Alaska Support Industry Alliance

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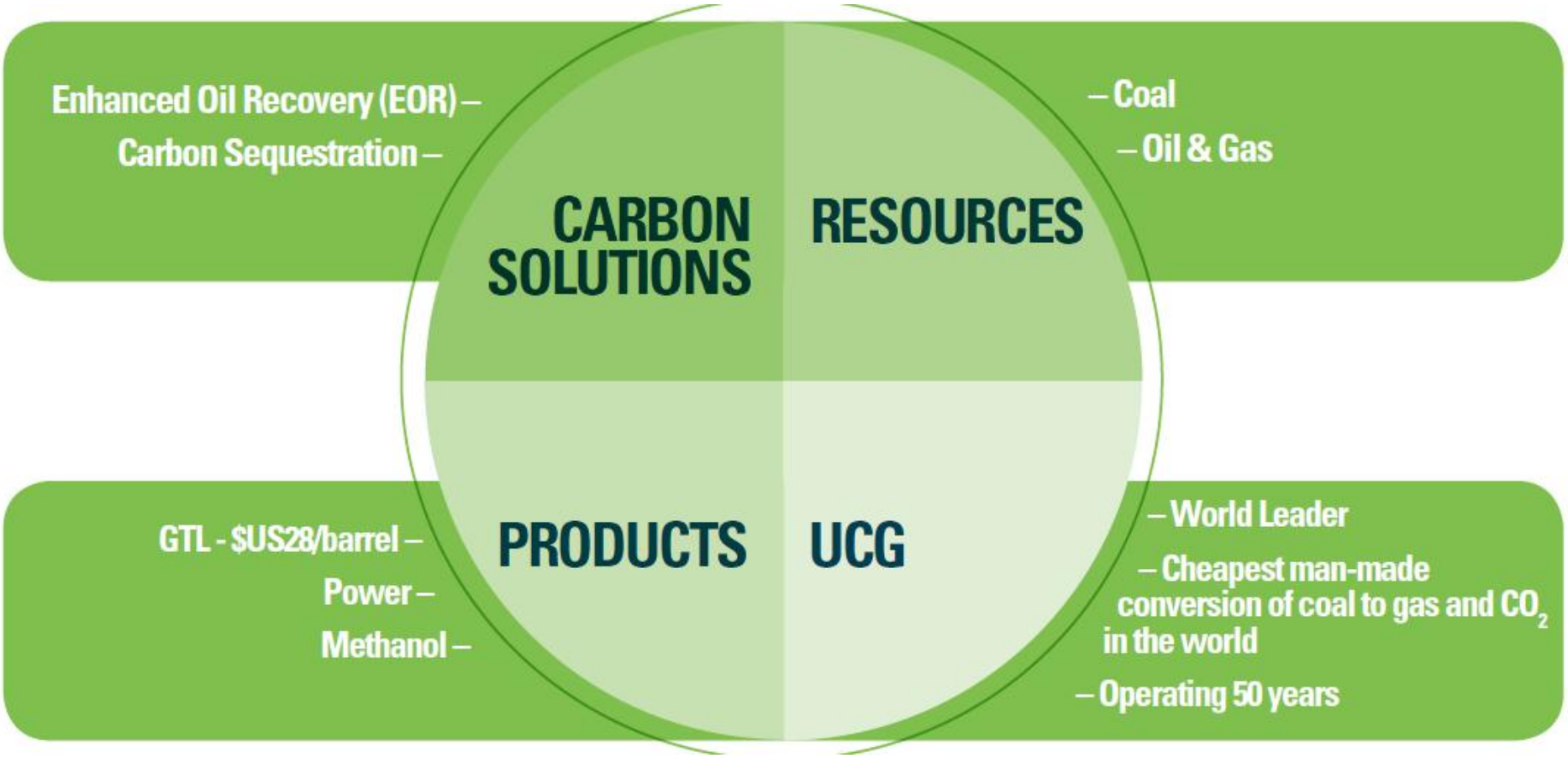
About Linc Energy

