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The Manager  
ASX Announcements

## Key milestone PEPR submitted for the Kookaburra Gully Graphite Project on South Australia's Eyre Peninsula

Lincoln Minerals Limited (ASX:LML) ("Lincoln" or "Company") is pleased to announce completion of the Program for Environment Protection and Rehabilitation (PEPR) for the the Company's 100%-owned flagship Kookaburra Gully Graphite Project located on South Australia's Eyre Peninsula.

### The PEPR was lodged with the SA Government on 29 September 2017

A Mineral Lease, ML 6460, was granted for the Kookaburra Gully Graphite Project on 3<sup>rd</sup> June 2016 and the PEPR formalises the environmental impacts and conditions set by the Government in regard to the ML. Working closely with Government agencies, landowners and the community has enabled an environmental management program to be developed that addresses key social and environmental risks in a manner acceptable to both community and government. The PEPR details and formulates management plans for construction, operations, rehabilitation and closure and is the **key final step for Government approval to commence graphite mining and processing at Kookaburra Gully.**

The PEPR, which incorporates innovative and robust leading industry practice design parameters, is based on a large number of independent technical studies.

### Highlights

- Based on an ultimate production rate of 35ktpa<sup>1</sup> graphite concentrate;
- Metallurgical and pilot plant testwork confirm ability to produce high grade graphite products of 93% to 98% graphitic carbon by a simple flotation flow sheet;
- The PEPR addresses operational, environmental and social management conditions of the Mineral Lease including construction, rehabilitation and water management;
- The Mineral Resource of 2.0 Mt at 15.2% TGC<sup>2</sup> Measured, Indicated and Inferred is a Global Top 10 mineral resource based on grade and ensures a life of mine of at least 8 years



Lincoln's Managing Director Dr John Parker commented:

*"The PEPR shows that Kookaburra Gully is not only a world-class graphite deposit but it supports a world-class commercial and environmentally sustainable mining and processing operation to produce a range of high quality, sought-after graphite products.*

*Combined with the opportunities for future development at the historic Koppio Graphite Mine and Kookaburra Extended, this places Lincoln Minerals in an ideal position for a long term operation to tap into the enormous growth forecast for graphite demand on the back of increased electrical vehicle and renewable energy battery sales.*

***This is a key milestone for Lincoln Minerals."***

Dr A John Parker  
Managing Director

<sup>1</sup> ktpa = 000's tonnes per annum

<sup>2</sup> Based on a 5% TGC cut-off (Mt = million tonnes; TGC = Total Graphitic Carbon) (see Lincoln Minerals Limited 2017 Annual Report, 27 September 2017)

## Competent Persons' Report

*Information in this report that relates to exploration activity, exploration results and exploration targets was compiled by Dr A John Parker who is a Member of the Australasian Institute of Geoscientists and Managing Director of Lincoln Minerals Limited. Dr Parker has sufficient experience relevant to the styles of mineralisation and to the activities which are being reported to qualify as Competent Persons as defined by the JORC Code, 2012. Dr Parker consents to the release of the information compiled in this report in the form and context in which it appears.*

*Information extracted from previously published reports identified in this report is available to view on the Company's website [www.lincolnminerals.com.au](http://www.lincolnminerals.com.au). The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources and Exploration Targets, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.*

### Kookaburra Gully Graphite Project – Southern Eyre Peninsula

- **Mineral Lease ML 6460 granted 3<sup>rd</sup> June 2016** to Lincoln's wholly-owned subsidiary, Australian Graphite Pty Limited, for a period of 21 years commencing on 3<sup>rd</sup> June 2016
- A Community Engagement Plan (CEP) for Kookaburra Gully has been approved by the SA Department of Premier and Cabinet (DPC)
- Lincoln has been working with DPC, the District Council of Tumby Bay, the southern Eyre Peninsula community and other stakeholders to complete the Program for Environment Protection and Rehabilitation (PEPR) to pave the way for a start to mine development in 2018
- Mine production and processing plant construction targeted for 2018-19 subject to Government approvals and financing
- **Favourable project economics** supported by proximity to transport and infrastructure
- Kookaburra Gully JORC 2012 Mineral Resources upgraded:
  - 2.03Mt Measured, Indicated and Inferred Mineral Resources at 15.2% TGC (at 5% TGC cut-off)
  - or 3.23Mt Measured, Indicated and Inferred Mineral Resources at 11.2% TGC (at 2% TGC cut-off)
- Highly sought after **premium flake graphite globally competitive** on quality, grade, cost and economics
- **Simple flotation process** yields >90% recovery at grades >93% TGC
- World-class graphite deposit capable of delivering near-term production at low cost
- Kookaburra Gully Mine Plan:
  - Based on mining 250,000t graphite ore per annum to produce up to 40,000t graphite concentrate per annum
  - Capital expenditure A\$40-50 million including EPCM and 10% contingency
  - Life-of-mine operating expenditure for mining and processing = A\$704 per tonne flake graphite concentrate based on 90% recovery
  - Year 1 operating expenditure = A\$395 per tonne of concentrate
- Historic Koppio Graphite Mine:
  - Mineralisation grades up to 42.8% TGC with a 1.85Mt JORC 2012 Inferred Mineral Resource at 9.76% TGC (at 5% TGC cut-off)
- **Combined total Measured, Indicated and Inferred Mineral Resources** for Kookaburra Gully and adjoining Koppio graphite deposits now stand at 3.88Mt grading 12.6% TGC with **489,930t of contained graphite** (within the high-grade core based on a nominal cut-off grade of 5% TGC).

*(see Lincoln Minerals Limited 2017 Annual Report, 27 September 2017)*