

Quarterly Report

1 July 2012 – 30 September 2012



Linc Energy Ltd

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HIGHLIGHTS

OIL & GAS

- Appraisal drilling campaign at Umiat begins with commencement of snow road from Dalton Highway to drill site. Drilling rig staged at Deadhorse with mobilization to begin in mid-December with first well spud in mid-January.
- New Gulf Coast drilling portfolio of 50+ wells sets table for next major phase of production growth.
- Capital program assured through issuance of US\$265 million bond.
- Final infrastructure engineering continues in Wyoming for EOR project. Potential long term CO₂ source identified.

CLEAN ENERGY

- Significant progress towards agreement on detailed commercial terms with Exxaro to support the commercialisation of UCG and GTL in Africa.
- Renewed assessment of opportunities in Queensland for commercial UCG to GTL following the recent change in state Government.
- Continued progress towards UCG Research and Development License Application in Wyoming.
- Ongoing evaluation of coal resources for commercial UCG project suitability in Poland, Australia, Africa, the USA and Asia.

COAL

- The divestment / joint venture strategy has been further defined with priority options being targeted in coming months.
- The drilling program for the Pre-Feasibility Study is now complete and JORC Reserve statements expected to be complete by the end of the calendar year.
- The works program for the EIS study has progressed in line with expectations. The ground water monitoring data collection process is underway which will enable the submission of the EIS for approval in Q2 2013.

SAPEX (Shale)

- Work during the period focused on the technical evaluation of organic rich shales discovered in last year's Arckaringa Basin exploration program.
- SAPEX has been preparing a complete data base and other management presentation materials required to prepare for a sale process aimed at finding an experienced industry partner to join the Company in a JV or other arrangement to further explore and develop the potential shale oil resource.

DIRECTORS

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

CORPORATE

Corporate Governance

The Company is pleased to announce that Mr Ken Dark was appointed as permanent Chairman of the Company at the last meeting of the Board. Mr Dark has previously held the position of Acting Chairman of the Company.

Cash Position and Finance Facilities

Closing cash at the end of the Quarter was \$22.8 million. During the Quarter Linc Energy drew a further \$30.0 million of the \$120.0 million Fortress Line of Credit Facility, taking total drawings to \$90.0 million. Linc Energy also announced on 6 September 2012 that it had reached agreement with Fortress to extend the term of the facility by approximately three years to 24 July 2015.

The current Quarterly cashflow statement does not reflect the impact of the Group's first ever corporate bond issue and the restructuring of the Group's other credit facilities which were completed on 15 October 2012. The Group raised a total principal amount of US\$265.0 million (US\$245.0 million net of discount and fees) via the issue of 12.5% Senior Secured Notes with a maturity of 31 October 2017. The net proceeds will be used to fund capital expenditures, repay existing debt and for general corporate purposes. The bonds are non-recourse to Linc Energy Limited but are secured against the assets of Linc

Energy Resources Inc, essentially comprising the Group's US oil & gas assets in the Gulf Coast, Wyoming and Alaska.

As a result of the restructuring and increase of the Oil & Gas division debt facilities, US\$130.0 million of the funds raised were used to repay the Wells Fargo Reserve Based Lending Facility ("RBL Facility"). This facility was replaced by a Wells Fargo Asset Based Lending Facility ("ABL Facility"), at a comparable interest rate to the RBL Facility with an initial limit of US\$50.0 million. An additional US\$25.0 million may become available subject to successful syndication. The ABL Facility may also be increased over time with increased production, under the terms of the bond covenants. This facility is currently undrawn.

Subsequent to the end of the Quarter and following receipt of the proceeds of the Group's corporate bond issue, \$67.0 million of the line of credit facility was repaid, resulting in a current balance at 31 October 2012 of \$23.0 million. In conjunction with the bond issue, the limit on the line of credit facility was reduced to \$90.0 million, resulting in available funds at 31 October 2012 of \$67.0 million.

A comparison of the Group's finance facilities before and after the issue of the bonds is set out below:

Facility	Limit pre – bond	Limit post – bond	Amount drawn post – bond
<i>United States</i>			
Reserve Based Lending Facility	US\$130,000,000	N/A	N/A
12.5% Senior Secured Notes	N/A	US\$265,000,000	US\$265,000,000
Asset Based Lending Facility	N/A	US\$50,000,000	US\$Nil
<i>Australia</i>			
Fortress Line of Credit Facility	A\$120,000,000	A\$90,000,000	A\$23,000,000

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Cash Flow

Cash received during the Quarter from oil & gas production was \$22.3 million while Linc Energy's gross revenue for the Quarter was \$23.9 million taking into account movements in accrued revenues. A net of \$0.4 million was paid in respect of oil hedges required by the Reserve-Based Lending Facility.

Other material payments during the fourth Quarter included:

- Exploration expenditure of \$10.3 million, related to the resource definition and EIR related drilling at the Teresa project of \$7.6 million (last Quarter: \$5.2 million), \$1.8 million related to preparations for the Umiat winter drilling program in Alaska (last Quarter: \$1.2 million) and \$0.3 million for UCG coal exploration in Alaska.
- Development costs of \$14.2 million (last qtr: \$9.7 million) represent Gulf Coast drilling and recompletion costs. Dry hole costs for the Quarter amounted to \$5.2 million in respect of two plugged and abandoned wells.
- Production costs of \$5.8 million (last Quarter: 3.0 million) relate primarily to the Gulf Coast Oil & Gas business (\$5.3 million) and Yerostigaz (\$0.5 million). Production costs are higher than expected this Quarter due to the timing of creditor payments in respect of expenses from the previous Quarter.
- Administration costs were \$14.7 million (last Quarter: \$15.6 million). This decrease reflects the impact of the cost cutting program implemented at the end of the previous Quarter. These savings were achieved across a variety of corporate and administrative areas including travel, legal fees, consultants, marketing, office rent and utilities. Additional administrative cost saving initiatives are being undertaken by the Company to further reduce this expense.
- CTL technology development costs and Chinchilla site operations amounted to \$4.5 million (last Quarter: \$6.9 million).

These costs were previously classified as development costs in item 1.2 but have been reclassified separately to provide a clearer picture of the Group's cashflows.

- Interest and other costs of finance paid of \$4.7 million (last Quarter: \$2.7 million) included a refinancing fee of \$1.2 million paid to Fortress on extension of the Line of Credit Facility, \$2.1 million in interest and undrawn line fees relating to the Line of Credit Facility and \$1.4 million relating to the RBL facility.
- The Group also paid \$3.0 million to buy out a 10% Net Profit Interest in the Glenrock oil field in Wyoming. The acquisition of this interest significantly increases the long term returns to the Company from the EOR project.

During the quarter the Group received a \$3.7 million cash tax credit from the Alaskan Government for exploration conducted during 2011/2. The cashflow for the current Quarter also benefits from approximately \$1.3 million in savings resulting from the redundancies made at the end of the previous Quarter, combined with one less fortnightly pay period in Australia in this Quarter.

First Quarter FY2013 Operational Results

- Production approximately 4200 BOPD (gross)
- On target for 6000 BOPD to 7000 BOPD (gross) by year end
- Operations for Umiat winter drilling program commenced

Quarterly production results are driven materially by US oil & gas production.

Highlights for the fourth Quarter include:

- Average daily production of 3,851 (Gross)/2,830 (Net) barrels, a 35% increase in gross production compared to the previous Quarter.
- Total barrels sold increased from 259,890 in Q4 to 353,240 for the current Quarter. Linc Energy's share of sales was 250,473 (last Quarter: 189,046) barrels (70.91%).

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- Average sale price per barrel was A\$102.16¹ with average lease operating expenses (production costs) of A\$23.45 per barrel (last Quarter: A\$36.60) which were lower due to increased workover activity during the Quarter.

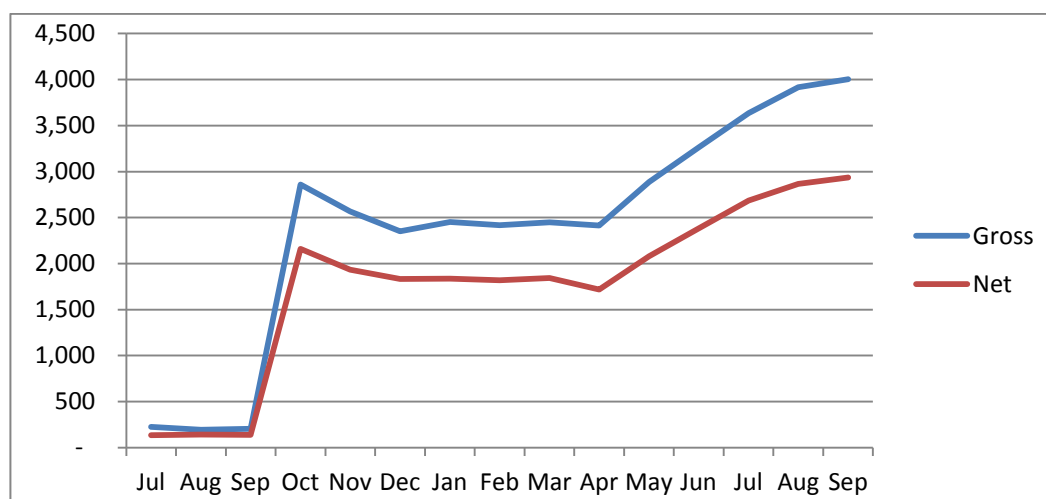
Notes:

1. All current Quarter figures are calculated using an average exchange rate for the Quarter of A\$1.00/US\$1.03.
2. Production figures are final reconciled and include true-ups from prior month.

The Group's aggressive drilling campaign in the Gulf Coast has had a material impact on production during the last Quarter, as the chart below illustrates. A total of approximately 2,000 barrels per day of initial production was brought online during the period, offset by natural decline of approximately 10,000 barrels per day, resulting in a net increase in average production for the Quarter of 995 barrels per day.

Month	Gross Production (Bbls) ²	Average Bbls per Day Production
April 2012	72,451	2,415
May 2012	89,553	2,889
June 2012	97,886	3,263
Total/Avg	259,890	2,856
July 2012	112,706	3,636
August 2012	121,442	3,917
Sept 2012	120,145	4,005
Total/Avg	354,293	3,851

LINC ENERGY OIL PRODUCTION (BOPD)



Linc Energy remains confident of reaching its previously announced production target of 6,000 to 7,000 Gross barrels per day by December, 2012. The Group is expecting cash outflows of approximately \$23.5 million (including payment of accrued creditors at the end of September) on development activities in the second Quarter of FY2013. The Group currently has 3 drilling rigs and 5 workover rigs operating in the Gulf Coast area.

Adani Royalty

Adani Mining Pty Ltd ("Adani"), a subsidiary of India's Adani Group, acquired the Carmichael Coal tenement from Linc Energy in August 2010 for \$500 million in cash together with a significant royalty (\$2 per tonne (indexed to CPI) over the first twenty years of production).

