

31 March 2014

OIL FLOWS AT UMIAT ALASKA FOR LINC ENERGY

- **Linc Energy's #23H well at its Umiat oil field in Alaska successfully flows oil**
- **Peak oil flow rates of 800 barrels per day**
- **Sustained Flow rates of 250 BOPD**
- **Excellent quality Oil produced at 38.5 API gravity**
- **Successful completion of horizontal well drilled at Umiat which is the key to de-risking commercial development of this Billion barrel OOIP oil field**
- **Linc Energy continues permitting and EIS program on Umiat including finalising the road and pipeline route**
- **Linc Energy's CEO Peter Bond meets with Alaskan Governor Sean Parnell, to discuss Umiat success and discuss next steps forward**
- **Once the Umiat field has a gas drive applied to the field, initial internal calculations suggest oil flows could achieve approximately 2,000 BOPD**
- **Ryder Scott estimate Proved & Probable ("2P") reserves of 154.5 million barrels of oil equivalent ("MMboe"), with a 2P NPV10% of US\$2.465 billion, and Proved, Probable & Possible ("3P") reserves of 194 MMboe, with a 3P NPV10% of US\$2.845 billion***

Linc Energy Ltd (SGX:TI6) is pleased to announce that it has successfully finished the drilling and completion of its Umiat #23H well, drilled in the Umiat oil field in the Alaskan National Petroleum Reserve Area.

The well design employed the latest in drilling and completion technologies delivering a 640 metre horizontal completion just 300 metres below surface. The producing interval was drilled and completed successfully with a non-damaging prototype reservoir drilling fluid. The drilling team used the core data from Linc Energy's 2013/2014 winter season to target and geo-steer the bit horizontally in the highest productive interval within the lower grandstand formation. The lateral yielded over (950 feet) 280 metres of net pay in the Lower Grandstand formation.

This well lands on the worldwide map of extended reach wells in the ultra-extended reach drilling category.

After the completion was set in place Linc Energy began flow testing the well, producing a total of 650 bbls of crude. This is the first time crude has been surfaced in significant quantities at Umiat since 1952. The well produced a peak rate of 800 BOPD with a sustained 250 BOPD during the test. Initial field testing of the produced fluids revealed light sweet 38.5 degree API gravity oil with 0% water cut. Samples were taken for further laboratory analysis. Four separate flow tests were conducted over a seven day period.

Peter Bond, Linc Energy's Chief Executive Officer, met with Governor Sean Parnell of Alaska to show the Governor a sample of the oil produced from the Umiat #23H well and to discuss how Linc Energy and the State of Alaska can work together in finalising the permitting process to take Umiat into full commercial production of a planned peak 50,000 barrels per day of sweet 38.5 API gravity oil to be pumped into the Trans-Alaskan Pipeline (TAPS). It was noted that TAPS urgently requires more oil and the apparent excellent quality of the Umiat oil produced would probably attract a pipeline pricing bonus over current Brent pricing.

Mr Bond said, "The success of flowing oil from Umiat is a great milestone for Linc Energy and its team."

"We have now proved that the oil flows easily from the Umiat reservoir with very good permeability and that the drilling process of utilising Horizontal wells with slotted liners with ESP down well pumps as per our commercial design has been a success. And with this success and the knowledge gained from last year's drilling program, Linc Energy now has clear a path for the commercial development of the billion barrel OOIP Umiat field."

"I was fortunate enough to be on site at Umiat during the oil flow and was very impressed with how easy the well came in (flowed) and the quality of the oil, which is light sweet crude. I'd read stories of how the U.S. Navy was known to put the Umiat crude oil straight from the well head into their trucks and drill rigs. And after seeing and experiencing the oil for myself I can see why they would do this, as the Umiat oil looks like and has the consistency of diesel fuel, just fantastic quality oil that did not change throughout the flow test."

"I'd like to particularly thank the State of Alaska for the assistance that Linc Energy receives via their various incentive oil development programs including SB 21 which is critical to the development of Alaskan Oil fields like Umiat, which becomes critical to building future oil flows, jobs and royalties for the State. As I said to Governor Sean Parnell, without these incentives it would not be possible for Linc Energy to drill and develop Umiat, and for me to be standing in front of you with a container of sweet light crude oil which has just flowed from the Umiat field. It may not be well known but approximately 65% of the cost of development of the Umiat oil field is paid for via these State incentive programs."

Linc Energy is now moving forward to complete environmental studies, permitting, and engineering of the surface facilities for the Umiat commercial operation, including finalising the best routes for the Umiat pipeline and road.

