

26 October 2012

Dear Fellow Shareholder

On behalf of my fellow Directors I am pleased to invite you to Linc Energy's 2012 Annual General Meeting (AGM) which will be held at the Mezzanine Level Room M3, Brisbane Convention & Exhibition Centre, Corner of Merivale & Glenelg Streets, South Bank, Brisbane, Australia, on Thursday 29 November 2012 at 3.00pm (AEST).

Enclosed is the Notice of Meeting and Explanatory Memorandum setting out the business of the AGM. The Explanatory Memorandum contains important information about the resolutions. Please ensure that you have read it carefully before deciding how to vote on the resolutions.

If you are unable to attend the AGM, you are encouraged to complete the enclosed proxy form. The proxy form should be completed and returned in accordance with the instructions on the form so that it is received by 3:00pm (AEST) on Tuesday 27 November 2012. Alternatively, you can vote online. Please refer to the proxy form instructions for further details.

After the official business concludes the Company's senior management will give a presentation on the Company's progress and will provide Shareholders with the opportunity to ask questions. You are invited to then stay for drinks and meet with the Company's staff and Directors.

I look forward to seeing you at the AGM.

Yours sincerely

A handwritten signature in dark ink, appearing to read "Ken Dark".

Ken Dark
Chairman

Notice of Annual General Meeting



NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS 2012

Notice is hereby given that the Annual General Meeting of Shareholders of Linc Energy Ltd ('Company') will be held:

Date: Thursday 29 November 2012

Time: 3:00pm (AEST)

Venue: Mezzanine Level Room M3
Brisbane Convention & Exhibition Centre
Corner of Merivale & Glenelg Streets
South Bank,
BRISBANE QLD 4000

ORDINARY BUSINESS

Consideration of Reports

To receive the Financial Report, the Directors' Report, and the Independent Audit Report of Linc Energy Ltd for the financial year ended 30 June 2012.

RESOLUTIONS

1. Election of Directors

To consider and, if thought fit, to pass, with or without amendment, the following separate resolutions as ordinary resolutions:

- (a) *"That Mr Jon Mathews, who retired by way of rotation in accordance with Rule 16.1 of the Company's Constitution and being eligible, is re-elected as a Director of the Company."*
- (b) *"That Mr Craig Ricato, who retired by way of rotation in accordance with Rule 16.1 of the Company's Constitution and being eligible, is re-elected as a Director of the Company."*

Notice of Annual General Meeting



2. Remuneration Report

To consider and, if thought fit, to pass the following in accordance with section 250R(2) of the Corporations Act 2001 (Cth):

"That the Directors' Remuneration Report for the year ended 30 June 2012 be adopted."

Notes:

- 1. This resolution shall be determined as if it were an ordinary (majority) resolution, but under section 250R(3) of the Corporations Act 2001 (Cth), the vote does not bind the Directors or the Company. Votes must not be cast on this resolution by key management personnel and closely related parties.*
- 2. If 25% or more of the votes that are cast are voted against the adoption of the Directors' Remuneration Report, Resolution 3 will be put to the meeting.*

SPECIAL BUSINESS

RESOLUTIONS

3. Spill Resolution

Subject to 25% or more of the votes that are cast on Resolution 2 being voted against the adoption of the Directors' Remuneration Report, to consider and, if thought fit, to pass the following ordinary resolution (a 'spill resolution'):

"That:

- (a) an extraordinary meeting of Shareholders ('spill meeting') be held within 90 days of the Company's 2012 Annual General Meeting ('AGM');*
- (b) all the Company's directors (other than the Managing Director) who were in office when the directors' resolution to make Directors' Remuneration Report for the year ended 30 June 2012 considered at the AGM was passed, cease to hold office immediately before the end of the spill meeting; and*
- (c) resolutions to appoint persons to offices that will be vacated immediately before the end of the spill meeting be put to the vote at the spill meeting."*

Notice of Annual General Meeting



4. Re-Approval of Employee Performance Rights Plan

To consider and, if thought fit, to pass, with or without amendment, the following ordinary resolution:

"That, for the purpose of Exception 9(b) in Listing Rule 7.2 and all other purposes, Shareholders re-approve the:

- (a) Company's Employee Performance Rights Plan ('Plan') as described in the Explanatory Memorandum;*
- (b) grant of Rights to ordinary fully paid shares in the Company under the Plan; and*
- (c) issue or transfer of ordinary fully paid shares upon the vesting of Rights under the Plan."*

5. Amendment of Constitution

To consider and, if thought fit, to pass, with or without amendment, the following special resolution:

"That, in accordance with section 136(2) of the Corporations Act 2001 (Cth) and with effect from the close of the 2012 Annual General Meeting, the Company amend its Constitution in the manner outlined in the Explanatory Memorandum and set out in the document tabled at the meeting and signed by the Chairman for the purposes of identification."