With one of the largest single coal resources in Australia, Adani has identified that the tenement has the potential to produce 60 million tonnes of coal per annum. The Carmichael mine and rail project was declared a significant project by the Queensland Government in November 2010.

Since the acquisition, Adani has undergone an extensive drilling campaign, progressed their mine planning studies and has done substantial work on the Environmental Impact Statement (EIS) for both the mine and the rail. Importantly, Adani has also made significant progress on the infrastructure to support the development including acquiring the Abbot Point coal terminal which provides the basis of its proposed T0 expansion and working with North Queensland Bulk Ports (NQBPP) as a preferred proponent at the proposed Dudgeon Point coal terminal.

Adani has set itself the following goals to achieve by 2020:

- 20,000 Megawatts of thermal power generation;
- 200Mt of coal resources (mined and managed);
- 200Mt of cargo handling capability; and
- 20 capesize ships with a 170,000 SWT capacity.

The Carmichael tenement is predominantly targeted at meeting the fuel requirements for Adani's own power plants plus its trading portfolio.

Project Update

The Carmichael mine will start overburden removal operations towards the end of 2013 with exports to occur in first Quarter 2016. The ramp up to full production (60 Mtpa) is expected to occur on or before 2022.

The field assessment work needed for the EIS submission is well underway, including hydrology, hydrogeology, flora, fauna and ground water studies and Adani expects to finalise the EIS in mid-2013. Adani has undergone an extensive exploration program on the asset with the goal to finalising the mine plan ahead of development and construction work towards the end of 2013.

Adani has satisfactorily resolved a majority of the landowner issues relating to the Carmichael tenement and is working with landowners along the rail route. Adani is working closely with the landowners to resolve any outstanding issues and does not see the project being impeded in any manner by land access issues.

Adani is planning the construction of a 185 kilometre rail line from the proposed Carmichael mine to Moranbah. This route has been selected as 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.

On 6 June 2012, the Queensland Government announced two rail corridors to service new and existing coal mines in both the Galilee and Bowen Basins. The east-west corridor is substantially the same as Adani proposed in its EIS and Adani is negotiating with QR National to determine the best options to reach Abbot Point as well as Dudgeon Point and thus maintain flexibility to export its cargo.

CORPORATE

Importantly, the Government stated that they will work towards declaring State Development Areas to define these two preferred corridors within which the Government's powers of compulsory land acquisition can be exercised to fast track the development.

The Adani Group has established itself as one of the key players in the tightly held and extremely valuable Australian port business. This complements their existing port business in India but, more importantly, provides them with multiple options to export the large volumes of coal from the Carmichael mine.

In June 2011, Adani purchased Terminal One at Abbot Point for approximately A\$1.83 billion. This terminal has the capacity to export approximately 50 Mtpa.

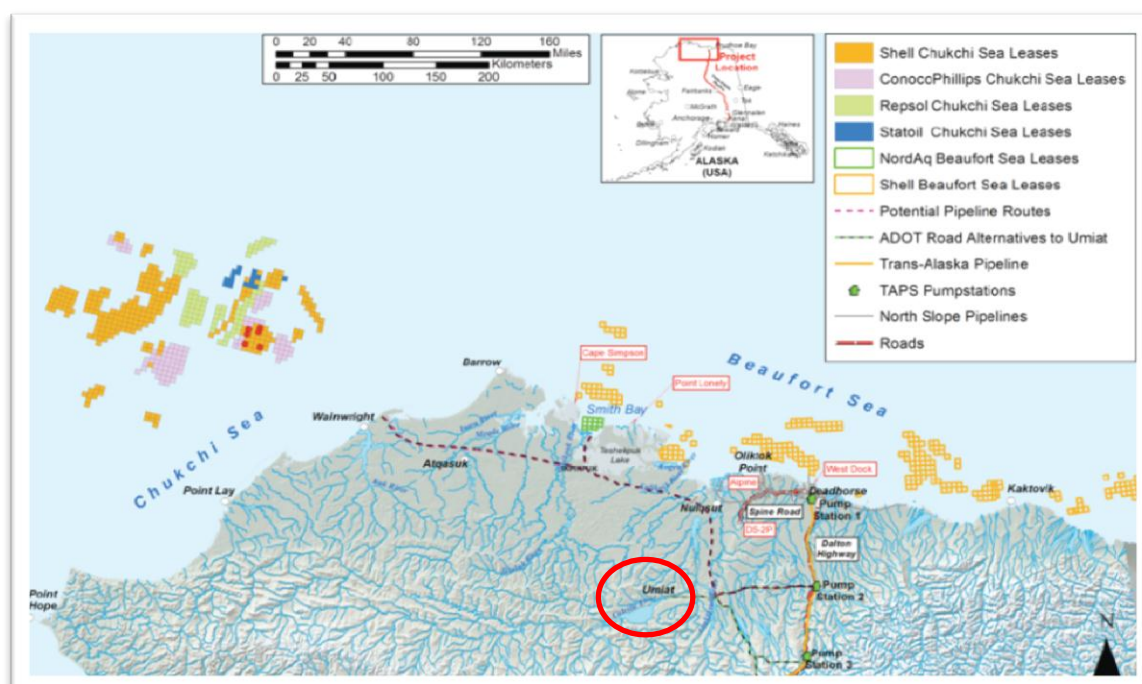
Exploration and Production

Alaska

The Company has commenced its appraisal drilling program at its Umiat field on Alaska's North Slope. The program includes construction of approximately 100 miles of snow road, drilling and testing of shallow vertical and horizontal delineation wells, as well as drilling and testing of a deep exploration well. The information gained from

this program will help to validate the geological model, define the extent of the reservoirs, determine oil and rock properties for input in a reservoir simulation model, determine comparative production rates for horizontal and vertical completions, and gather information on deeper reservoirs.

Meanwhile, the Company continues its permitting activities, community and agency consultation, and creation of the Project Description and Plan of Development.



Gulf Coast (Texas & Louisiana)

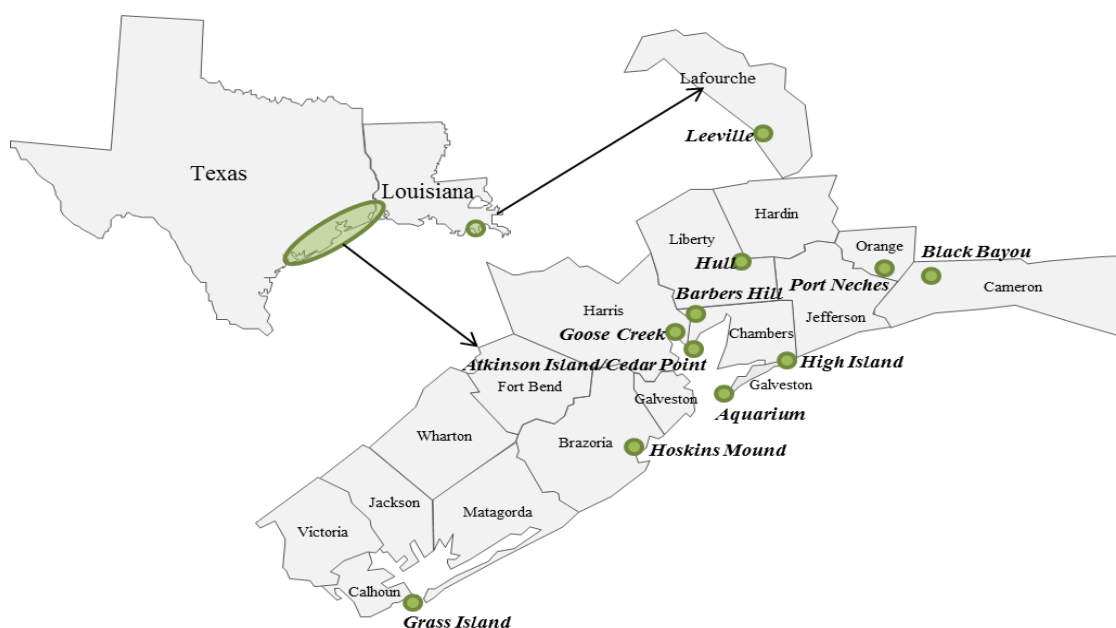
This month Gulf Coast celebrates its first anniversary. We have expanded from an initial staff of 12 to an integrated team of 50 technical experts in exploration, drilling, land, operations, engineering, legal, GIS mapping, accounting and finance, as well as a strong support staff. Since the acquisition of the Gulf Coast assets, the Company has drilled 19 wells and recompleted 12 wells with cumulative initial production rates of 4,000 BOPD.

Our results reflect the challenges associated with the high initial decline reservoirs typically found on the Gulf Coast. We have established

a stable production platform of more than 4,000 BOPD which is a springboard to our previously announced production range of 6,000 to 7,000 BOPD by end of 2012.

On a forward looking basis, the Company has organically and systematically developed a 50+ well drilling portfolio and successfully completed a \$265 million bond offering. The Company has become a strong stand alone business unit fully prepared for dramatic growth. Our new portfolio now emphasizes significantly larger reservoir targets identified by our geologic team though the interpretation of 3D seismic and extensive subsurface mapping.

OIL & GAS



Additionally, the Company has devoted significant attention and resources to repairing and replacing aging field infrastructure which will enhance existing production through the prevention of downtime and facilitate additional production through expansion of storage and transportation capacity.

Well results for the Quarter include the following:

The Kirby B46 well at Barbers Hill was successfully completed, encountering over 242 feet of gross pay in 8 intervals. Average production to date: 238 BOPD.

The Welch Foundation #4 well at Hoskins Mound completed, encountering over 90 feet of gross pay in 2 intervals. Initial production for the deepest interval was 270 BOPD. This interval has since depleted and a recompletion to a shallower interval has commenced.

The Welch Foundation #6 well at Hoskins Mound was successfully drilled and completed, encountering over 40 feet of gross pay in 2 intervals. Average production to date: 290 BOPD.

The Wilburn B14 well at Barbers Hill was successfully drilled and completed, encountering over 210 feet of gross pay in 5

intervals. Average production to date: 60 BOPD.

The Wilburn A-24 well at Barbers Hill was successfully drilled and completed, encountering over 85 feet of gross pay in 1 interval. Average production to date: 47 BOPD.

Recompletions were performed in Barbers Hill on the Higgins #1 (10 BOPD), Wilburn JA-22 (200 BOPD), Higgins #5 (43 BOPD), L.E. Fitzgerald 2D (180 BOPD), Wilburn E8 (258 BOPD), Kirby Pet. Co. #5 (47 BOPD), and Higgins #10 (86 BOPD).

Recompletions have commenced on the J.B. Watkins #90 and J.B. Watkins #231 wells at Black Bayou.

The A.E. Barber #17 well was side-tracked, drilled to total depth, and completion operations are pending.