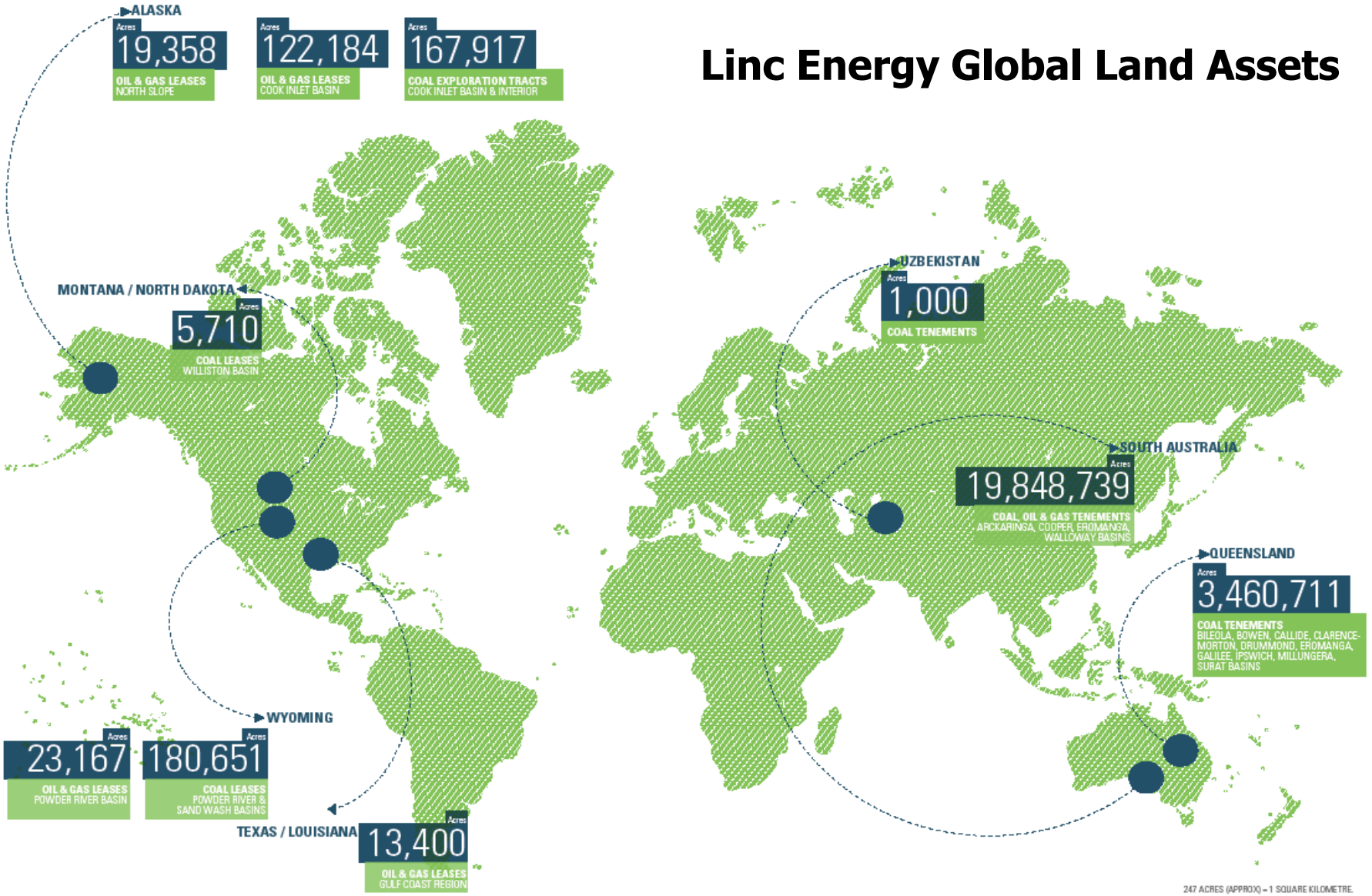
- Specializes in Underground Coal Gasification (UCG), Gas to Liquids (GTL) technology, and Enhanced Oil Recovery (EOR)
- Leader in advanced coal technology
- One of the largest coal reserve holders globally with over 700 million tons of coal available for UCG development
- Building an energy portfolio
- World headquarters—Brisbane, Australia
- 400+ staff, 8 offices, 4 continents, and growing
- Market Capitalization $1 billion
- Over 10 years successful UCG operations in Chinchilla, Australia

Voted Best Clean Energy Company in Australasia/Pacific

Linc Energy


Enhanced Oil Recovery (EOR) –
Carbon Sequestration –
CARBON SOLUTIONS
RESOURCES
– Coal
– Oil & Gas
GTL - $US28/barrel –
Power –
Methanol –
PRODUCTS
UCG
– World Leader
– Cheapest man-made conversion of coal to gas and CO_2 in the world
– Operating 50 years

Linc Energy Global Land Assets



247 ACRES (APPROX) = 1 SQUARE KILOMETRE.
As at 28 September 2011, including tenure under application and net oil and gas leases.