Dated: 26 October 2012

By Order of the Board.

Brook Burke
Company Secretary

Notice of Annual General Meeting



Linc Energy Ltd
ABN 60 076 157 045

EXPLANATORY MEMORANDUM

This Explanatory Memorandum forms part of the Notice of Meeting and is intended to provide Shareholders with sufficient information to assess the merits of the resolutions contained in the accompanying Notice of Annual General Meeting (**Notice**) of the Company.

The Directors (**Directors**) of Linc Energy Ltd (**Company**) recommend Shareholders read the Explanatory Memorandum in full before making any decision in relation to the resolutions.

The following information should be noted in respect of the various matters in the accompanying Notice:

Consideration of Reports

The Financial Report, the Directors' Report and the Independent Audit Report for the year ended 30 June 2012 will be presented for consideration.

Resolution 1(a) – Mr Jon Mathews

Article 16.1 of the Company's Constitution provides that at each Annual General Meeting one-third of the Directors (except for the Managing Director), or, if their number is not three or a multiple of three, then the number nearest but not less than one-third, shall retire from office by rotation. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day shall (unless they otherwise agree between themselves) be determined by lot.

Accordingly, pursuant to Article 16.1 of the Company's Constitution and having been determined by lot, Mr Mathews being a Director of the Company, retires by way of rotation and, being eligible, offers himself for re-election as a Director of the Company.

Mr Mathews began his career as a cadet Mine Manager with the Queensland Coal Association and obtained a first class managers certificate. At 29 years of age, he managed Queensland's largest producing underground coal mine at that time.

With over 30 years' experience in the coal industry, Mr Mathews has held positions such as Member of the Executive Committee of the Queensland Coal Association, Chairman of the Underground Mine Managers Committee Queensland, Director of West Moreton Coal Exporters, and Director of Parkhead Rail Terminal and was General Manager of Rhondda Collieries in Queensland for over 10 years.

In recent times Mr Mathews has been heavily involved in mine consulting, risk assessments, and the waste management industry and is currently a Director of three private companies.

Recommendation: The Directors (with Mr Jon Mathews abstaining) unanimously recommend that Shareholders vote **in favour** of this resolution.

Resolution 1(b) - Mr Craig Ricato

Article 16.1 of the Company's Constitution provides that at each Annual General Meeting one-third of the Directors (except for the Managing Director), or, if their number is not three or a multiple of three, then the number nearest but not less than one-third, shall retire from office by rotation. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day shall (unless they otherwise agree between themselves) be determined by lot.

Accordingly, pursuant to Article 16.1 of the Company's Constitution, Mr Ricato being a Director of the Company, retires by way of rotation and, being eligible, offers himself for re-election as a Director of the Company.

Mr Ricato joined the company in April, 2008 as General Counsel and Company Secretary and in September 2010 was appointed to the position of Director, Legal and Corporate Affairs. Mr Ricato holds both legal and accounting qualifications and has extensive experience in the areas of energy & resources law and corporate law.

Recommendation: The Directors (with Mr Craig Ricato abstaining) unanimously recommend that Shareholders vote **in favour** of this resolution.

Resolution 2 - Adoption of Remuneration Report

Remuneration Report

Pursuant to Section 250R(2) of the Corporations Act 2001 (Cth) (**Corporations Act**), a resolution adopting the Directors' Remuneration Report contained within the Directors' Report must be put to the vote.

Shareholders are advised that pursuant to Section 250R(3) of the Corporations Act, this resolution is advisory only and does not bind the Directors or the Company, however the Board will take the outcome of the vote into consideration when reviewing remuneration policies and practices.

The Directors' Remuneration Report is set out within the Directors' Report. The Report:

- Explains the Board's policy for determining the nature and amount of remuneration of executive and non-executive Directors and senior executives of the Company;
- Sets out remuneration details for each Director and the five most highly remunerated senior executives of the Company;
- Details and explains any performance conditions applicable to the remuneration of executive Directors and senior executives of the Company; and
- Provides an explanation of the option-based compensation payments for each Director and senior executives of the Company.

A reasonable opportunity will be provided for discussion of the Directors' Remuneration Report at the meeting.