Drilling has commenced at Barbers Hill on the A.E. Barber #18 and Winfree Heirs #13 wells.

OIL & GAS

Wyoming

Final infrastructure engineering continues in Wyoming for our Glenrock EOR project. We have commenced discussions with 2 major companies capable of supplying large volumes

of CO₂ on a long term basis. Consummation of either of these arrangements in conjunction with the final engineering design would allow us to initiate our planned tertiary recovery project resulting in ultimate production levels in excess of 10,000 BOPD.



CLEAN ENERGY

Overview

In the July 2012 Quarterly Report, recognition was given to the need for a renewed focus of the Clean Energy Division on the furthering of Linc Energy's UCG commercialisation strategy since implementation of the Company's four division model in March 2012.

Since this time, very good progress has occurred across the Clean Energy Division in the development of sound commercial propositions and partnerships across a number of jurisdictions. The importance of partnering in the deployment of UCG internationally is increasingly acknowledged as providing a necessary platform for timely and successful commercial deployment and will continue to be actively pursued in conjunction with the development of Linc Energy's own coal resources.

The Company is excited by the new and consolidated pipeline of commercial projects that have been developed over the past 3 months, the majority of which will see the injection of funds into Clean Energy's operations to support its existing cost base and UCG deployment activities. This is an important strategic move by the Division that gives tangible third party recognition to the value inherent in Linc Energy's UCG and downstream capabilities and provides focus to those projects and partnerships which have the most realistic chance of an expeditious deployment programme with credible and market leading partners.

Based on discussions that have taken place over the past Quarter, the Company expects agreements to be reached on initial assessments for a number of commercial projects over the next Quarter. Linc Energy will have a first right of refusal on the development of all projects to which it agrees to undertake feasibility assessments in partnership.

Commercial terms are currently being negotiated for commercial scale projects (in addition to those already in the public arena) in Eastern Europe, Asia and North America.

As a number of these discussions remain commercially sensitive, further information cannot be provided unless a material event occurs, in which case an announcement will be made to the market.

The following provides an update on key initiatives across the Clean Energy business and the progress made in the past Quarter.

China

The Company is aware of speculation as to the status of the agreement with GCL regarding the Joint Venture proposed for the deployment of UCG into China.

Despite both Linc Energy and GCL experiencing an extremely busy Quarter across all areas of their respective businesses, progress has been made and several high level meetings have taken place, reconfirming the commitment of both parties to the establishment of the proposed Joint Venture in China.

Linc Energy has undertaken to work closely with GCL to conclude the agreement on or before the end of 2012.

China remains a key region for Linc Energy given the country's vast supply of indigenous coal and high demand for energy which can be supplied from UCG derived syngas (whether as a gas or liquid). There is no shortage of interest from Chinese coal companies to explore the utilization of UCG in China and so the Company remains confident of completing an agreement for the deployment of its UCG and downstream technology with GCL in China in the short to medium term.

Africa

Following completion of the UCG screening study with Exxaro earlier this year, and acceptance of its recommendations by both parties, the last three months has seen a ramp up in commercial activity relating to the agreement of terms under which Linc Energy and Exxaro would partner, both in South Africa and elsewhere (as appropriate).

CLEAN ENERGY

Substantial progress has been made during this time with respect to terms defining the majority of key principles of licensing and partnering between the two companies forming the basis for Exxaro to utilise Linc Energy's UCG technologies and know how to develop projects and opportunities in partnership.

This is clearly a major step forward in the commercialisation of Linc Energy's UCG technology not only in Africa, but also globally and reaffirms the company's renewed strategy to realign its Clean Energy focus away from R&D and exploratory drilling, and towards project commercialisation.

Further guidance of the arrangement and associated terms will be made to the market once the commercial terms are approved by the Boards of both companies, which is anticipated this Quarter.

Queensland - Chinchilla

As Linc Energy's Gasifier 5 (G5) nears its first anniversary of operation in late October 2012, the Company continues to be encouraged by the advances made at the plant and the level of interest received from the international community in visiting Chinchilla. This increased level of interest from the international community in the successes of Chinchilla continues to affirm growing interest in UCG and the opportunities to utilize this world leading technology to support local energy demand around the world.

During the past three months, G5 continued operation providing syngas to the Chinchilla GTL facility. Consistent with the site's operational plan, the G5 gasification cavity was again repositioned within the horizontal well to expose a new coal resource for continuous gasification. This continued successful repositioning of the cavity further underlines commercial readiness of Linc Energy's technology.

The opportunity was taken during cavity repositioning to implement further improvements to the oxygen injection technology. Oxygen enrichment operation

continued following repositioning with data collected to further validate Linc Energy's commercial UCG design and models. Further detailed gas characterization was done at various enrichment levels with a focus on changes in minor gas species.

Gasifier 5 has now developed a number of cavities over the 11 months of continued operation. Further electro seismic exercises were performed to map the progress and cavity formation. These results are used to align and validate the geophysical models developed by Linc Energy.

Decommissioning of Gasifier 4 continued as per plan. Linc Energy continues to gain valuable operating experience and process data which is being fed into Linc Energy's UCG design and operating models for commercial projects.



The Chinchilla GTL plant was operated over the reporting period to complete the Fischer Tropsch reactor performance evaluation plan. Objectives were successfully achieved.

A number of smaller projects were undertaken on site during the reporting period, to further improve UCG liquid product handling. These were mostly focused around oil and water separation improvements as well as product characterization relating to different operating envelopes. Performance data from the evaluated technologies will be incorporated into the design of commercial UCG facilities.

CLEAN ENERGY



Finally, the Company continues to await formal feedback from the Queensland Government regarding its response to the State's Independent Scientific Panel engaged to review UCG in Queensland.

United States Wyoming

The focus of the Wyoming Clean Energy team over the past Quarter has been ongoing engagement with the Wyoming Department of Environmental Quality (DEQ) with respect to the G6 permit, and articulation of a commercial proposition that will underwrite the commercialisation of UCG into Wyoming (and indeed, much of the United States).

With regards the permitting of G6, good progress has again been made towards completion of the R&D License Application for the Gasifier 6 UCG Demonstration Project in Wyoming.

In the last Quarterly Report, it was confirmed that the first round of clarifications and comments had been received from the DEQ to which Linc Energy provided its formal response in August. The responses were well received by the DEQ and in the first week of October, a further set of clarifications were received from the DEQ. The Wyoming office is now devoting much of its time to responding to these questions.

The Wyoming regulatory comment and response cycle is an iterative process lasting until the DEQ is fully satisfied that the application meets all State regulatory requirements. The team is working with local

officials to expedite the permit as fast as practicable.

All indications point to the license application being deemed technically complete near year end 2012. This will be followed by a period of public review and comment.

With such a vast coal resource in Wyoming and having incurred significant expenditure in better understanding and characterising that resource, the last three months has given a renewed focus to the commercialisation of UCG in the region. Discussions are ongoing with potential partners in a commercial project (i.e. likely offtakes) in Wyoming and will continue into the following Quarter. The strategy being that once a successful G6 pilot plant is complete, Linc Energy must be in a position to move quickly into a commercial UCG roll out on its coal resource in Wyoming.

Alaska

In the past Quarter, Linc Energy Alaska took possession of its new rotary-core rig built by Buffalo Custom Manufacturing, officially named LECR#1 (Linc Energy Core Rig #1). The rig passed inspection and was accepted by the Alaska Oil and Gas Conservation Commission on the first pass. There is no other rig of this type currently operating in Alaska and it sets the standard for UCG drilling in the State.

LECR#1 has been moved from its commissioning location to the KEEX02 UCG exploration hole location on the west side of Cook Inlet near Anchorage where exploratory drilling is currently underway. The KEEX02 is located within the Kenai UCG License Area, roughly 18 miles southwest of the Beluga airstrip. The site is accessible only by helicopter with operations to be based out of camps and laydown areas at Beluga. However, in recent months, a series of unseasonably early, strong winter storms has impacted the KEEX02 operations creating delays and requiring road and facility repairs before drilling operations could commence.

Consistent with the focus on commercialisation of UCG in Alaska, discussions are ongoing with a number of possible partners and offtakes for UCG

CLEAN ENERGY

derived syngas in the region. The information gained from the exploration activities continues to provide valuable data which will be used in assessing gas composition and suitability across a range of downstream scenarios currently under assessment. With expectations for rising natural gas and diesel fuel prices in Alaska over the next decade, the utilisation of syngas is gaining interest as a real, local alternative to support Alaska's ongoing energy needs.

Poland

Exploratory drilling of Linc Energy's PWD coal lease in the Upper Silesian Coal Basin commenced in August.

The drilling to date has hit two coal seams of differing thickness with one in particular likely to provide a suitable thickness for a commercial UCG project. Further analysis of the core and geophysics is required which will be completed over the next three months. The second hole is scheduled to be drilled in November 2012.

We are expecting that once confirmation is obtained over the next 6 months of the coal, its characteristics and that of the geology around it, Linc Energy should be in a position to articulate a preferred location for a UCG project in its Polish coal resource.

A delegation of Polish officials visited the Chinchilla facility in early October 2012 and were briefed by Linc Energy's Clean Energy technical teams on the developments made at Chinchilla and the application of this same technology into Eastern Europe, including Poland in particular. A very positive response was received laying the foundation for a productive and collaborative approach to definition of UCG regulations and permitting processes in Poland.

The relationship between Linc Energy and Katowicki Holding Węglowy (KHW) was further enhanced with collaborative discussions and information exchange relating to the application of UCG on one of KHW's deep coal resources in the Upper Silesia region. Discussions are ongoing between KHW and Linc Energy with regards the next steps in

the consolidation and development of this potential partnership in Poland.

Divisional Activities

Following the review of divestment options for the Coal Division during the last Quarter, which included IPO, full divestment, partial divestment and joint venture opportunities, priority options have been identified and discussions continue with interested parties across all options. The development of the Teresa project continues in parallel to the divestment process.

Development Activities

Queensland

Emerald

The development of the Teresa mine is proceeding to plan.

The pre-feasibility drilling program was completed during the Quarter, following wet weather delays in the prior Quarter. The drilling program was designed to enable collation of the groundwater monitoring data required for the EIS, as well as defining the first 11 years of planned production as a JORC Reserve. The commencement of the groundwater monitoring program and the completion of the prefeasibility drilling will allow the project to move from the Prefeasibility Study into the Feasibility Study at the end of this calendar year following a formal toll gate review process.

The drilling program required for the Feasibility Study is currently being designed.

The collection of base line environmental data for the Environmental Impact Statement (EIS) continues. The Company still expects the EIS to be completed by early 2013 with the document to be submitted in Q2 2013 for government review and approval. As mentioned last Quarter this was delayed from late 2012 due to the rain affected drilling program.

The Company continues to develop the infrastructure package for the Teresa mine, including accommodation options, port and rail access and water and power supplies.