Linc Energy USA

- Linc Energy (USA), INC. – U.S. Parent Company
- Linc Energy U.S. reserves are expanding
  - WY - Powder River Basin (PRB) - coal leases/184,210 acres (2009)
  - WY - Glenrock - 3 producing oil fields/27,856 acres (2011)
  - Williston Basin - coal leases/8,308 acres, 15,589 surface (2010)
  - **AK** - MHT licenses – coal licenses/167,916 acres (2011)
  - **AK** - Cook Inlet Basin – Oil & Gas leases/122,000 acres (2010)
  - **AK** - Umiat - 19,358 acres NPRA (National Petroleum Reserve)
  - TX/LA - ERG Resources – 14 oil fields, 13,400 Gulf Coast acres (2011)
- Linc Energy US headquarters – Denver, CO
- Regional offices – Anchorage, Baton Rouge, Casper & Houston
- UCG projects planned in Alaska, Louisiana and Wyoming

Linc Energy Alaska

- Alaska assets
  - UCG exploration drilling program underway
  - Winter activities planned in Umiat
- Feasibility analysis underway for all opportunities including UCG, GTL, and EOR
- All-Alaskan team


Umiat O&G
Barrow
Prudhoe Bay
Kotzebue
Alaska
Nome
Fairbanks
Nenana Healy
Anderson UCG
Bethel
Anchorage
Valdez
Cordova
Cook Inlet UCG, O&G
Anchorage Office
Juneau
Unalaska
Linc UCG Exploration License Areas
Linc Oil & Gas Leases
Cities
Major Roads
Trans-Alaska Pipeline System (TAPS)
National Petroleum Reserve - Alaska (NPR-A)

LINC ENERGY

Linc Energy
Underground Coal Gasification

Underground Coal Gasification (UCG)

- UCG is the process of converting coal to underground (in-situ) via gasification

- UCG is used to access coal resources that are either uneconomic to work by conventional open cut or underground coal mining methods, or are inaccessible due to depth, geology or other mining and safety considerations – ***while also reducing environmental impacts***