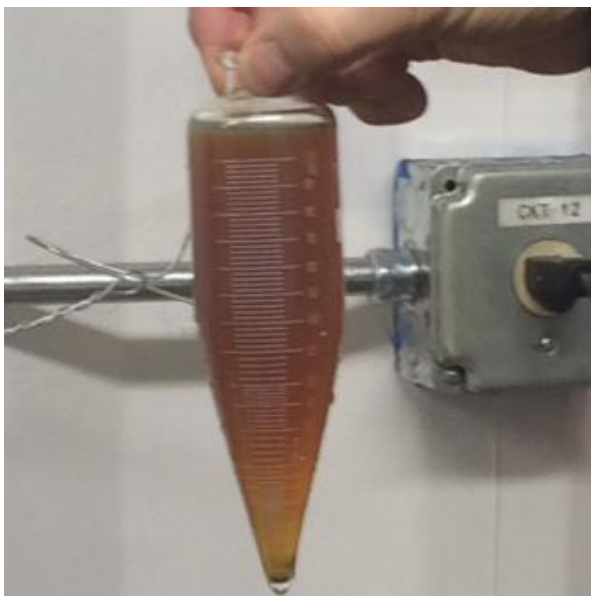
Linc Energy will continue to work through the data from the flow test, including working with its various consultants and reservoir engineers.

*The reserve estimates used in this statement were compiled by independent consultants, the Ryder Scott Company, L.P., in accordance with the definitions and guidelines set out in the 2007 Petroleum Resource Management System by Scott J. Wilson (Senior Vice President of Ryder Scott Company LP) who has consented to the form and context in which the reserve estimates appear.

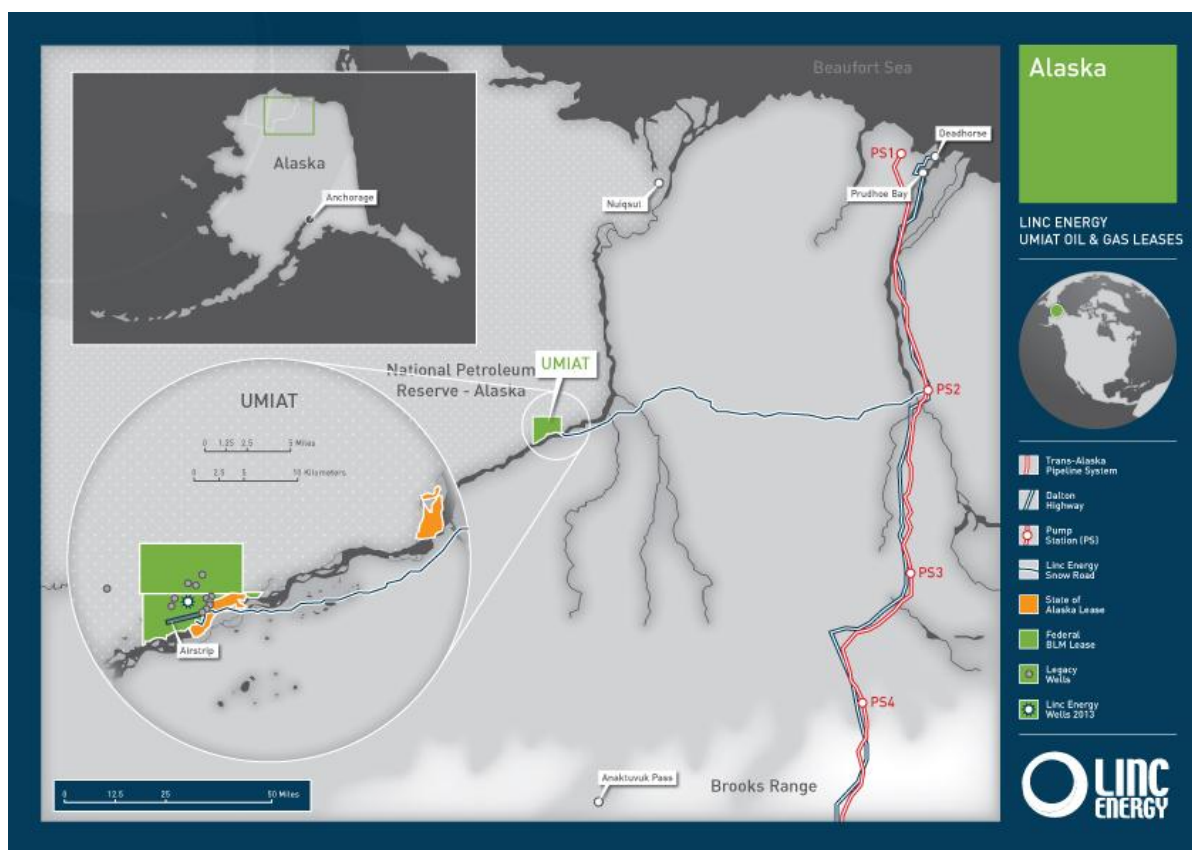
The initial public offering of the Company was sponsored by DBS Bank Ltd., Credit Suisse (Singapore) Limited and J.P. Morgan (S.E.A) Limited.



Linc Energy CEO Peter Bond and Alaskan Governor Sean Parnell



Oil sample taken from Umiat oil flow



Map of the Umiat Oil Field, Alaska

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 SGX (Singapore) and the OTCQX (USA).