Based on current development progress, the Company considers that mine construction could commence in 2014 subject to all necessary approvals being granted.

Exploration Activities

Tenure management Queensland

Within Queensland, Linc Energy currently holds:

- 29 tenements under Exploration Permits for Coal (EPC's) with a further 4 tenements under application (EPCa). Granted EPCs and those areas under EPC application combine to a total of 3845 sub-blocks, covering an area of approximately 13,073 square kilometres;
- 2 Granted Mineral Development Licences (MDL) with a further 10 under application (MDLa). The total area covered under granted Mineral Development Licences (MDL) and applications (MDLa) is 758 km²;
- 3 Mining Lease Applications (MLa) and 2 Petroleum Lease Applications (PLa). The total area covered under Mining Lease Application (MLa) is 129 km² and total area covered by Petroleum Lease Applications (PLa) is 112 km².

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.

Great Northern Leases (GNL)

No further drilling was completed on the Great Northern Leases for the Quarter.

Tenure Management South Australia

Within South Australia, Linc Energy currently holds 10 Petroleum Exploration Licences (PELs), 2 Petroleum Exploration Licences under application (PELAs) in the Cooper, Walloway and Arckaringa Basins, 8 current Exploration Licences (ELs) in the Walloway and Arckaringa Basins. Total area under granted PELs is 85,477 km² and total area held under existing ELs is 3,660 km².

Key tenure matters addressed in the period include the processing of a new PEL application to secure 100% of the conditional relinquished parts of PEL 117, 120, 121 and 122 over the Walloway and Arckaringa Basins. The Company also progressed work on native title agreement for PELA's 568 and 569 and has placed a Deed of Access (exploration) Agreement with the Commonwealth to allow access to parts of the Woomera Prohibited Area (WPA) covered by the Linc licences.

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

Arckaringa Basin

The results of the 2011 drilling and seismic programs are still being reviewed, pending development of an exploration program. No exploration drilling or seismic occurred in the Arckaringa Basin during this Quarter.

Cooper Basin

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

Walloway Basin

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

SAPEX

South Australia

Overview

Assets held in SAPEX are located in South Australia and include:

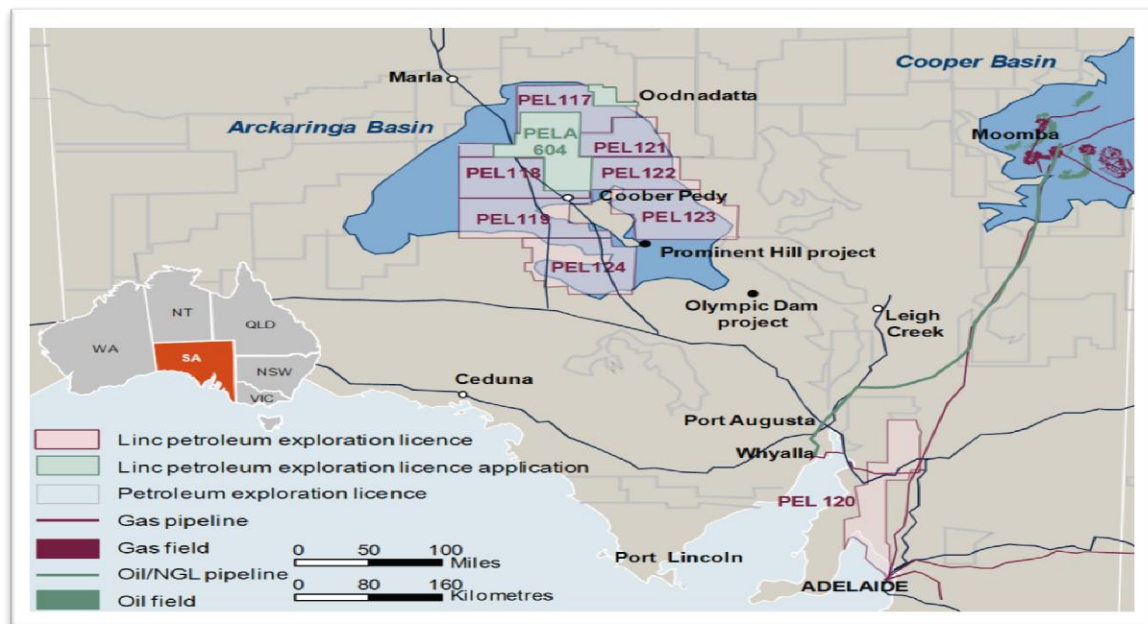
- petroleum exploration licenses (PELs) in the Arckaringa, Eromanga and Walloway Basins,

- petroleum exploration license applications (PELAs) in the Arckaringa and Stansbury Basins, and

- exploration licenses for coal (ELs) in the Arckaringa and Walloway Basins.

A thorough review of all technical data available for the tenements was conducted to identify and prioritise potential development opportunities.

Arckaringa Basin Update



Work during the period focussed on the technical evaluation of organic rich shales discovered in last year's Arckaringa Basin exploration program. Core samples recovered from the Stuart Range Formation contained high values of total organic content ("TOC") and other parameters which compare favourably with characteristics found in similar organically rich formations currently being developed as large scale "unconventional plays" in North America.

Our internal evaluation indicates that these shales have significant potential for development as "Shale Oil" deposits. Thick zones within the Stuart Range Formation

containing the organically rich shales have been shown to occur over an extensive area making the Arckaringa Basin an attractive site for potential large scale development. An experienced independent consultant has been contracted to prepare an assessment of the potential Shale Oil resources. SAPEX has been preparing a complete data base and other management presentation materials required to prepare for a sale process aimed at finding an experienced industry partner to join the Company in a JV or other arrangement to further explore and develop the potential shale oil resource.



Plans for additional drilling and seismic work to further define the Shale Oil resource potential are being developed. No exploration work has been carried out in the Arckaringa Basin during the Quarter.

Eromanga Basin Update

PEL 568 and 569 in the Eromanga Basin were awarded during the previous Quarter. Preliminary desktop Geology and Geophysical work was carried out on these Eromanga Basin tenements in anticipation of field work to commence next financial year.

Planning underway includes surface gravity and magnetic surveys and seismic. These programs would assist in identifying the best locations for initial exploration drilling in the future.

Walloway Basin Update

Technical review of the Walloway Basin continues. Regular monitoring of artesian wells continues but no further exploration activity has been carried out.

Tenure Management South Australia

SAPEX division currently manages Linc Energy's tenements in South Australia, including 10 Petroleum Exploration Licenses (PELs), 2 Petroleum Licenses under application (PELAs), and 8 Exploration Licenses (ELs). The total area held under granted PELs is 85,477 km² and the total area held under existing ELs is 3,660 km²

Key tenure matters addressed during the period include the processing of a new PEL application to secure 100% of the conditional relinquished parts of PEL 117, 120, 121, and 122 within the Arckaringa Basin. The Company also worked on native title agreements for PEL 568 and 569 and has placed a Deed of Access (exploration) Agreement with the Commonwealth to allow access to parts of the Woomera Prohibited Area (WPA) covered by some of the Arckaringa PELs.

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

Annexure 1: Tenement Information

Linc Energy Queensland Tenements and Applications at 30 September 2012.

Tenement Name	Tenement #	Location	Sub-blocks	Area (km ²)
Rathdowney	EPC 910	40km S Ipswich - Clarence Moreton Basin	38	129
Wowan	EPC 908	40km N Biloela - Biloela Basin	99	337
Galilee South	EPC 1227	60km W Clermont - Drummond Basin	133	452
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	32	109
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 - Galilee/Eromanga Basin	120	408
Cloncurry Sth	EPC 1526	85km NW Hughenden - Galilee/Eromanga Basins	155	527
Saxby	EPC 1549	150km NW Hughenden - Galilee/Eromanga Basin	260	884
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
Wowan West	EPC 1323	20km NW Wowan - Biloela Basin	30	102
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 - Galilee/Eromanga Basin	240	816
Dingo	EPC 1536	15km NW Biloela - Biloela/Callide Basins	46	156
Cloncurry Central	EPC 1527	100km NW Hughenden - Galilee/Eromanga Basin	162	551
Agnes	EPC 2541	90km NE Hughenden - Eromanga/Galilee Basins	300	1020
Walker	EPC 2551	7 S Hughenden - Eromanga/Galilee Basins	298	1013
Teresa East	EPC 2841	35km NE Emerald - Bowen Basin	4	14
Galilee North	EPCa 1228	75km NW Clermont - Drummond Basin	299	1017
Devlin	EPCa 2543	10 S Hughenden - Eromanga/Galilee Basins	300	1020
Pelican	EPCa 2549	120 N Hughenden - Eromanga/Galilee Basins	300	1020
Cuthbert	EPCa 2552	95 N Hughenden - Eromanga/Galilee Basins	300	1020
TOTAL:			3845	13073

EPC 1690 sold to another company

Annexure 1: Tenement Information

Tenement Name	Tenement #	Location	hectares	Area (km ²)
Chinchilla	MDL 309	15km S Chinchilla - Surat Basin	155	2
Tipton	MDLa 371	30km SW Dalby - Surat Basin	29344	293
West Pentland	MDL 361	220km SW Townsville- Galilee Basin	2711	27
Chinchilla Extended	MDLa 407	15km S Chinchilla - Surat Basin	3009	30
Wilkie North West	MDLa 472	40km SE Chinchilla - Surat Basin	1513	15
Wilkie North Central	MDLa 473	40km SE Chinchilla - Surat Basin	1513	15
Wilkie South Central	MDLa 474	40km SE Chinchilla - Surat Basin	3329	33
Wilkie South East	MDLa 475	40km SE Chinchilla - Surat Basin	5750	58
Wilkie	MDLa 476	30km SE Chinchilla - Surat Basin	302	3
Wilkie	MDLa 477	30km SE Chinchilla - Surat Basin	12712	127
Wilkie	MDLa 478	30km SE Chinchilla - Surat Basin	1210	12
Wilkie	MDLa 480	20km NW Dalby - Surat Basin	14225	142
TOTAL:			75773	758
Hopeland 1	MLa 50242	15km S Chinchilla - Surat Basin	3010	30
Teresa	MLa 70405	20km N Emerald - SW Bowen Basin	6878	69
Teresa North	MLa 70442	30km N Emerald - SW Bowen Basin	3040	30
TOTAL:			12928	129
Hopeland 2	PLa 284	20km S Chinchilla - Surat Basin	8 (Rentable Units)	8
Lucknow	PLa 286	30km N Emerald - SW Bowen Basin	104 (Rentable Units)	104
TOTAL:			112	112

Note: Some tenures/applications may overlap in part or full

Note: 1 sub-block = approximately 3.4
km²

Annexure 1: Tenement Information

Linc Energy South Australian Tenements at 30 September 2012

Tenement Name	Tenement #	Location	Sub-blocks	Area (sq km)
	PEL117	Arckaringa Basin		6329
	PEL118	Arckaringa Basin		7400
	PEL119	Arckaringa Basin		9751
	PEL120	St Vincent/Walloway Basins		6335
	PEL121	Arckaringa Basin		6415
	PEL122	Arckaringa Basin		5581
	PEL123	Arckaringa Basin		9646
	PEL124	Arckaringa Basin		9848
	PEL 568	Eromanga Basin		3656
	PEL 569	Eromanga Basin		2554
	PELa 604	Arckaringa Basin		9454
	PELa 606	Walloway & Stansbury Basin		8508
TOTAL:				85477
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		632
Mt Andrews	EL 4273	70km SW Oodnadatta		693
Orroroo	EL4454	90km E Port Augusta, Orroroo Region - Walloway Basin		693
Weira Plain	EL 4540	90km ENE Port Augusta, Orroroo Region - Walloway Basin		87
Mt Andrews	Ela 178/11	70km SW Oodnadatta		893
TOTAL:				3660

Note: Most ELs and ELAs are also covered by Linc's PELs or PELAs

Annexure 1: Tenement Information

Linc Energy Tenements at 30 September 2012 - Wyoming, Montana & North Dakota.

