASKA	5,760.00	23.3050
STATE OF ALASKA ADL 390570	KENAI PENINSULA BOROUGH	ALASKA	3,200.00	12.9472
STATE OF ALASKA ADL 390565	KENAI PENINSULA BOROUGH	ALASKA	5,690.00	23.0217
STATE OF ALASKA ADL 390569	KENAI PENINSULA BOROUGH	ALASKA	3,739.00	15.1280
STATE OF ALASKA ADL 390566	KENAI PENINSULA BOROUGH	ALASKA	5,760.00	23.3050

Annexure 1: Tenement Information

LEASE NAME	COUNTY	STATE	TOTAL (acres)	TOTAL (km ²)
STATE OF ALASKA ADL 390573	MATANUSKA-SUSITNA BOROUGH	ALASKA	5,234.40	21.1784
STATE OF ALASKA ADL 390574	MATANUSKA-SUSITNA BOROUGH	ALASKA	516.89	2.0913
STATE OF ALASKA ADL 390564	KENAI PENINSULA BOROUGH	ALASKA	5,760.00	23.3050
STATE OF ALASKA ADL 390562	KENAI PENINSULA BOROUGH	ALASKA	5,674.00	22.9570
STATE OF ALASKA ADL 390563	KENAI PENINSULA BOROUGH	ALASKA	5,690.00	23.0217
STATE OF ALASKA ADL 390559	KENAI PENINSULA BOROUGH	ALASKA	5,706.00	23.0865
STATE OF ALASKA ADL 390561	KENAI PENINSULA BOROUGH	ALASKA	4,560.00	18.4498
AK MENTAL HEALTH TRUST MHT 9400434	DENALI & FAIRBANKS N.STAR BOROUGH	ALASKA	60,265.12	243.8843
AK MENTAL HEALTH TRUST MHT 9200462	KENAI PENINSULA BOROUGH	ALASKA	82,122.70	332.3388
AK MENTAL HEALTH TRUST MHT 9200461	MATANUSKA-SUSITNA BOROUGH	ALASKA	25,374.88	102.6885
STATE OF ALASKA ADL 390720	NORTH SLOPE BOROUGH	ALASKA	907.46	3.6724
STATE OF ALASKA ADL 390884	NORTH SLOPE BOROUGH	ALASKA	807.48	3.2678
AA 084141	NORTH SLOPE BOROUGH	ALASKA	11500.00	46.5388
AA 081726	NORTH SLOPE BOROUGH	ALASKA	6133.00	24.8194

Annexure 1: Tenement Information

Linc Energy Tenements at 31 December 2011 – Texas & Louisiana.

Lease Name	County	State	Gross Acres	Net Acres
STATE TRACT 126	CHAMBERS	TX	64.00000	640.00000
STATE TRACT 127	CHAMBERS	TX	320.00000	320.00000
E.W. BARBER "D" (SAMSON)	CHAMBERS	TX	25.00000	25.00000
A.E. BARBER	CHAMBERS	TX	73.00000	73.00000
L.E. FITZERALD UNIT	CHAMBERS	TX	47.50000	47.50000
KIRBY "A"	CHAMBERS	TX	73.00000	73.00000
KIRBY "B"	CHAMBERS	TX	107.45000	107.45000
KIRBY "C"	CHAMBERS	TX	30.00000	30.00000
KIRBY PETROLEUM COMPANY (SAMSON) LEASE	CHAMBERS	TX	49.50000	49.50000
O.K. WINFREE	CHAMBERS	TX	43.00000	43.00000
GULF FEE "C" 64	CHAMBERS	TX	60.26000	60.26000
GULF FEE FISHER	CHAMBERS	TX	23.50000	23.50000
KIRBY PETROLEUM COMPANY 15 ACRES	CHAMBERS	TX	15.00000	15.00000
J. WILBURN	CHAMBERS	TX	65.00000	65.00000
J.F. WILBURN "B"	CHAMBERS	TX	50.00000	50.00000
WILBURN "C" #9 And #10 WILBURN "D" WILBURN "E"	CHAMBERS	TX	93.95000	93.95000
WILBURN, J. "A"	CHAMBERS	TX	52.50000	52.50000
Z.T. WILBURN FEE	CHAMBERS	TX	20.20000	20.20000
HIGGINS	CHAMBERS	TX	16.57000	16.57000
HIGGINS-B-	CHAMBERS	TX	7.05000	7.05000
CHAMBERS COUNTY AGRICULTURAL COMPANY	CHAMBERS	TX	50.00000	50.00000
ZADIE FISHER	CHAMBERS	TX	17.83600	17.83600
SMITH, J.H.	CHAMBERS	TX	20.00000	20.00000
WINFREE, O.K.	CHAMBERS	.	14.00000	14.00000
FITZGERALD, J.M. ("A")	CHAMBERS	TX	51.44000	51.44000
JONES, LYLE	CHAMBERS	TX	21.93000	21.93000
LULA BARBER	CHAMBERS	TX	33.00000	33.00000
WOODWARD	CHAMBERS	TX	20.00000	20.00000
WINFREE, E.H.	CHAMBERS	TX	41.12900	41.12900
GULF FEE MONONGAHELA	CHAMBERS	TX	17.20000	17.20000
H.L. PHILLIPS FEE	CHAMBERS	TX	5.00000	5.00000
STATE TRACT 118	CHAMBERS	TX	640.00000	640.00000
STATE TRACT 119	CHAMBERS	TX	80.00000	80.00000
STATE TRACT 128	CHAMBERS	TX	40.00000	40.00000
STATE TRACT 128-MARLIN	CHAMBERS	TX	280.00000	280.00000

