

25 June 2013

RESPONSE TO MARKET SPECULATION

In response to speculation in the media today regarding Linc Energy's possible involvement in a transaction to acquire a producing hard coking coal mine in Queensland, Linc Energy confirms its previous advice to the market that it intends to divest or demerge its non-core Coal Division assets from the corporate group in the near-term.

To facilitate the divestment or demerger of its Coal Division, Linc Energy is continuing to evaluate a number of options, including the possibility of working with joint venture partners who have synergies with Linc Energy's existing coal portfolio.

Linc Energy confirms that it has not made any binding offer or reached any concluded agreement with any entity in relation to the matters subject to current media speculation.

Peter Bond, CEO of Linc Energy, said; "Linc Energy is focused on developing its core business of oil production and the commercialisation of UCG on a global scale. As such, Linc Energy is committed to divesting its Coal Division, and is actively pursuing a course to achieve this."

Linc Energy will update the market in the event of any material change to the current circumstances.

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Company Profile

Linc Energy is focused on both conventional and unconventional oil and gas production. The Company owns a diverse and world-class commodity portfolio that includes oil, gas, shale and coal.

Conventional oil and gas is focused onshore USA (Alaska, Texas, Louisiana and Wyoming) with current production expected to grow significantly from the Company's existing reserves.

Unconventional oil and gas is focused on our world leading capability in Underground Coal Gasification, the process of converting coal into a valuable synthetic gas in situ. Linc Energy has constructed and commissioned the world's only UCG to GTL demonstration facility. The Company also owns and operates the world's only commercial UCG operation in Uzbekistan, which supplies syngas to a nearby power station.

Linc Energy is listed on the ASX (Australia) and the OTCQX (USA).

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