Lease Name	County	State	Gross	Gross UnDev	Gross Dev	Net UnDev	Net Dev
FRANK C AND CLARA MICHELS	WIBAUX	MONTANA	801.32	0.00	0.00	64.29	0.00
ANNABELLE EMILY EDSALL, AK	WIBAUX	MONTANA	321.47	0.00	0.00	64.29	0.00
THE SALVATION ARMY	WIBAUX	MONTANA	160.00	160.00	0.00	160.00	0.00
CAROL A BURCH ET VIR	WIBAUX	MONTANA	960.00	240.00	0.00	94.22	0.00
HERBERT & ALICE M MICHELS	WIBAUX	MONTANA	321.47	160.87	0.00	64.29	0.00
JAMES P & RUTHANN ZIELSDOR	WIBAUX	MONTANA	639.77	639.77	0.00	213.26	0.00
JAMES P & RUTHANN ZIELSDOR	GOLDEN VALLEY	NORTH DAKOTA	1405.63	301.45	0.00	546.09	0.00
DOROTHY MICHELS STOLBERG	WIBAUX	MONTANA	321.47	0.00	0.00	64.29	0.00
ELEANOR MICHELS, A WIDOW	WIBAUX	MONTANA	321.47	0.00	0.00	64.29	0.00
JOANN K JABLONSKI, A WIDOW	WIBAUX	MONTANA	161.48	161.48	0.00	161.48	0.00
EMRYS LLOYD ECKRE, A SINGL	WIBAUX	MONTANA	160.00	160.00	0.00	60.00	0.00
FRANK C & CLARA MICHELS	GOLDEN VALLEY	NORTH DAKOTA	97.24	97.24	0.00	19.45	0.00
DOROTHY MICHELS STOLBERG	GOLDEN VALLEY	NORTH DAKOTA	97.24	0.00	0.00	19.45	0.00
ELEANOR MICHELS, A WIDOW	GOLDEN VALLEY	NORTH DAKOTA	97.24	0.00	0.00	19.45	0.00
ANNABELLE EMILY EDSALL AKA	GOLDEN VALLEY	NORTH DAKOTA	97.24	0.00	0.00	19.45	0.00
HERBERT & ALICE M MICHELS	GOLDEN VALLEY	NORTH DAKOTA	97.24	0.00	0.00	19.45	0.00
THE SALVATION ARMY	WIBAUX	MONTANA	319.58	160.00	0.00	319.58	0.00
SHARON M ZINSLI, A WIDOW	GOLDEN VALLEY	NORTH DAKOTA	160.00	160.00	0.00	160.00	0.00
MARION E THOMPSON, A WIDOW	WIBAUX	MONTANA	640.00	320.00	0.00	320.00	0.00
MARION E THOMPSON, A WIDOW	WIBAUX	MONTANA	320.00	320.00	320.00	320.00	0.00

Annexure 1: Tenement Information

Lease Name	County	State	Gross	Gross UnDev	Gross Dev	Net UnDev	Net Dev
JOHN CASSELMAN JR	WIBAUX	MONTANA	640.00	0.00	0.00	26.67	0.00
ALETA F HECKAMAN	GOLDEN VALLEY	NORTH DAKOTA	259.35	259.35	0.00	32.42	0.00
CHARLES W & BOONTUANG HECK	GOLDEN VALLEY	NORTH DAKOTA	259.35	0.00	0.00	32.42	0.00
THOMAS W & JOAN Y HECKAMAN	GOLDEN VALLEY	NORTH DAKOTA	259.35	0.00	0.00	32.42	0.00
DUANE L & JOAN M HECKAMAN	GOLDEN VALLEY	NORTH DAKOTA	259.35	0.00	0.00	32.42	0.00
RKT TRUST (J M MCCLURE TTE	WIBAUX	MONTANA	320.00	320.00	0.00	106.67	0.00
ERNEST WOJAHN, A SINGLE MA	WIBAUX	MONTANA	1040.00	60.00	0.00	540.00	0.00
ESTHER E. LLOYD	WIBAUX	MONTANA	160.00	60.00	0.00	60.00	0.00
DONALD E WOJAHN, MMDSSP	WIBAUX	MONTANA	320.00	1.19	0.00	1.19	0.00
A & L BEGGER TRUST	WIBAUX	MONTANA	166.74	166.74	0.00	166.74	0.00
CONTINENTAL OIL COMPANY	CONVERSE	WYOMING	89.70	0.00	89.70	0.00	89.70
WYW 164691	CONVERSE	WYOMING	200.00	200.00	0.00	200.00	0.00
WYW 164394	CONVERSE	WYOMING	391.25	391.25	0.00	391.25	0.00
WYW 162619	CONVERSE	WYOMING	1080.00	1080.00	0.00	1080.00	0.00
E R MCQUAID ET UX	CONVERSE	WYOMING	320.00	200.00	120.00	200.00	120.00
C M KOPP ET UX	CONVERSE	WYOMING	640.00	0.00	160.00	40.00	173.33
IONA M CAMPBELL ET VIR	CONVERSE	WYOMING	320.00	200.00	120.00	200.00	120.00
T R KOPP ET UX	CONVERSE	WYOMING	280.00	0.00	280.00	0.00	280.00
WYW 077076	CONVERSE	WYOMING	400.00	0.00	400.00	0.00	400.00
WYW 002217	CONVERSE	WYOMING	40.00	0.00	40.00	0.00	40.00
WYW 003035	CONVERSE	WYOMING	199.89	0.00	199.89	0.00	199.89

Annexure 1: Tenement Information

Lease Name	County	State	Gross	Gross UnDev	Gross Dev	Net UnDev	Net Dev
ST WY 0-02900	CONVERSE	WYOMING	600.00	160.00	440.00	160.00	440.00
WYW 077837	CONVERSE	WYOMING	79.89	160.00	157.05	0.00	79.89
GARY POTHE UT UX	CONVERSE	WYOMING	317.05	0.00	40.00	160.00	157.05
ST WY 0-4592	CONVERSE	WYOMING	40.00	0.00	40.00	0.00	40.00
C E KOPP ET UX	CONVERSE	WYOMING	640.00	0.00	0.00	40.00	173.33
WYW 164393	CONVERSE	WYOMING	120.00	120.00	0.00	120.00	0.00
A J KOPP ET UX	CONVERSE	WYOMING	640.00	0.00	0.00	40.00	173.33
GEORGE A LEACH ET AL	CONVERSE	WYOMING	320.00	0.00	40.00	22.20	155.40
USA WYW 077843	CONVERSE	WYOMING	1025.52	0.00	40.00	0.00	1025.52
ST WY 0-6117	CONVERSE	WYOMING	903.36	0.00	903.36	0.00	903.36
ST WY 0 7790	CONVERSE	WYOMING	959.78	0.00	959.78	0.00	959.78
ST WY 0-4392	CONVERSE	WYOMING	160.00	0.00	80.00	40.00	120.00
GUS ENGLEKING ET AL	CONVERSE	WYOMING	320.00	0.00	40.00	280.00	40.00
CHICAGO & N WESTERN TRANS	CONVERSE	WYOMING	17.00	0.00	17.00	0.00	17.00
ST WY 0-7787	CONVERSE	WYOMING	800.00	640.00	160.00	640.00	151.58
H C YOUNG ET AL	CONVERSE	WYOMING	800.00	0.00	800.00	0.00	800.00
ST WY 0-3459	CONVERSE	WYOMING	40.00	0.00	40.00	0.00	40.00
V R RANCH	CONVERSE	WYOMING	1612.16	0.00	0.00	0.00	1074.77
FENEX OIL COMPANY	CONVERSE	WYOMING	150.00	0.00	150.00	0.00	150.00
KGN MINERAL TRUST DTD 09/0	CONVERSE	WYOMING	800.00	0.00	0.00	0.00	0.00
LOUISE M BRUNS	CONVERSE	WYOMING	120.00	0.00	0.00	0.00	1.88

Annexure 1: Tenement Information

Lease Name	County	State	Gross	Gross UnDev	Gross Dev	Net UnDev	Net Dev
ST WY 0-4393	CONVERSE	WYOMING	80.48	0.00	80.48	0.00	80.48
EDWARD WALKINSHAW ET UX	CONVERSE	WYOMING	80.00	0.00	80.00	0.00	80.00
ST WY 0-9125	CONVERSE	WYOMING	120.14	0.00	120.14	0.00	120.14
WYW 162618	CONVERSE	WYOMING	40.00	0.00	40.00	0.00	40.00
WYW 178089	CONVERSE	WYOMING	160.00	160.00	0.00	160.00	0.00
WYW 172991	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
WYW 172989	NATRONA	WYOMING	160.00	160.00	0.00	160.00	0.00
WYW 173001	CONVERSE	WYOMING	2161.43	2161.43	0.00	2161.43	0.00
ST WY 05-00268	CONVERSE	WYOMING	320.52	320.52	0.00	320.52	0.00
ST WY 05-00269	CONVERSE	WYOMING	478.95	478.95	0.00	478.95	0.00
ST WY 05-00270	CONVERSE	WYOMING	640.00	0.00	400.00	240.00	400.00
ST WY 04-00241	CONVERSE	WYOMING	600.00	0.00	600.00	0.00	600.00
WYW 163900	CONVERSE	WYOMING	596.40	596.40	0.00	596.40	0.00
WYW 161771	CONVERSE	WYOMING	320.00	320.00	0.00	320.00	0.00
WYW 0170073	CONVERSE	WYOMING	40.00	0.00	40.00	40.00	0.00
J L GOODNER ET UX	CONVERSE	WYOMING	40.09	0.00	40.09	15.21	15.21
TED STEWART ET AL	CONVERSE	WYOMING	40.09	0.00	0.00	9.87	9.87
WYW 161772	CONVERSE	WYOMING	160.00	160.00	0.00	160.00	0.00
WYW 178088	CONVERSE	WYOMING	600.00	600.00	0.00	600.00	0.00
LESLIE GAY BOLIN, A WIDOW	CONVERSE	WYOMING	680.97	280.97	400.00	11.18	15.92
MINER D CRARY JR	CONVERSE	WYOMING	680.97	0.00	0.00	14.16	20.16

