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ASX ANNOUNCEMENT / MEDIA RELEASE

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Coal Tenements Sale Update

- Linc Energy has received formal notification that all necessary non-Australian approvals for the purchase of its coal tenement assets have now been obtained.
- Linc Energy expects to finalise negotiations and execute the sale contract for the coal tenements in the coming 3 to 4 weeks.

Linc Energy Ltd (ASX:LNC) (OTCQX : LNCGY) is pleased to announce that its negotiating team was formally notified on Friday, 20th March 2009 that, other than Australian governmental approvals, all necessary approvals have now been obtained by the parties with whom negotiations have been continuing since late 2008 for the proposed purchase of the Emerald (Teresa) coal tenements.

Obtaining these important approvals allows the parties to proceed to finalise negotiations on the remaining transaction details.

Linc Energy expects to finalise negotiations and execute the sale contract for the coal tenements in the coming 3 to 4 weeks, with the remaining formalities to be completed in Australia.

Linc Energy's General Manager of Business Development, Mr Justyn Peters, stated "Whilst the sale process has taken longer than expected, in obtaining all of the necessary off-shore approvals we achieved a fundamental milestone which will allow the parties to complete the sale process relatively quickly from this point. We have worked tirelessly with our Chinese counterparts to obtain the necessary approvals. Completing this milestone has been a challenging and difficult aspect of the sale process, particularly within the current economic climate."

Linc Energy's negotiating team will return from China this week. The Company will update the market upon the execution of the sale contract or as soon as any further material information is available; but in any event no later than 4 weeks from today.

For further information please contact Mr Justyn Peters.



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.