Annexure 1: Tenement Information

Lease Name	County	State	Gross Acres	Net Acres
MOUND COMPANY, ROBERT A.WELCH, IMA HOGG	BRAZORIA	TX	2500.00000	2500.00000
THE STATE OF TEXAS-LEASE NO. M-71950, M-97186, M-99176	CALHOUN	TX	640.00000	640.00000
HARRELL "C" LEASE	HARRIS	TX	1.00000	1.00000
RENA BERRY FEE	HARRIS	TX	2.50300	2.50300
TABB "A" , "B" , W.Tabb "A"	HARRIS	TX	14.63000	14.63000
W.H. STARK, JAMES V.POLK, JAMES V.POLK, HENRY J. KUHN	ORANGE	TX	3809.51000	3809.51000
ARMELIN L. FEE, BALDWIN J.C.FEE, FAILOR E.K. FEE, HANNAH D. LEASE, HANNAH D. FEE LEASE , PARTLOW-HODNETT	LIBERTY	TX	35.00000	35.00000
MARIE HOWELL CADE	GALVESTON	TX	2.500000	10.00000
BEVERLY HODGES DAVIS	GALVESTON	TX	0.625000	10.00000
ROY HAMILTON DAVIS, INDV. & AIF	GALVESTON	TX	0.625000	10.00000
FRANCES HENSHAW GILL	GALVESTON	TX	0.005028	10.00000
ASHBEL BURNHAM HENSHAW	GALVESTON	TX	1.041670	10.00000
LINDA JEAN L. HENSHAW, ETAL	GALVESTON	TX	1.250000	10.00000
THOMAS R. HOWELL, INDV. & TRUSTEE	GALVESTON	TX	2.500000	10.00000
MARY HENSHAW JERNIGAN	GALVESTON	TX	0.005028	10.00000
JAMES ODOM & FOLLY FAMILY LLC	GALVESTON	TX	1.250000	10.00000
BARBARA HENSHAW ROBERTS	GALVESTON	TX	0.005028	10.00000
LINDA HENSHAW WEEKS	GALVESTON	TX	0.005028	10.00000
AMOCO PRODUCTION COMPANY	GALVESTON	TX	9.560000	10.00000
BLAIR LEA ELLIS	GALVESTON	TX	0.002991	10.00000
D. CAFFERY MCCAY, ETAL	GALVESTON	TX	0.155490	10.00000
MARYANN ELLIS BOHR	GALVESTON	TX	0.002991	10.00000
LLOYD ADDISON ELLIS, III	GALVESTON	TX	0.002991	10.00000
CHARLES BARKER	GALVESTON	TX	1.319444	20.00000
ROBERT BARKER	GALVESTON	TX	1.319444	20.00000
MELANIE WIGGINS	GALVESTON	TX	0.798610	20.00000
T.C. CRAIGHEAD & COMPANY	GALVESTON	TX	0.798610	20.00000
DAVID SPEER	GALVESTON	TX	0.798610	20.00000
CHARLES BARKER TRUST	GALVESTON	TX	0.798610	20.00000
MELANIE WIGGINS TRUST	GALVESTON	TX	0.208333	20.00000
BETTY TAYLOR TRUST	GALVESTON	TX	0.208333	20.00000
MARGARET CARTER TRUST	GALVESTON	TX	0.104167	20.00000
DAVID SPEER TRUST	GALVESTON	TX	0.104167	20.00000
KATHERINE TAYLOR MILLER	GALVESTON	TX	0.104167	20.00000
RUTH MCLEAN BOWERS	GALVESTON	TX	3.333333	20.00000