Annexure 1: Tenement Information

Lease Name	County	State	Gross	Gross UnDev	Gross Dev	Net UnDev	Net Dev
HORACE I CRARY	CONVERSE	WYOMING	680.97	0.00	0.00	14.16	20.16
KGN MINERAL TRUST (SUSAN)	CONVERSE	WYOMING	680.97	0.00	0.00	4.55	6.48
ST WY 0-04329	CONVERSE	WYOMING	120.00	0.00	120.00	0.00	120.00
KGN MINERAL TRUST (PHYLLIS)	CONVERSE	WYOMING	680.97	0.00	0.00	4.55	6.48
ARTHUR E SYMONS	CONVERSE	WYOMING	680.97	0.00	0.00	31.47	44.80
ST WY 0-6048	CONVERSE	WYOMING	1076.25	0.00	1076.25	0.00	1076.25
WYW 000249	CONVERSE	WYOMING	237.50	0.00	237.50	0.00	237.50
KGN MINERAL TR (MARY LOUIS)	CONVERSE	WYOMING	680.97	0.00	0.00	11.24	16.00
WYW 070469	CONVERSE	WYOMING	160.00	0.00	160.00	0.00	160.00
ST WY 0-9299	CONVERSE	WYOMING	120.00	0.00	120.00	0.00	120.00
KGN MINERAL TRUST(RICH EYR)	CONVERSE	WYOMING	680.97	0.00	0.00	1.68	2.39
KGN MINERAL TRUST(D C BRAM)	CONVERSE	WYOMING	680.97	0.00	0.00	1.68	2.39
WYW 079294	CONVERSE	WYOMING	240.00	0.00	240.00	0.00	240.00
ST WY 0-6876	CONVERSE	WYOMING	120.00	0.00	120.00	0.00	120.00
KGN MINERAL TRUST(T C DAVI)	CONVERSE	WYOMING	680.97	0.00	0.00	4.55	6.48
KGN MINERAL TRUST(R H DAVI)	CONVERSE	WYOMING	680.97	0.00	0.00	4.55	6.48
KGN MINERAL TRUST(W H DAVI)	CONVERSE	WYOMING	680.97	0.00	0.00	4.55	6.48
WESTPORT OIL AND GAS CO LP	CONVERSE	WYOMING	800.97	0.00	120.00	91.42	91.20
KGN MINERAL TRUST(R G W MA)	CONVERSE	WYOMING	680.97	0.00	0.00	1.89	2.69
KGN MINERAL TRUST(L C GRIS)	CONVERSE	WYOMING	800.97	0.00	0.00	28.71	28.64
KGN MINERAL TRUST(D G DAVI)	CONVERSE	WYOMING	680.97	0.00	0.00	4.55	6.48

Annexure 1: Tenement Information

Lease Name	County	State	Gross	Gross UnDev	Gross Dev	Net UnDev	Net Dev
STEPHEN T CRARY MARITAL TR	CONVERSE	WYOMING	680.97	0.00	0.00	7.59	10.80
ANN OBRZUT	CONVERSE	WYOMING	680.97	0.00	0.00	11.18	15.92
KGN MINERAL TRUST(C Y KELL	CONVERSE	WYOMING	680.97	0.00	0.00	0.00	0.01
THE NORTHWEST OIL COMPANY	CONVERSE	WYOMING	40.00	0.00	40.00	0.00	40.00
ST WY 00-1822	CONVERSE	WYOMING	1040.00	0.00	1040.00	0.00	1040.00
WYW 085311	CONVERSE	WYOMING	33.57	0.00	33.57	0.00	33.57
ST WY 0-23543	CONVERSE	WYOMING	320.00	240.00	80.00	240.00	80.00
ST WY 0-7791	CONVERSE	WYOMING	640.00	0.00	640.00	0.00	640.00
ST WY 0-6049	CONVERSE	WYOMING	635.88	0.00	635.88	0.00	635.88
CAROLYN L RIDLEY ET AL	CONVERSE	WYOMING	680.97	0.00	400.00	20.12	28.64
ST WY 0-6050	CONVERSE	WYOMING	699.40	0.00	699.40	0.00	699.40
WESTPORT OIL AND GAS CO	CONVERSE	WYOMING	40.00	0.00	40.00	0.00	5.00
KGN MINERAL TRUST DT 9/9/9	CONVERSE	WYOMING	40.00	0.00	0.00	0.00	35.00
J L GOODNER ET AL	CONVERSE	WYOMING	197.32	0.00	197.32	0.00	107.51
CLYDEM WATTS ET AL	CONVERSE	WYOMING	157.32	0.00	0.00	0.00	15.73
JAMES C TVARUZEK ET UX	CONVERSE	WYOMING	197.32	0.00	0.00	0.00	74.08
ST WY 0-66051	CONVERSE	WYOMING	921.95	0.00	921.95	0.00	921.95
ST WY 0-6052	CONVERSE	WYOMING	1280.00	0.00	1280.00	0.00	1280.00
FRED WALKINSHAW ET AL	CONVERSE	WYOMING	76.59	0.00	76.59	0.00	76.59
CHARLES B OLIN ET AL	CONVERSE	WYOMING	938.41	0.00	851.41	87.00	851.41
MINNIE O MOFFETT	CONVERSE	WYOMING	165.00	0.00	165.00	0.00	165.00

Annexure 1: Tenement Information

Lease Name	County	State	Gross	Gross UnDev	Gross Dev	Net UnDev	Net Dev
PAMELA DUGAN	CONVERSE	WYOMING	680.97	0.00	0.00	1.74	2.48
WILLIAM BARBER	CONVERSE	WYOMING	90.32	0.00	90.32	0.00	90.32
FENEX OIL COMPANY, ET AL	CONVERSE	WYOMING	160.00	0.00	160.00	0.00	160.00
S M ANDERSON ET AL	CONVERSE	WYOMING	447.72	202.94	244.78	178.70	204.41
C LEONARD SMITH ESTATE	CONVERSE	WYOMING	410.14	205.36	204.78	2.40	2.39
LINCOLN PETROLEUM COMPANY	CONVERSE	WYOMING	447.72	0.00	0.00	25.37	30.60
WYW 0-000610	CONVERSE	WYOMING	160.00	0.00	160.00	0.00	160.00
GLENROCK SHEEP COMPANY	CONVERSE	WYOMING	200.00	80.00	120.00	160.00	40.00
ST WY 0-4063	CONVERSE	WYOMING	122.82	0.00	122.82	0.00	122.82
SUSANNE B BRUBAKER	CONVERSE	WYOMING	160.00	0.00	160.00	0.00	160.00
WYW 072335	CONVERSE	WYOMING	40.00	0.00	40.00	0.00	40.00
SUSANNE B BRUBAKER	CONVERSE	WYOMING	120.00	0.00	40.00	0.00	120.00
SUSANNE B BRUBAKER	CONVERSE	WYOMING	40.00	0.00	40.00	0.00	40.00
GEORGE W KELLY ET AL	CONVERSE	WYOMING	1612.16	0.00	1612.16	0.00	537.39
CHRIS EYRE	CONVERSE	WYOMING	680.97	0.00	0.00	1.68	2.39
KGN MINERAL TRUST(M S YERK	CONVERSE	WYOMING	680.97	0.00	0.00	5.04	7.18
KGN MINERAL TRUST(S STROUG	CONVERSE	WYOMING	680.97	0.00	0.00	5.04	7.18
KGN MINERAL TRUST(G H ANDE	CONVERSE	WYOMING	680.97	0.00	0.00	5.04	7.18
KGN MINERAL TRUST(W C VALE	CONVERSE	WYOMING	680.97	0.00	0.00	5.04	7.18
KGN MINERAL TRUST(J K CARR	CONVERSE	WYOMING	680.97	0.00	0.00	0.00	0.01
MARGARET BATH	CAMPBELL	WYOMING	371.77	0.00	0.00	15.02	0.00

Annexure 1: Tenement Information

Lease Name	County	State	Gross	Gross UnDev	Gross Dev	Net UnDev	Net Dev
STATE OF WYOMING NO 0-41150	CAMPBELL	WYOMING	1280.00	640.00	0.00	1280.00	0.00
STATE OF WYOMING NO 0-41098	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 0-41099	JOHNSON	WYOMING	1120.00	1120.00	0.00	1120.00	0.00
STATE OF WYOMING NO 42164	SHERIDAN	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42165	SHERIDAN	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 41100	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41101	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41102	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41104	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41103	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41105	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41106	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41107	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41108	JOHNSON	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 41109	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41110	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41111	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41112	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41113	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41114	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41115	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00

Annexure 1: Tenement Information

Lease Name	County	State	Gross	Gross UnDev	Gross Dev	Net UnDev	Net Dev
STATE OF WYOMING NO 41116	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41117	JOHNSON	WYOMING	1120.00	1120.00	0.00	1120.00	0.00
STATE OF WYOMING NO 41118	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41119	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41120	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41121	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41122	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41123	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41124	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41127	CAMPBELL	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 41128	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41129	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41130	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41131	CAMPBELL	WYOMING	1273.12	1273.12	0.00	1273.12	0.00
STATE OF WYOMING NO 41132	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41133	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41134	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41135	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41136	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41139	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41140	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00

Annexure 1: Tenement Information

Lease Name	County	State	Gross	Gross UnDev	Gross Dev	Net UnDev	Net Dev
STATE OF WYOMING NO 41141	CAMPBELL	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 41142	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41143	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41144	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41145	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41146	CAMPBELL	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 41146-	CAMPBELL	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 41149	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41151	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41152	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41153	CAMPBELL	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 41154	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41155	CAMPBELL	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 41156	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41157	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41158	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41159	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41160	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41161	JOHNSON	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 41162	CAMPBELL	WYOMING	320.00	320.00	0.00	320.00	0.00
STATE OF WYOMING NO 41163	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00