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As set out in the explanatory notes in relation to Resolution 3 below, if at the 2012 Annual General Meeting 25% or more of votes cast are against Resolution 2, Shareholders will be required to vote on Resolution 3.

Why should shareholders vote in favour of the Remuneration Report?

The Board has noted and considered the no vote received against the 2011 Remuneration Report. After consideration of the feedback received from shareholders and stakeholders, the Board believes that the Company's remuneration strategies should not only deliver sustainable value for its shareholders, but should be appropriate for a complex and diverse global company. However, the Board acknowledges that the Company has not always communicated the policy reasons behind its remuneration practices to shareholders. In particular, the Company recognizes the need for clarity with respect to short term and long term incentives. In this respect the Company's Remuneration Committee is working with external consultants to undertake a formal review of the Company's remuneration and benefits strategy and is committed to the introduction in the 2012/2013 year of a new system of reward with a clear and direct link to organizational performance for an emerging Company such as ours.

Many of the existing remuneration practices were put in place at the time the Company listed in 2006 and, whilst they were considered appropriate at the time, the Board acknowledges that they must be updated as the Company moves into the commercial phase of its development.

A particular concern raised by stakeholders and shareholders has been the fixed increase in the salary of the Managing Director and CEO over three years. The Company's view is that the CEO's salary was low when compared to that of CEOs in peer companies and the increase was designed to ensure parity with the market.

The Board strongly believes that the Company's past remuneration arrangements are reasonable and sound but also recognizes that the Company's future remuneration practices need to reflect the Company's place in the world, developments in market and that the rationale for its remuneration practices should be clearly communicated to shareholders.

Recommendation: As the Directors have a personal interest in the proposed resolution they make no recommendation as to how Shareholders should vote on this resolution.

Resolution 3 – Spill Resolution

At the 2011 Annual General Meeting more than 25% of votes were cast against the adoption of the 2011 Directors' Remuneration Report. If at the 2012 Annual General Meeting 25% or more of votes cast are against the adoption of the Directors' Remuneration Report under Resolution 2, Shareholders will be required to vote on this resolution (known as a 'spill resolution') on whether another general meeting of the Company (known as a 'spill meeting') at which all of the Company's Directors (other than the Managing Director) must stand for re-election should they wish to continue as Directors.

Spill Meeting

If the spill resolution (which is an ordinary/majority resolution) is passed the Company must hold the spill meeting within 90 days after the spill resolution was passed. The

Notice of Annual General Meeting



Company intends to hold any such spill meeting immediately following the closing of the Annual General Meeting. A notice of extraordinary general meeting for the spill meeting has been sent to Shareholders at the same time as the Notice of Annual Meeting the subject of this Explanatory Memorandum. The notice of extraordinary general meeting contains resolutions for the re-election of the Company's Directors and resolutions for the election of those persons (if any) who have nominated for election to the office of director in accordance with the Company's Constitution.

All the Company's Directors, (other than the Managing Director) who were directors of the Company when the director resolution to make the Directors' Remuneration Report considered at the 2012 AGM was passed, will cease to hold office immediately before the end of the spill meeting and the directors appointed by the spill meeting will commence to hold office at the end of the spill meeting.

Notwithstanding the results of the spill meeting, the Company may retain three Directors (or two plus the Managing Director), being the minimum number of directors required for a public company under the Corporations Act. If no person receives sufficient votes to be elected as a director by way of ordinary resolution, then the directors that are retained to maintain the statutory minimum will be those candidates for election with the most votes cast in favour of their election at the spill meeting, even if less than half the votes cast on the resolution were in favour of their appointment. If two or more persons have the same percentage of votes in favour of their appointment, the other Directors will choose one of those persons as the appointed director.

The Company is not required to disregard any votes cast, including by Key Management Personnel (KMP) or a KMP's 'closely related party', at the spill meeting.

Recommendation: As the Directors, other than the Managing Director, have a personal interest in the proposed resolution they make no recommendation as to how Shareholders should vote on this resolution. The Managing Director recommends that Shareholders vote **against** this resolution.

Resolution 4 – Re-Approval of Employee Performance Rights Plan

Background

Shareholder approval is sought in accordance with Listing Rule 7.2 for the issue of Rights pursuant to the Company's Employee Performance Rights Plan (the 'Plan'). The Plan contemplates the issue to eligible employees of Performance Right, each of which upon vesting entitles the eligible employee to a fully-paid ordinary share in the Company.