Annexure 1: Tenement Information

Lease Name	County	State	Gross Acres	Net Acres
MARIE HOWELL CADE	GALVESTON	TX	2.500000	10.00000
BEVERLY HODGES DAVIS	GALVESTON	TX	0.625000	10.00000
ROY HAMILTON DAVIS, INDV. & AIF	GALVESTON	TX	0.625000	10.00000
FRANCES HENSHAW GILL	GALVESTON	TX	0.005028	10.00000
ASHBEL BURNHAM HENSHAW	GALVESTON	TX	1.041670	10.00000
LINDA JEAN L. HENSHAW, ETAL	GALVESTON	TX	1.250000	10.00000
THOMAS R. HOWELL, INDV. & TRUSTEE	GALVESTON	TX	2.500000	10.00000
MARY HENSHAW JERNIGAN	GALVESTON	TX	0.005028	10.00000
JAMES ODOM & FOLLY FAMILY LLC	GALVESTON	TX	1.250000	10.00000
BARBARA HENSHAW ROBERTS	GALVESTON	TX	0.005028	10.00000
LINDA HENSHAW WEEKS	GALVESTON	TX	0.005028	10.00000
D. CAFFERY MCCAY, ETAL	GALVESTON	TX	8.739750	10.00000
MARYANN ELLIS BOHR	GALVESTON	TX	0.163150	10.00000
BLAIR LEA ELLIS	GALVESTON	TX	0.163150	10.00000
LLOYD ADDISON ELLIS, III	GALVESTON	TX	0.163150	10.00000
MARION CAFFERY CAMPBELL, TRUSTEE	GALVESTON	TX	0.770800	10.00000
CHARLES BARKER	GALVESTON	TX	2.638800	20.00000
ROBERT BARKER	GALVESTON	TX	2.638800	20.00000
T.C. CRAIGHEAD & COMPANY	GALVESTON	TX	3.194440	20.00000
KATHERINE C. HOLT TRUST	GALVESTON	TX	1.666666	20.00000
DAVID T. SPEER	GALVESTON	TX	1.597240	20.00000
BETTY SPEER TAYLOR	GALVESTON	TX	1.597240	20.00000
RUTH MCLEAN BOWERS	GALVESTON	TX	6.666667	20.00000
BP AMERICA PRODUCTION CO.	GALVESTON	TX	126.510000	126.51000
RUTH MCLEAN BOWERS	GALVESTON	TX	50.000000	50.00000
BARBARA GORDON MCNEILL & MELINDA GORDON PARET	GALVESTON	TX	50.000000	50.00000
GEORGE E SMITH	GALVESTON	TX	88.280000	88.28000
GEORGE E SMITH	GALVESTON	TX	96.480000	96.48000
VERNA HOOKS MCLEAN & RUTH MCLEAN BOWMAN	GALVESTON	TX	2.480000	2.48000
NELLIE B. LEAGUE ETAL	GALVESTON	TX	24.830000	24.83000
VIRGINIA B. BALL ESTATE BY AMERICAN NATIONAL TRUST & ROBERT B. BALL	GALVESTON	TX	9.000000	9.00000
WELLS STEWART	GALVESTON	TX	9.000000	9.00000
STEWART MINERAL COMPANY	GALVESTON	TX	9.000000	9.00000
ROBERT GEORGE BISBEY, TRUSTEE	GALVESTON	TX	9.000000	9.00000
CHARLOTTE E. SMTIH	GALVESTON	TX	253.000000	253.00000
ELIZABETH KER CADE, ETAL	GALVESTON	TX	50.860000	50.86000

Annexure 1: Tenement Information

Lease Name	County	State	Gross Acres	Net Acres
BP AMERICA PRODUCTION CO.	GALVESTON	TX	35.490000	35.490000
GULF & INTERSTATE RAILWAY COMPANY OF TEXAS	.	TX	19.300000	19.300000
THE ESTATE OF SHEARN MOODY, JR.	GALVESTON	TX	40.000000	40.000000
ROBERT L. MOODY	GALVESTON	TX	10.000000	10.000000
ROBERT L. MOODY	GALVESTON	TX	10.000000	10.000000
CASEY STEHLING INDEPENDENT EXECUTOR OF THE ESTATE OF EDWARD JAKOVICH	GALVESTON	TX	40.000000	40.000000
DONNA CAMERON GOODE LINDA JAKOVICH MEYER INDEPENDENT EXECUTOR OF THE ESTATE OF ANDREW JAKOVICH	GALVESTON	TX	40.000000	40.000000
DJS LAND COMPANY, LTD	GALVESTON	TX	40.000000	40.000000
CAROL ANN BURNS	GALVESTON	TX	40.000000	40.000000
JB WATKINS	CAMERON	LA	2435.000000	2435.000000
CONSTANTINE #2	LEEVILLE	LA	100.000000	100.000000
CONSTANTINE #1	LEEVILLE	LA	52.090000	52.090000
BARROW, R.R.	LEEVILLE	LA	40.000000	40.000000
LL&E #290	LEEVILLE	LA	70.000000	70.000000
	Totals	14596.9780		14596.9780