Annexure 1: Tenement Information

Lease Name	County	State	Gross	Gross UnDev	Gross Dev	Net UnDev	Net Dev
STATE OF WYOMING NO 41316	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41317	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41318	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41319	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41320	SHERIDAN	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41321	SHERIDAN	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41323	SHERIDAN	WYOMING	320.00	320.00	0.00	320.00	0.00
STATE OF WYOMING NO 41324	SHERIDAN	WYOMING	160.00	160.00	0.00	160.00	0.00
STATE OF WYOMING NO 41325	SHERIDAN	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41326	SHERIDAN	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41322	SHERIDAN	WYOMING	795.00	0.00	0.00	795.00	0.00
STATE OF WYOMING NO 41327	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41328	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41329	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41330	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41331	JOHNSON	WYOMING	886.25	886.25	0.00	886.25	0.00
STATE OF WYOMING NO 41332	JOHNSON	WYOMING	1125.23	1125.23	0.00	1125.23	0.00
STATE OF WYOMING NO 41333	JOHNSON	WYOMING	1188.52	1188.52	0.00	1188.52	0.00
STATE OF WYOMING NO 41334	JOHNSON	WYOMING	356.56	356.56	0.00	356.56	0.00
STATE OF WYOMING NO 41335	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41336	SHERIDAN	WYOMING	1160.00	1160.00	0.00	1160.00	0.00

Annexure 1: Tenement Information

Lease Name	County	State	Gross	Gross UnDev	Gross Dev	Net UnDev	Net Dev
STATE OF WYOMING NO 41337	SHERIDAN	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41338	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 41339	JOHNSON	WYOMING	1040.00	1040.00	0.00	1040.00	0.00
STATE OF WYOMING NO 41340	JOHNSON	WYOMING	760.00	760.00	0.00	760.00	0.00
STATE OF WYOMING NO 41341	JOHNSON	WYOMING	720.00	720.00	0.00	720.00	0.00
STATE OF WYOMING NO 41342	SHERIDAN	WYOMING	1120.12	1120.12	0.00	1120.12	0.00
STATE OF WYOMING NO 42156	CAMPBELL	WYOMING	680.00	680.00	0.00	680.00	0.00
STATE OF WYOMING NO 42157	CAMPBELL	WYOMING	160.00	160.00	0.00	160.00	0.00
STATE OF WYOMING NO 42158	CAMPBELL	WYOMING	1200.00	1200.00	0.00	1200.00	0.00
STATE OF WYOMING NO 42159	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42160	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42161	CAMPBELL	WYOMING	80.00	80.00	0.00	80.00	0.00
STATE OF WYOMING NO 42166	JOHNSON	WYOMING	1286.71	1286.71	0.00	1286.71	0.00
STATE OF WYOMING NO 42162	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42163	CAMPBELL	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42167	SHERIDAN	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42168	SHERIDAN	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42169	SHERIDAN	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42170	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42171	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42310	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00

Annexure 1: Tenement Information

Lease Name	County	State	Gross	Gross UnDev	Gross Dev	Net UnDev	Net Dev
STATE OF WYOMING NO 42311	SHERIDAN	WYOMING	640.08	640.08	0.00	640.08	0.00
STATE OF WYOMING NO 42312	SHERIDAN	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42313	SHERIDAN	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42314	SHERIDAN	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42315	SHERIDAN	WYOMING	580.15	580.15	0.00	580.15	0.00
STATE OF WYOMING NO 42316	SHERIDAN	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42317	SHERIDAN	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42318	SHERIDAN	WYOMING	320.00	320.00	0.00	320.00	0.00
STATE OF WYOMING NO 42319	SHERIDAN	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42320	SHERIDAN	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42321	SHERIDAN	WYOMING	622.77	622.77	0.00	622.77	0.00
STATE OF WYOMING NO 42322	SHERIDAN	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42323	SHERIDAN	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42324	SHERIDAN	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42325	SHERIDAN	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42378	JOHNSON	WYOMING	1040.00	1040.00	0.00	1040.00	0.00
STATE OF WYOMING NO 42379	JOHNSON	WYOMING	635.46	635.46	0.00	635.46	0.00
STATE OF WYOMING NO 42380	JOHNSON	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42381	JOHNSON	WYOMING	1196.43	1196.43	0.00	1196.43	0.00
STATE OF WYOMING NO 42382	JOHNSON	WYOMING	318.82	318.82	0.00	318.82	0.00
STATE OF WYOMING NO 42309	SHERIDAN	WYOMING	640.00	640.00	0.00	640.00	0.00

Annexure 1: Tenement Information

Lease Name	County	State	Gross	Gross UnDev	Gross Dev	Net UnDev	Net Dev
STATE OF WYOMING NO 42308	SHERIDAN	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42307	SHERIDAN	WYOMING	960.00	960.00	0.00	960.00	0.00
STATE OF WYOMING NO 42306	SHERIDAN	WYOMING	1112.24	1112.24	0.00	1112.24	0.00
STATE OF WYOMING NO 42305	SHERIDAN	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42304	SHERIDAN	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42303	SHERIDAN	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42302	SHERIDAN	WYOMING	1120.00	1120.00	0.00	1120.00	0.00
STATE OF WYOMING NO 42301	SHERIDAN	WYOMING	880.00	880.00	0.00	880.00	0.00
STATE OF WYOMING NO 42300	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42299	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42298	CAMPBELL	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42297	SHERIDAN	WYOMING	1120.00	1120.00	0.00	1120.00	0.00
STATE OF WYOMING NO 42296	CAMPBELL	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42295	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42294	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42293	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42292	CAMPBELL	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42177	JOHNSON	WYOMING	320.00	320.00	0.00	320.00	0.00
STATE OF WYOMING NO 42176	JOHNSON	WYOMING	1200.00	1200.00	0.00	1200.00	0.00
STATE OF WYOMING NO 42175	JOHNSON	WYOMING	480.00	480.00	0.00	480.00	0.00
STATE OF WYOMING NO 42174	JOHNSON	WYOMING	1159.74	1159.74	0.00	1159.74	0.00

Annexure 1: Tenement Information

Lease Name	County	State	Gross	Gross UnDev	Gross Dev	Net UnDev	Net Dev
STATE OF WYOMING NO 42173	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42172	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42528	JOHNSON	WYOMING	1280.00	1280.00	0.00	1280.00	0.00
STATE OF WYOMING NO 42388	JOHNSON	WYOMING	638.84	638.84	0.00	638.84	0.00
STATE OF WYOMING NO 42384	SHERIDAN	WYOMING	1156.38	1156.38	0.00	1156.38	0.00
STATE OF WYOMING NO 42383	SHERIDAN	WYOMING	480.23	480.23	0.00	480.23	0.00
STATE OF WYOMING NO 42385	SHERIDAN	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42386	JOHNSON	WYOMING	638.08	638.08	0.00	638.08	0.00
STATE OF WYOMING NO 42387	JOHNSON	WYOMING	320.00	320.00	0.00	320.00	0.00
STATE OF WYOMING NO 42719	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42720	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42721	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42722	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42723	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42724	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42725	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42726	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42727	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42728	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42729	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42730	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00

Annexure 1: Tenement Information

Lease Name	County	State	Gross	Gross UnDev	Gross Dev	Net UnDev	Net Dev
STATE OF WYOMING NO 42731	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42732	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42733	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42734	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42735	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42736	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42737	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42784	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42785	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42786	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42787	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42788	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42789	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42790	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42791	CONVERSE	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 41097	SHERIDAN	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42799	CARBON	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42798	CARBON	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42797	CARBON	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42802	CARBON	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42801	CARBON	WYOMING	640.00	640.00	0.00	640.00	0.00

Annexure 1: Tenement Information

Lease Name	County	State	Gross	Gross UnDev	Gross Dev	Net UnDev	Net Dev
STATE OF WYOMING NO 42800	CARBON	WYOMING	120.00	0.00	0.00	120.00	0.00
STATE OF WYOMING 42810	CARBON	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING 42809	CARBON	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING 42813	SWEETWATER	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING 42807	CARBON	WYOMING	640.00	640.00	0.00	640.00	0.00
STATE OF WYOMING NO 42811	LINCOLN	WYOMING	640.00	640.00	0.00	640.00	0.00

Annexure 1: Tenement Information

Linc Energy Tenements at 30 September 2012 - 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	19.234
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	23.305
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	0.0405
State Of Alaska ADL 390558	Kenai Peninsula Borough	Alaska	5,760.00	23.305
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	15.128
State Of Alaska ADL 390566	Kenai Peninsula Borough	Alaska	5,760.00	23.305
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	23.305
State Of Alaska ADL 390562	Kenai Peninsula Borough	Alaska	5,674.00	22.957
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 Penninsula 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 (Bureau of Land Mgmt)	North Slope Borough	Alaska	11500	46.5388
AA 081726 (Bureau of Land Mgmt)	North Slope Borough	Alaska	6133	24.8194

Annexure 1: Tenement Information

Linc Energy Tenements at 30 September 2012 – Texas & Louisiana.

Lease Name	County	State	Gross Acres	Net Acres
State Tract 126	Chambers	TX	640	640
State Tract 127	Chambers	TX	320	320
E.W. Barber "D" (Samson)	Chambers	TX	25	25
A.E. Barber	Chambers	TX	73	73
L.E. Fitzgerald Unit	Chambers	TX	47.5	47.5
Kirby "A"	Chambers	TX	73	73
Kirby "B"	Chambers	TX	107.45	107.45
Kirby "C"	Chambers	TX	30	30
Kirby Petroleum Company (Samson) Lease	Chambers	TX	49.5	49.5
O.K. Winfree	Chambers	TX	43	43
Gulf Fee "C" 64	Chambers	TX	60.26	60.26
Gulf Fee Fisher	Chambers	TX	23.5	23.5
Kirby Petroleum Company 15 Acres	Chambers	TX	15	15
J. Wilburn	Chambers	TX	65	65
J.F. Wilburn "B"	Chambers	TX	50	50
Wilburn "C" #9 And #10 Wilburn "D" Wilburn "E"	Chambers	TX	93.95	93.95
Wilburn, J. "A"	Chambers	TX	52.5	52.5
Z.T. Wilburn Fee	Chambers	TX	20.2	20.2
Higgins	Chambers	TX	16.57	16.57
Higgins-B-	Chambers	TX	7.05	7.05
Chambers County Agricultural Company	Chambers	TX	205.1	205.1
Chambers County Agricultural Company	Chambers	TX	50	50
Zadie Fisher	Chambers	TX	17.836	17.836
Smith, J.H.	Chambers	TX	20	20
Winfree, O.K.	Chambers	.	14	14
Fitzgerald, J.M. ("A")	Chambers	TX	51.44	51.44
Jones, Lyle	Chambers	TX	21.93	21.93
Lula Barber	Chambers	TX	33	33
Woodward	Chambers	TX	20	20
Winfree, E.H.	Chambers	TX	41.129	41.129
Gulf Fee Monongahela	Chambers	TX	17.2	17.2
H.L. Phillips Fee	Chambers	TX	5	5
State Tract 118	Chambers	TX	640	640
State Tract 119	Chambers	TX	80	80
State Tract 128	Chambers	TX	40	40
State Tract 128-Marlin	Chambers	TX	280	280
Strip Leases Lots 3	Chambers	TX	4.485	4.485
Strip Leases Lots 5	Chambers	TX	4.427	4.427
Mound Company, Robert A.Welch, Ima Hogg	Brazoria	TX	2500	2500
The State Of Texas-Lease No. M-71950, M-97186, M-99176	Calhoun	TX	640	640
Harrell "C" Lease	Harris	TX	1	1
Rena Berry Fee	Harris	TX	2.503	2.503
Tabb "A" , "B" , W.Tabb "A"	Harris	TX	14.63	14.63
W.H. Stark, James V.Polk, James V.Polk, Henry J. Kuhn	Orange	TX	3809.51	3809.51
Armelin L. Fee, Baldwin J.C.Fee, Failor E.K. Fee, Hannah D. Lease, Hannah D. Fee Lease, Partlow-Hodnett	Liberty	TX	35	35
Marie Howell Cade	Galveston	TX	10	2.5
Beverly Hodges Davis	Galveston	TX	10	0.625
Roy Hamilton Davis, Indv. & Aif	Galveston	TX	10	0.625
Frances Henshaw Gill	Galveston	TX	10	0.005028