Reasons for the Plan

In line with the Company's remuneration philosophy, the Board believes that appropriately designed equity based plans are an important component of the Company's remuneration arrangements.

The Board believes that in order to attract and retain talented directors and employees and to provide a long-term incentive which continues to align the interests of Directors and employees with the Company's strategies, a flexible equity based plan should be established to allow the Board to grant different types of performance-based awards depending on the prevailing circumstances.

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The objectives of the Plan are to:

- reward the achievement of excellent results by providing the opportunity to talented employees to accumulate equity in the Company;
- attract and retain talented employees in the Company; and
- increase Shareholder value by motivating key employees.

Listing Rules

Listing Rule 7.1 requires Shareholder approval for an issue of equity securities, including rights, if, over a 12 month period, the amount of equity securities issued is more than 15% of the number of ordinary shares on issue at the start of the 12 month period. However, certain issues are exempt from Listing Rule 7.1 and are effectively disregarded for the purposes of counting the number of securities that a company may issue under Listing Rule 7.1.

Exempt issues include an issue of securities to persons participating in an employee rights scheme where Shareholders at a general meeting held not more than 3 years before the date of issue have approved the issue of securities under the scheme under Listing Rule 7.2 Exception 9. At the Company's 2009 Annual General Meeting Shareholders approved the adoption of the Plan in accordance with Listing Rule 7.2 Exception 9 and accordingly re-approval of the Plan is required.

In order to take advantage of the exception from Listing Rule 7.1 and allow the Company greater flexibility to issue securities, Shareholders are requested to approve the Plan under Listing Rule 7.2 Exception 9. This approval will be effective for a period of 3 years from the date of the passing by Shareholders of Resolution 4.

The Plan was and will be offered to employees under ASIC Class Order 03/184 Employee Share Schemes. At such time, the Board may determine the number of shares and issue price (if any), subject to the Corporations Act and Listing Rules. The number of shares which may be issued under the Plan is subject to an effective limit of 5% of the Company's total issued share capital, subject to certain excluded offers under section 708 of the Corporations Act.

Summary of the Plan

Under the Plan, the Board may grant rights to an employee or executive director of the Company or any wholly owned subsidiary or controlled entity of the Company whom the Board decides in its absolute discretion is eligible to be invited to receive a grant of Rights in the Plan from time-to-time and who is not prohibited from participating in the Plan under the terms and conditions of the Plan.

Mandatory vesting of Rights will occur when the specified conditions and performance measures are satisfied. Each Right, when vested, will automatically convert to one fully paid ordinary share in the Company. The Rights are generally granted to vest in equal instalments over a period of between three and five years.

The Company may acquire fully paid ordinary shares on market and transfer, or issue new shares, to holders on vesting of Rights. The Company will not apply for ASX quotation of any rights issued under the Plan. The Rights are not assignable.

Any shares issued or transferred as a result of the vesting of Rights issued under the Plan will rank equally with existing fully paid ordinary shares in the Company, in all respects including voting rights, entitlements to dividends and future entitlement issues.

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The number of Rights issued under the Plan since the last approval are:

Number of Rights issued at date of this Notice	21,134,753
Number of Rights that did not vest	4,282,076
Number of Rights that did vest	9,267,782
Balance of Rights issued and not currently vested	7,584,895

Recommendation: Each Director not eligible to participate in the Plan (being each non-executive director) recommends that Shareholders vote **in favour** of this resolution.

Resolution 5 – Amendment to Constitution

The Company's current Constitution was adopted in November 2005 and has not been amended since that time. In the intervening period there have been a number of changes to the Corporations Act, to the Listing Rules and to corporate governance principles and practices.

The Board considers that it is appropriate to now update the Company's Constitution to ensure that it is consistent with applicable regulatory requirements and to facilitate the efficient operation of the Company. The Constitution can only be amended by a special resolution passed by at least 75% of Shareholders present and voting at a general meeting whether in person, by proxy or attorney or, in the case of a corporate Shareholder or proxy, by a natural person representative.

A copy of the Company's Constitution showing the proposed changes is available at the Company's website at http://www.lincenergy.com/asx_announcements.php and a hardcopy is available for inspection at the Company's registered office at 32 Edward Street, Brisbane, Queensland, Australia.

