Disclaimer

This presentation contains forward looking statements that are subject to risk factors associated with the petroleum and mining businesses. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, geotechnical factors, drilling and production results, gas commercialisation, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

www.lincenergy.com.au
About Linc Energy

• Linc Energy is a world-focused, Australian-based energy company with coal, oil and gas deposits
• We are listed on the ASX and OTCQX with a market capitalisation greater than $US1 Billion
• We are the global leader in Underground Coal Gasification (UCG) technology, with Gas to Liquids and Enhanced Oil Recovery skills for energy solutions
• We own over 70 Billion tons of coal tenure and have over 22 million acres of oil and gas acreage across three continents.
Business Model

Enhanced Oil Recovery (EOR) – Carbon Sequestration –

- Coal
- Oil & Gas

GTL - $US28/barrel –
Power –
Methanol –

- World Leader
- Cheapest man-made conversion of gas and CO in the world
- Operating 50 years

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Our Coal, Oil and Gas

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Coal Sale to India

• Sold Queensland Galilee coal tenement to Adani Mining Pty Ltd for $500 Million, plus $2 per tonne royalty over a 20 year production life, plus first preference for any UCG opportunity

• Adani Mining Pty Ltd has lodged a Mining Lease Application for the tenement

• Declared a significant project by the Queensland Government.
Coal for Sale – Teresa

Target price of $A500+ million.
Recent News

• Ten per cent acquisition of PowerHouse Energy for exclusive rights to Pyromex technology for aboveground coal gasification, conducted in the most environmentally effective manner.

• Process requires no air separation or water and has the lowest CO$_2$ emission of any gasification process.

• Allows Linc Energy to open up other coal opportunities in the United States, Europe, Africa and Asia for aboveground coal gasification.

• Complements Linc Energy’s vision for UCG.
The Linc Energy Diesel Dash

- During March Chief Executive Officer Peter Bond drove a car on diesel made from UCG and GTL technologies from Chinchilla to Perth, a distance of nearly 5,500 kilometres.

- This campaign showcased that diesel from UCG to GTL is capable of supporting tomorrow’s energy needs.

- **Vodcasts** of The Linc Energy Diesel Dash produced for stakeholders.
Oil and Gas – Alaska

- Spudded LEA-1 in the Cook Inlet Basin in Alaska in October 2010
- Analysis has confirmed three significant sand formation intervals that appear to be gas charged
- Gas samples shown contain 99–100 per cent purity of dry natural gas.
Oil and Gas – Wyoming

• In February 2011 acquired 27,856 acres of oil producing fields in the Powder River Basin
• Acquired from Rancher Energy Corp
• Current oil production is 190 barrels per day
• Linc Energy has the potential to increase oil production using its UCG technology (CO₂ flooding) for Enhanced Oil Recovery (EOR)
• Potential to produce 10,000 to 20,000 barrels per day.
Oil and Gas – South Australia

- $9 Million oil and gas exploration program for tenements in the Arckaringa Basin in South Australia
- Four wells to be drilled – the biggest program in 30 years.
Operating UCG – Australia

Chinchilla Demonstration Facility

• 12 years of UCG operations (since 1999)
• Successive UCG gasifiers
• Latest gasifier with over 20 world-firsts
• Applied coil tubing and oxygen enrichment for syngas enhancement
• Facility has a Gas to Liquids pilot plant, 24 laboratory and wastewater treatment plant.
Current Gasifier

- Higher economies of scale
- Increased resource recovery and gasifier life
- Oxygen enrichment
- Coil tubing unit capabilities
- Increased capital efficiency.
Operating UCG – Uzbekistan

Yerostigaz Facility

- 2011 marks 50 years of continuous operations at the Yerostigaz Facility
- Produces one million cubic metres of syngas per day for nearby power station operations
- Linc Energy owns 91.6 per cent of Yerostigaz and over the past 18 months has established and implemented a modernisation program, including $10 million spent on new compressors.
Innovation for UCG

Hydrogen Fuel Cells

- Linc Energy acquired 10 per cent of the world’s leading hydrogen fuel cell developer, AFC Energy
- Hydrogen from the UCG process can be used in fuel cell technology to produce the cleanest electricity possible from coal
- Linc Energy has the global exclusive rights for combined UCG and fuel cell technology and any AFC Energy opportunity in Australia with UCG or gas.
Innovation for UCG

Carbon Capture and Storage

• Linc Energy has signed an MoU with leading European research centre GFZ to develop carbon capture and storage technology for UCG projects
• Research will confirm just how much CO$_2$ can be stored in exhausted UCG cavities
• Linc Energy has this exclusive agreement with GFZ for the next three years.
UCG and Enhanced Oil Recovery

- Linc Energy is committed to using UCG for Enhanced Oil Recovery
- Our goal is to supply two or three EOR fields in the next 12 to 18 months to produce about 10,000 barrels/day.
UCG and Gas to Liquids

• Linc Energy has proven combined UCG and Gas to Liquids Technologies for fuel production

• Our goal is to use UCG feedstock in modularised GTL plants for cleaner diesel and jet fuel.
UCG and Power

- Linc Energy is studying the use of syngas for commercial power generation. Locations include Australia, United States, Asia, Europe and India
- Results will provide the next steps towards commercialisation.
Towards Commercialisation

- Select EOR sites in Q1 2011
- UCG to EOR project commencement Q4 2011
- To sell another coal resource in Q2 2011 – Qld
- Complete LEA-1 (Alaska) well
- 2D Seismic and 10 exploration wells – SA, Oil
- Develop UCG and EOR in Wyoming by late 2011
- Expand Coal assets to 100 billion tonnes
- Develop JV with companies in Asia/India/Europe/USA
- Gasifier 5 operating in Chinchilla
- First UCG gasifier in PRB in Q3, 2011
- Multiple gasifiers approved in PRB for revenue.
- Contracts on GTL modularised plant – June 2011
- First steel laid for construction of first commercial products by end 2011.