Annexure 1: Tenement Information

Lease Name	County	State	Gross Acres	Net Acres
Ashbel Burnham Henshaw	Galveston	TX	10	1.04167
Linda Jean L. Henshaw, et al	Galveston	TX	10	1.25
Thomas R. Howell, Indv. & Trustee	Galveston	TX	10	2.5
Mary Henshaw Jernigan	Galveston	TX	10	0.005028
James Odom & Folly Family LLC	Galveston	TX	10	1.25
Barbara Henshaw Roberts	Galveston	TX	10	0.005028
Linda Henshaw Weeks	Galveston	TX	10	0.005028
Amoco Production Company	Galveston	TX	10	9.56
Blair Lea Ellis	Galveston	TX	10	0.002991
D. Caffery Mccay, et al	Galveston	TX	10	0.15549
Maryann Ellis Bohr	Galveston	TX	10	0.002991
Lloyd Addison Ellis, Iii	Galveston	TX	10	0.002991
Charles Barker	Galveston	TX	20	1.319444
Robert Barker	Galveston	TX	20	1.319444
Melanie Wiggins	Galveston	TX	20	0.79861
T.C. Craighead & Company	Galveston	TX	20	0.79861
David Speer	Galveston	TX	20	0.79861
Charles Barker Trust	Galveston	TX	20	0.79861
Melanie Wiggins Trust	Galveston	TX	20	0.208333
Betty Taylor Trust	Galveston	TX	20	0.208333
Margaret Carter Trust	Galveston	TX	20	0.104167
David Speer Trust	Galveston	TX	20	0.104167
Katherine Taylor Miller	Galveston	TX	20	0.104167
Ruth McLean Bowers	Galveston	TX	20	3.333333
Marie Howell Cade	Galveston	TX	10	2.5
Beverly Hodges Davis	Galveston	TX	10	0.625
Roy Hamilton Davis, Indv. & Aif	Galveston	TX	10	0.625
Frances Henshaw Gill	Galveston	TX	10	0.005028
Ashbel Burnham Henshaw	Galveston	TX	10	1.04167
Linda Jean L. Henshaw, et al	Galveston	TX	10	1.25
Thomas R. Howell, Indv. & Trustee	Galveston	TX	10	2.5
Mary Henshaw Jernigan	Galveston	TX	10	0.005028
James Odom & Folly Family LLC	Galveston	TX	10	1.25
Barbara Henshaw Roberts	Galveston	TX	10	0.005028
Linda Henshaw Weeks	Galveston	TX	10	0.005028
D. Caffery McCay, et al	Galveston	TX	10	8.73975
Maryann Ellis Bohr	Galveston	TX	10	0.16315
Blair Lea Ellis	Galveston	TX	10	0.16315
Lloyd Addison Ellis, III	Galveston	TX	10	0.16315
Marion Caffery Campbell, Trustee	Galveston	TX	10	0.7708
Charles Barker	Galveston	TX	20	2.6388
Robert Barker	Galveston	TX	20	2.6388
T.C. Craighead & Company	Galveston	TX	20	3.19444
Katherine C. Holt Trust	Galveston	TX	20	1.666666
David T. Speer	Galveston	TX	20	1.59724
Betty Speer Taylor	Galveston	TX	20	1.59724
Ruth Mclean Bowers	Galveston	TX	20	6.666667
BP America Production Co.	Galveston	TX	126.51	126.51
Ruth Mclean Bowers	Galveston	TX	50	50
Barbara Gordon McNeill & Melinda Gordon Paret	Galveston	TX	50	50
George E Smith	Galveston	TX	88.28	88.28
George E Smith	Galveston	TX	96.48	96.48
Verna Hooks Mclean & Ruth Mclean Bowman	Galveston	TX	2.48	2.48
Nellie B. League et al	Galveston	TX	24.83	24.83

Annexure 1: Tenement Information

Lease Name	County	State	Gross Acres	Net Acres
Virginia B. Ball Estate By American National Trust & Robert B. Ball	Galveston	TX	9	9
Wells Stewart	Galveston	TX	9	9
Stewart Mineral Company	Galveston	TX	9	9
Robert George Bisbey, Trustee	Galveston	TX	9	9
Charlotte E. Smith	Galveston	TX	253	253
Elizabeth Ker Cade, et al	Galveston	TX	50.86	50.86
BP America Production Co.	Galveston	TX	35.49	35.49
Gulf & Interstate Railway Company Of Texas	.	TX	19.3	19.3
The Estate Of Shearn Moody, Jr.	Galveston	TX	40	40
Robert L. Moody	Galveston	TX	10	10
Robert L. Moody	Galveston	TX	10	10
Casey Stehling Independent Executor Of The Estate Of Edward Jakovich	Galveston	TX	40	40
Donna Cameron Goode Linda Jakovich Meyer Independent Executor Of The Estate Of Andrew Jakovich	Galveston	TX	40	40
DJS Land Company, Ltd	Galveston	TX	40	40
Carol Ann Burns	Galveston	TX	40	40
JB Watkins	Cameron	LA	2435	2435
Constantine #2	Leeville	LA	100	100
Constantine #1	Leeville	LA	52.09	52.09
Barrow, R.R.	Leeville	LA	40	40
LI&E #290	Leeville	LA	70	70
Totals			14180.23371	14180.234

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")

30 September 2012

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (3 months) \$A'000
1.1	Receipts from product sales and related debtors	22,992	22,992
1.2	Payments for (a) exploration & evaluation	(10,292)	(10,292)
	(b) development	(14,183)	(14,183)
	(c) production	(5,808)	(5,808)
	(d) administration	(14,678)	(14,678)
	(e) CTL technology dev't and site operations	(4,499)	(4,499)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	172	172
1.5	Interest and other costs of finance paid	(4,704)	(4,704)
1.6	Income taxes paid	(107)	(107)
1.7	Other (provide details if material)	3,319	3,319
	Net Operating Cash Flows	(27,788)	(27,788)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	(2,987)	(2,987)
	(b) equity investments	-	-
	(c) other fixed assets	(1,848)	(1,848)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	82	82
1.10	Loans to other entities	(95)	(95)
1.11	Loans repaid by other entities	12	12
1.12	Other (cash security for guarantees)	(26)	(26)
	Net investing cash flows	(4,862)	(4,862)
1.13	Total operating and investing cash flows (carried forward)	(32,650)	(32,650)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(32,650)	(32,650)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	30,000	30,000
1.17	Repayment of borrowings	(132)	(132)
1.18	Dividends paid	-	-
1.19	Other (payment for share buy-back)	-	-
	Net financing cash flows	29,868	29,868
	Net increase (decrease) in cash held	(2,782)	(2,782)
1.20	Cash at beginning of quarter/year to date	25,680	25,680
1.21	Exchange rate adjustments to item 1.20	(140)	(140)
1.22	Cash at end of quarter	22,758	22,758

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	547
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Included in 1.2 Payments for administration

Executive Directors Fees = \$377,543

Non Executive Directors Fees = \$97,506

Payments to Directors related parties = \$91,117

Included in 1.10 Loans to other entities

Loan to Executive Directors related party = \$95,152

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 *	245,277	215,277
3.2 Credit standby arrangements	3,362	2,993

*At 30 September 2012 the Group had a Reserve Based Lending ("RBL") facility with a credit limit of US\$300,000,000 with Wells Fargo. At 30 September 2012 the available borrowing base was US\$131,000,000 based on the current level of proved developed producing reserves (PDP's) and the Group had utilised the full amount available. Subsequent to the end of the quarter, and following receipt of the proceeds of the Group's corporate bond issue, the RBL facility was repaid in full and an alternative Asset Based Lending ("ABL") facility was obtained from Wells Fargo. The credit limit under this facility is \$50,000,000 and is currently undrawn. This facility carries an interest rate of LIBOR+3.25% and can be drawn at any time for use in the Group's US Oil & Gas business.

In addition to the above, at 30 September 2012 Linc Energy had access to a \$120,000,000 corporate line of credit facility with a subsidiary of Fortress Investment Group LLC which can be drawn at any time. At 30 September 2012 the Company had utilised \$90,000,000 of the facility. Linc Energy also announced on 6 September 2012 that it had reached agreement with Fortress to extend the term of the facility by approximately three years to 24 July 2015. Subsequent to the end of the quarter, and following receipt of the proceeds of the Group's corporate bond issue, \$67,000,000 of the line of credit was repaid, resulting in a remaining balance of \$23,000,000. In conjunction with the bond issue, the total credit limit on the line of credit facility was reduced to \$90,000,000. There are no restrictions on the availability and use of funds under this facility.

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation ¹	18,400
4.2 Development ¹	23,500
4.3 Production	4,500
4.4 Administration	12,500
4.5 CTL development and site operations	4,700
Total ²	63,600

Reconciliation of cash

¹ The significant ramp up in exploration and development expenditure in the next Quarter relates to the Umiat winter drilling program and the ongoing drilling and recompletion program in the Gulf Coast. Both of these are funded by monies raised by the bond issue.

² The Group expects to generate at least \$30.0 million of revenue in the second quarter from Oil sales and Clean Energy consulting income

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity quarterly report

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'ooo	Previous quarter \$A'ooo
5.1	Cash on hand and at bank	22,668	25,590
5.2	Deposits at call	90	90
5.3	Bank overdraft	-	-
5.4	Other	-	-
Total: cash at end of quarter (item 1.22)		22,758	25,680

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			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

7.3	*Ordinary securities	511,448,651	511,448,651		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	(a) 1,495,966 (b) Nil			
7.5	*Convertible debt securities (description)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)	Options: 7,218,323 Rights 7,978,841		<i>Exercise price</i> Various \$0.00	<i>Expiry date</i> Various \$0.00
7.8	Issued during quarter	Options: Nil Rights: 717,197			
7.9	Exercised during quarter	Options: Nil Rights: 1,495,966			
7.10	Expired during quarter	Options: 9,403,504 Rights: 750,660			
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

+ See chapter 19 for defined terms.

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 October 2012

Print name: Brook Adrian Burke

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