Summary of the proposed amendments to the Constitution

A summary of the principal changes proposed to the Company's Constitution is set out below:

Sale of Small Holdings

A new clause 8.8 which is proposed to be inserted reflects a mechanism in Listing Rule 15.13 which would allow the Company to sell a Shareholder's small holding (ie a holding less than a 'marketable parcel' of shares, being a parcel of shares with a value of at least \$500) unless the holder gives notice to the Company by a specified date that they wish to keep their shares. The procedure may only be invoked once in any 12 month period and the Company must notify the Shareholder in writing of its intention to do so. The mechanism will allow Shareholders with small holdings to dispose of their shares at no cost. The ability of the Company to sell small holdings in accordance with this proposed rule will allow the Company to achieve a more efficient investor base and reduce share registry and administration costs associated with small holdings.

Directors

(1) Retirement Benefits

Clause 13.6 (Retirement Benefits) is proposed to be removed. This clause currently allows the payment of benefits, including to non-executive Directors. Payment of retirement benefits to non-executive directors is not in line with best practice standards of corporate governance eg ASX Corporate Governance Council, *Principles of Good Corporate Governance and Best Practice Recommendations*.

(2) Election of Directors

The Director retirement provisions in clause 16 are proposed to be amended to remove the requirement that one-third of the Directors (not including the Managing Director) retire at each Annual General Meeting. Given the relatively small size of the current Board, some Directors have been required to seek re-election at intervals shorter than 3 years. Directors will still be required to retire every three years under the amended provisions and the provisions remain consistent with the requirements under the Listing Rules.

(3) Proceedings of Directors

Clause 18.3 is proposed to be amended to clarify that in the case of an equality of votes, the Chairman of the meeting has a casting vote in addition to the Chairman's deliberative vote.

Clause 18.10 is proposed to be amended to allow Directors to validly pass a resolution without convening a meeting (ie a circular resolution) provided the resolution is signed or consented to by a relevant majority of Directors. A relevant majority of Directors is constituted by either:

- (a) A majority of Directors for the time being in Australia entitled to vote on the resolution; or
- (b) A majority of Directors entitled to vote on the resolution.

This proposed amendment is intended to facilitate the passing of resolutions by the Board.

Dividends

Clause 23 is proposed to be amended to reflect changes to the Corporations Act in June 2010 which removed the former requirement that dividends be only paid out of profits of the Company. The amendments to clause 23 ensure the Company's Constitution is aligned with the dividend payment requirements of the Corporations Act.

Indemnities and Insurance

Clause 26 in relation to the directors', secretaries', executive officers' and employees' indemnity and insurance is proposed to be amended to ensure the scope of the indemnities and insurances provided in the Constitution remain consistent with the requirements of the Corporations Act and current market practice including that the Company may pay a premium for a contract insuring a person who is or has been a director, secretary or executive officer acting in that capacity against costs and expenses in defending proceedings, whether civil or criminal, whatever their outcome against liability arising from negligence or other conduct, but not conduct involving a wilful breach of duty in relation to the Company or conduct that involves an improper use of position or information.

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Corporations Act

An addition rule 29 (Corporations Act) is proposed to be included as an additional rule to address any potential inconsistencies between the Constitution and the Corporations Act by ensuring that the Corporations Act will prevail to the extent of any inconsistency. This proposed rule is intended to avoid the necessity of Shareholders being required to approve changes to the Constitution in the event of any future inconsistency.

General

A number of minor amendments are proposed to the Constitution to address changes of terminology that have occurred since the Constitution was originally adopted.

Board Recommendation: The Board unanimously recommends that Shareholders vote **in favour** of this resolution.

Voting

Point at Which Voting Rights are Determined

The regulations of the Corporations Act permit the Company to specify a time, not more than 48 hours before the meeting, at which a 'snap-shot' of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the meeting.

The Company's Directors have passed a resolution to the effect that all shares of the Company that are quoted on the ASX at 6:00pm (AEST) on 27 November 2012 shall, for the purposes of determining voting entitlements at the Annual General Meeting, be taken to be held by the persons registered as holding the shares at that time.

Restrictions on Voting

Resolution 2- Remuneration Report	The Company will disregard any votes cast (in any capacity) on Resolution 2 by or on behalf of a member of the Key Management Personnel (KMP) or a KMP's 'closely related party' unless the vote is cast as proxy for a person entitled to vote in accordance with a specific direction on a proxy form. A 'closely related party' is defined in the Corporations Act and includes a spouse, dependent and certain other close family members as well as any companies controlled by the KMP.
Resolution 3- Spill Resolution	The Company will disregard any votes cast (in any capacity) on Resolution 3 by or on behalf of a member of the Key Management Personnel (KMP) or a KMP's 'closely related party' unless the vote is cast as proxy for a person entitled to vote in accordance with a specific direction on a proxy form. A 'closely related party' is defined in the Corporations Act and includes a spouse, dependent and certain other close family members as well as any companies controlled by the KMP.

