

## SAPEX

ASX Code: LNC  
OTCQX Code: LNCGY

20 December 2012

### SAPEX ARCKARINGA BASIN SHALE UPDATE

- **Barclays appointed as strategic advisor on the SAPEX petroleum assets in the Arckaringa Basin**
- **Internal technical analysis indicates excellent resource play potential**
- **Independent Engineering report commissioned and completion expected in January 2013**

Linc Energy (ASX: LNC) (OTCQX:LNCGY) is pleased to announce that it has appointed Barclays Bank PLC to act as a strategic advisor on its petroleum assets within the Arckaringa Basin in South Australia. Barclays will assist Linc Energy to achieve the best outcome for the Company's Arckaringa Basin assets. Barclays was selected from a group of potential advisors due to its strong technical expertise and experience working with shale assets.

Linc Energy holds over 65,000km<sup>2</sup> (16 million contiguous acres) within the Arckaringa Basin across seven Petroleum Exploration Licences (PELs) and one Application (PELA).

Linc Energy's technical analysis of information obtained from over 1100 kilometres of seismic data and wells drilled to date within the Arckaringa Basin indicates that the shale formations encountered have excellent resource play potential with total organic carbon (TOC) levels, permeability, porosity and thickness comparing favourably to prolific US unconventional petroleum plays.

Linc Energy is currently finalising an independent petroleum engineering report and will release this to the market as and when it becomes available. The Company anticipates finalisation of the report in January 2013.

Peter Bond, Chief Executive Officer of Linc Energy said; "The appointment of Barclays is a big step forward towards Linc Energy unlocking value from the Arckaringa Basin and what has the potential to be a world class shale oil play."

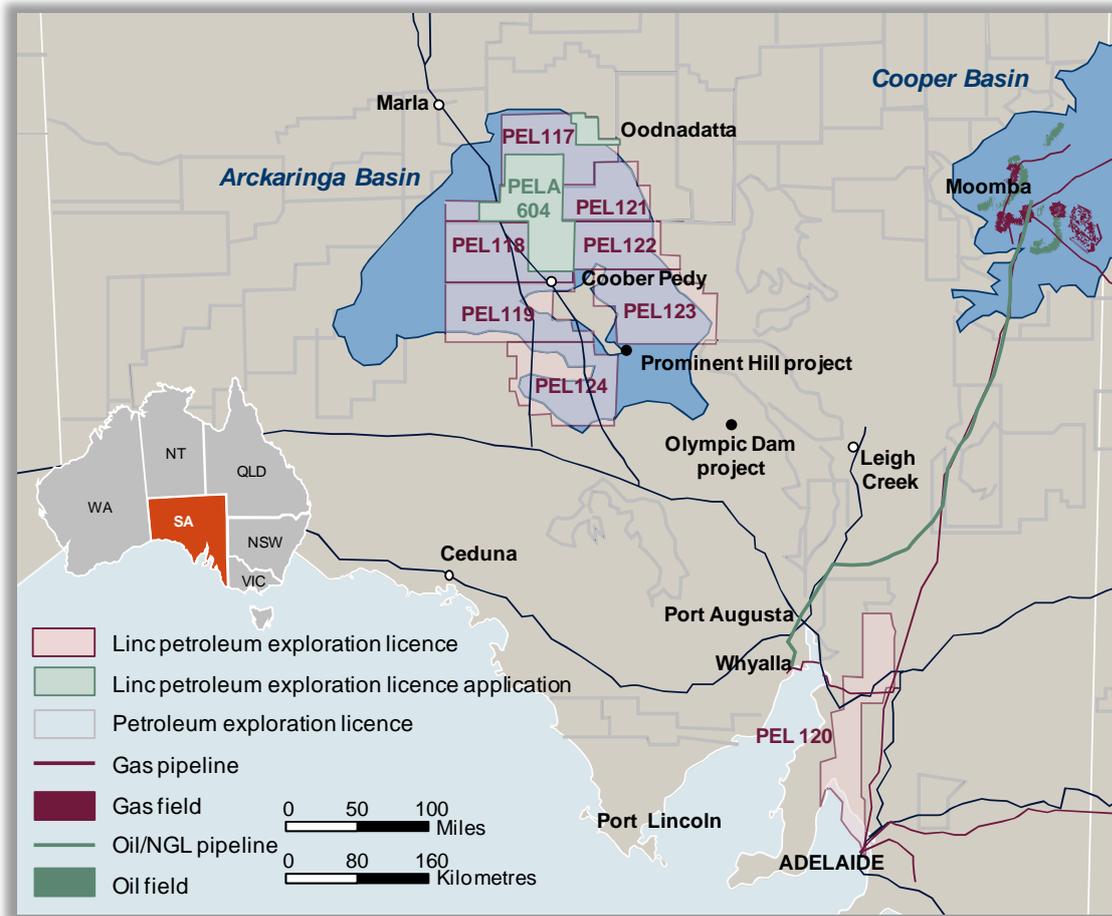


Figure 1: Arckaringa Basin Location



Figure 2: Arckaringa Basin Drilling

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## Company Profile

Linc Energy is a globally focused, diversified energy company with a strong portfolio of coal, oil and gas deposits. It is Linc Energy's purpose to unlock the value of its resources to produce energy to fuel the future.

A publicly listed company, Linc Energy is the global leader in Underground Coal Gasification (UCG), which delivers a synthesis gas feedstock to supply commercially viable energy solutions – such as electricity, transport fuels and oil production – through gas turbine combined cycle power generation, Gas to Liquids (GTL) Fischer-Tropsch processing and Enhanced Oil Recovery.

Linc Energy has constructed and commissioned the world's only UCG to GTL demonstration facility located in Queensland, Australia. This facility produces the world's only UCG to GTL synthetic diesel fuel. Linc Energy also owns the world's only commercial UCG operation, Yerostigaz, located in Uzbekistan. Yerostigaz has produced commercial UCG synthesis for power generation for 50 years.

Linc Energy is listed on the Australian Securities Exchange (LNC) and can also be traded in the United States via the OTCQX (LNCGY).

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