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Linc Energy Ltd

ABN

60 076 157 045

Quarter ended ("current quarter")

31 December 2011

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	11,928	13,667
1.2 Payments for (a) exploration & evaluation	(4,463)	(17,826)
(b) development	(22,955)	(42,630)
(c) production	(3,640)	(4,763)
(d) administration	(12,109)	(28,779)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	729	3,088
1.5 Interest and other costs of finance paid	(2,518)	(2,599)
1.6 Income taxes paid	(117)	(9,860)
1.7 Other (provide details if material)	(949)	(949)
Net Operating Cash Flows	(34,094)	(90,651)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	(254,518)	(298,785)
(b) equity investments	-	(1,804)
(c) other fixed assets	(2,442)	(4,217)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	18	35
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (cash security for guarantees, loan to director)	(615)	(2,306)
Net investing cash flows	(257,557)	(307,077)
1.13 Total operating and investing cash flows (carried forward)	(291,651)	(397,728)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(291,651)	(397,728)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	936	1,426
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	131,433	131,433
1.17	Repayment of borrowings	(440)	(2,577)
1.18	Dividends paid	-	-
1.19	Other (payment for share buy-back)	(9,725)	(11,812)
	Net financing cash flows	122,204	118,470
	Net increase (decrease) in cash held	(169,447)	(279,258)
1.20	Cash at beginning of quarter/year to date	204,356	310,343
1.21	Exchange rate adjustments to item 1.20	(2,433)	1,391
1.22	Cash at end of quarter	32,476	32,476

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000	
1.23	Aggregate amount of payments to the parties included in item 1.2	410
1.24	Aggregate amount of loans to the parties included in item 1.10	250

1.25 Explanation necessary for an understanding of the transactions

Executive Directors Fees = \$289,125
Non Executive Directors Fees = \$47,522
Payments to Directors related parties = \$73,294

Loan to non-executive director = \$250,000. This loan, for the purpose of exercising employee share options, is on arm's length terms and attracts a commercial rate of interest.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities *	294,869	127,777
3.2 Credit standby arrangements	3,364	3,017

* As at 31 December the Group had a Reserve Based Lending facility with a credit limit of US\$300,000,000. The amount available for drawdown under the facility is determined based upon the current level of proved developed producing reserves (PDP's) and the oil price. At 31 December the Company had utilised US\$131,000,000 of the facility.

In addition to the above, as at 30 January 2012 Linc Energy also had access to a \$120,000,000 corporate line of credit facility which can be drawn at any time.

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	4,000
4.2 Development	25,300
4.3 Production	7,300
4.4 Administration	14,000
Total	50,600

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	32,388	162,653
5.2 Deposits at call	88	41,703
5.3 Bank overdraft	-	-
5.4 Other	-	-
Total: cash at end of quarter (item 1.22)	32,476	204,356

+ See chapter 19 for defined terms.

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities (description)	Nil	Nil	
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	N/A	N/A	
7.3	+Ordinary securities	505,830,594	505,830,594	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	(a) 3,611,919 (b) 5,670,000		

+ See chapter 19 for defined terms.

7.5	+Convertible debt securities <i>(description)</i>	Nil	Nil		
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	N/A	N/A		
7.7	Options <i>(description and conversion factor)</i>	(a) Options 17,646,826 (b) Rights 11,471,409		<i>Exercise price</i> (a) Various (b) Nil	<i>Expiry date</i> (a) Various (b) Various
7.8	Issued during quarter	(a) Options Nil (b) Rights 829,019			
7.9	Exercised during quarter	(a) Options 2,959,602 (b) Rights 652,317			
7.10	Expired during quarter	(a) Options 15,000 (b) Rights 1,083,124			
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:
(Company secretary)

Date: 31 January 2012.

Print name: Brook Adrian Burke

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+ See chapter 19 for defined terms.