Notice of Annual General Meeting



Resolution 4- Re-Approval of Employee Performance Rights Plan	The Company will disregard any votes cast on Resolution 4 by a Director (except a Director who is ineligible to participate in any employee incentive plan) and an associate of a Director (except a Director who is ineligible to participate in any employee incentive plan).
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However, the Company will not disregard a vote if:

- It is cast by a person as a proxy for a person who is entitled to vote, in accordance with directions on the proxy form; or
- It is cast by the person chairing the Meeting as a proxy for a person who is entitled to vote in accordance with directions on the proxy form to vote as the proxy decides.

Chairman's Undirected Proxies

The Chairman of the meeting will vote undirected proxies on, and in favour of, all of the proposed resolutions except for Resolution 3 (Spill Motion). Any undirected proxies held by the Chairman of the meeting will be voted against Resolution 3. Accordingly, if you appoint the Chairman of the meeting as your proxy, you should direct the Chairman how to vote on Resolution 3 (ie by directing the Chairman to vote 'for', 'against' or 'abstain') unless you wish your shares to be voted against that resolution.

Voting by Proxy

Please note that:

- a) a member of the Company entitled to attend and vote at the General Meeting is entitled to appoint not more than two proxies;
- b) a proxy need not be a member of the Company; and
- c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion is not specified each proxy is entitled to cast half of the number of votes.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms.

Corporate Representative

In order to vote on behalf of a company that is a Shareholder in the Company, a valid Appointment of Corporate Representative form must be either lodged with the Company prior to the General Meeting or be presented at the meeting before registering on the Attendee Register for the General Meeting.

If you have not elected to receive a hard copy of our annual report, you are still able to view and download a copy by visiting our website www.lincenergy.com.



Linc Energy Ltd

ABN 60 076 157 045

LODGE YOUR VOTE



ONLINE ➔

www.linkmarketservices.com.au



By mail:
Linc Energy Ltd
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



By fax: +61 2 9287 0309



All enquiries to: Telephone: (02) 8280 7454

SHAREHOLDER VOTING FORM

I/We being a member(s) of Linc Energy Ltd and entitled to attend and vote hereby appoint:

STEP 1

APPOINT A PROXY

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**the Chairman
of the Meeting
(mark box)**

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy. I/we appoint the Chairman of the Meeting as an alternate proxy to the person named.

If no person/body corporate is named, the Chairman of the Meeting, is appointed as my/our proxy and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at 3:00pm on Thursday, 29 November 2012, at the Mezzanine Level Room M3, Brisbane Convention & Exhibition Centre, Corner of Merivale & Glenelg Streets, South Bank, Brisbane and at any adjournment or postponement of the meeting. I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

The Chairman of the Meeting intends to vote undirected proxies in favour of all items of business except resolution 3. The Chairman of the Meeting intends to vote undirected proxies against on resolution 3.

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

STEP 2

VOTING DIRECTIONS

ORDINARY BUSINESS

Resolution 1(a)

Re-election of Director - Mr Jon Mathews

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SPECIAL BUSINESS

Resolution 3

Spill Resolution

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Resolution 1(b)

Re-election of Director - Mr Craig Ricato

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Resolution 4

Re-Approval of Employee Performance Rights Plan

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Resolution 2

Adoption of Remuneration Report

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Resolution 5

Amendment to Constitution

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* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

LNC PRX201R



HOW TO COMPLETE THIS PROXY FORM

Your Name and Address

This is your name and address as it appears on the company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Step 1. If you appoint someone other than the Chairman of the Meeting as your proxy, you will also be appointing the Chairman of the Meeting as your alternate proxy to act as your proxy in the event the named proxy does not attend the meeting.

Votes on Items of Business - Proxy Appointment

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form and return them both together. The appointment of the Chairman of the Meeting as your alternate proxy also applies to the appointment of the second proxy.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together.

Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

Corporate Representatives

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the company's share registry.

Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **3:00pm on Tuesday, 27 November 2012**, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE  www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the proxy form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the proxy form).



by mail:

Linc Energy Ltd
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



by fax:

+61 2 9287 0309



by hand:

delivering it to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138 or Level 12, 680 George Street, Sydney NSW 2000.

**If you would like to attend and vote at the Annual General Meeting, please bring this form with you.
This will assist in registering your attendance.**