

14 September 2012

## **Linc Energy Announces Proposed Offering of Senior Secured Notes Due 2017**

Linc Energy Ltd (ASX: LNC) (OTCQX: LNCGY), as part of its strategy to develop its USA Oil and Gas Division, today announced that its wholly-owned subsidiaries Linc USA GP and Linc Energy Finance (USA), Inc. (the "Issuers") propose to offer, subject to market conditions, a US\$265 million in aggregate principal amount of senior secured notes due in 2017 (the "Notes"). The Notes contain no equity component and will be fully non-recourse to Linc Energy Ltd.

If the offering is consummated, the net proceeds from the sale of the Notes would be used to fund capital expenditures, repay existing debt and for general corporate purposes.

The Notes will be offered in a private placement by the Issuers and have not been registered under the Securities Act of 1933, as amended (the "Securities Act") or applicable state securities laws and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and applicable state laws.

This announcement does not constitute an offer to sell or a solicitation of an offer to buy any of the Notes or any other securities and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale is unlawful.

### **Forward-Looking Statements**

*This announcement contains forward-looking statements, including statements related to the Issuers' proposed offering of the Notes, the anticipated terms of the Notes, the anticipated manner of the offering of the Notes and the anticipated use of proceeds from the offering of the Notes, involve risks and uncertainties. Words such as "anticipates", "intends", "plans", "proposes", "expects", "will", and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based upon our current expectations. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of these risks and uncertainties, which include, without limitation, risks related to whether the Issuers will offer the Notes or consummate the offering of the Notes on the expected terms, or at all, market and other general economic conditions, whether the Issuers will be able to satisfy the conditions required to close any sale of the Notes and the fact that our management will have broad discretion in the use of the proceeds from any sale of the Notes. The foregoing list sets forth some, but not all, of the factors that could affect our ability to achieve results described in any forward-looking statements. For additional information about risks and uncertainties we face, see documents we file with the Australian Securities Exchange and the OTCQX. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this release. All forward-looking statements are qualified in their entirety by this cautionary statement, and we undertake no obligation and expressly disclaim any duty to revise or update any forward-looking statements to reflect events or circumstances after the date of this announcement.*