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ASX ANNOUNCEMENT / MEDIA RELEASE

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Linc Energy continues and expands its MOU with BP AUSTRALIA

- Linc Energy is proud to continue with the Memorandum of Understanding with BP Australia to be Linc Energy's First Major Customer for Ultra-Clean Diesel
- The MOU has been amended to incorporate a take or pay agreement for the proposed Gas to Liquids Facility in South Australia.

Linc Energy Ltd (ASX: LNC) (OTCQX: LNCGY) is pleased to announce that it has extended its Memorandum of Understanding (MOU) with BP Australia Pty Ltd. This MOU allows for BP Australia to be the first customer to purchase a minimum of 14,000 barrels per day of Ultra-Clean diesel to be produced at Linc Energy's first production plant to be commissioned in South Australia.

The Memorandum of Understanding between BP Australia and Linc Energy is one of only a limited number offered in the market and provides BP with the opportunity to purchase up to 70 per cent of the initial 20,000 barrels of ultra-clean diesel and other clean fuels to be produced at the plant in a take or pay agreement.

Linc Energy's Chief Executive, Mr Peter Bond said "we are delighted to continue our good relationship with one of the world's largest energy companies by signing this MOU with a specific focus on South Australia. This dovetails nicely with our vision to produce ultra-clean diesel from our first commercial facility in South Australia."

For further information please contact Peter Bond on +61 7 3229 0800.

A handwritten signature in black ink, appearing to read "Peter Bond", is positioned above the name and title of the Chief Executive Officer.

Peter Bond
Chief Executive Officer

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Company Profile

Linc Energy is an innovative, forward thinking energy company and Australia's leader in clean coal technology. The company's vision is to become a dominant player in the supply of more environmentally friendly power, diesel and jet fuel.

Linc Energy aims to achieve this vision by bringing together, for the first time anywhere in the world, two proven production processes known as Underground Coal Gasification (UCG) clean coal technology and Gas to Liquids (GTL).

These processes will economically convert vast "stranded" coal deposits into ultra clean liquid fuels.

Linc Energy will also use the Syngas produced from UCG clean coal technology as feedstock for gas turbines to generate much needed environmentally friendly electricity.

The company has a unique leading edge capacity to provide a viable, more sustainable and smart alternative source of liquid fuels and power generation well into the foreseeable future.

Linc Energy represents a new future for liquid fuels production and power generation.