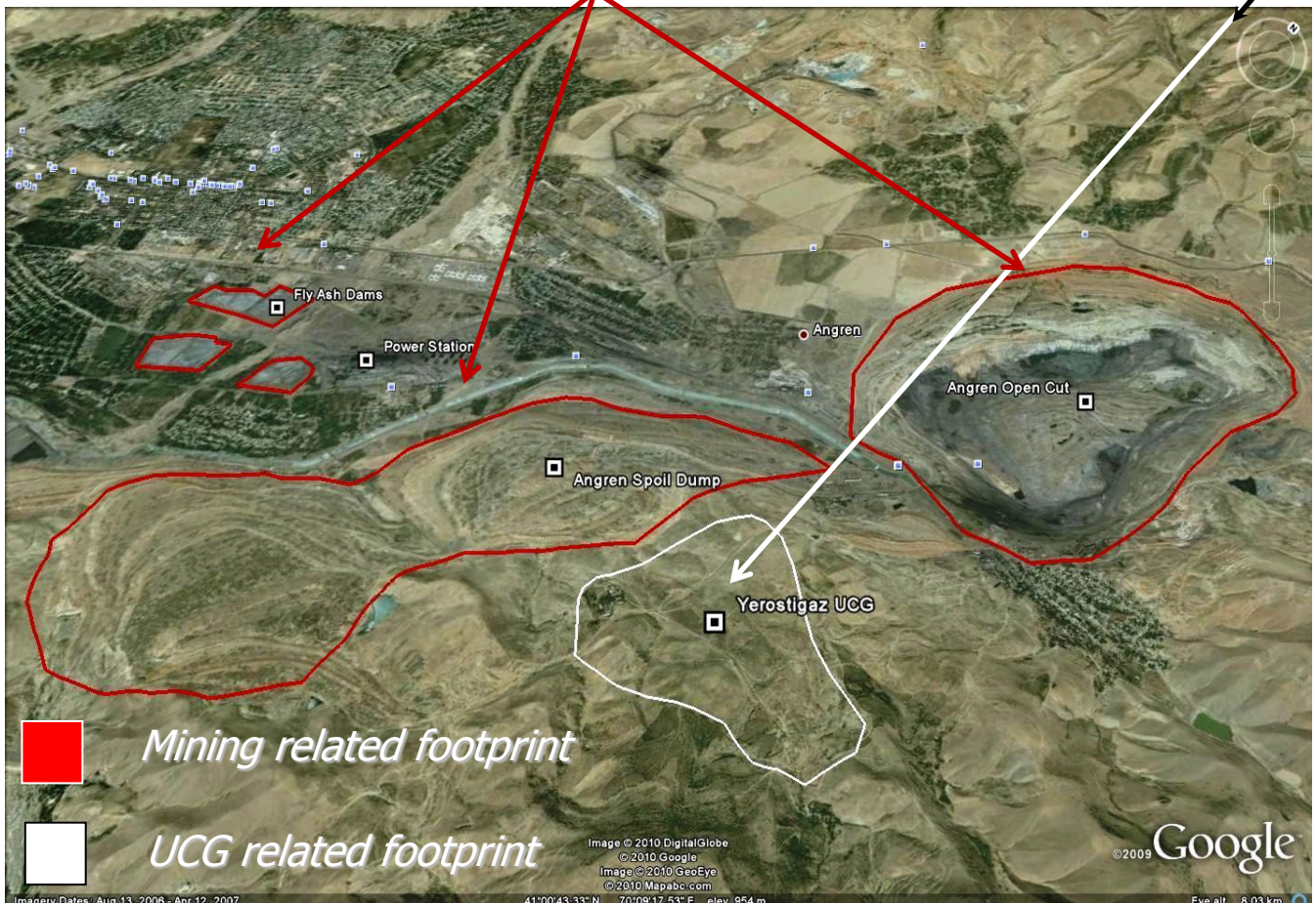
UCG contrast to Surface Mining

Surface Mining

- Depth and surface: Large impact surface footprint
- Greater carbon emissions with traditional coal-fired power plants
- Ash impacts and management required
- Discharge of tailings and sulfur emissions

UCG

- Minimal surface footprint. (average acre vs surface coal)
- Cuts carbon emissions by producing syngas-fuelled electricity with 10-20% less CO2 emissions than traditional coal-fired power plants
- Reduces the cost of carbon capture
- No surface ash management required



UCG to CBM Contrast

Underground Coal Gasification	Coal Bed Methane
UCG is **gasification in-situ**, a process that produces syngas rich in H2, CO2, and CH4	CBM removes **methane** from the coal matrix
UCG requires that hydrostatic pressure is maintained: controls gasification; and local **groundwater system remains intact**	Water is **drained from the coal** in order to relieve the pressure to produce methane
Water provides the hydrostatic pressure needed for containment of the process	Dissolved solids are persistent in the environment and cannot be broken down
UCG produces **lower volumes** of water	CBM produces **large volumes** of saline type wastewater
Water **remains in the coal** and adjacent to the underground environment	Associated water drained from the coal seam is either **evaporated in ponds or treated** through a reverse osmosis process
UCG extracts **20 times more energy** from the same coal resource	CBM **less efficient** per acre than UCG
UCG has much smaller surface disturbance—facilities are compact in one spot	CBM much larger surface disturbance—access to coal and required facilities are spread out over several thousand acres

UCG benefits overview

Environmental Benefits

- Smaller environmental footprint
- No mining
- Low-cost H_2 production
- Gasification in-situ process, that produces syngas rich in H_2, CO_2, and CH4
- Syngas is very clean
- Produces low volumes of water
- Water remains in the coal and adjacent to the underground environment
- No surface ash management
- Synergies with carbon management
- Infrastructure: Self-sufficient for water and power – diminished need for pipelines and water supply dams, etc

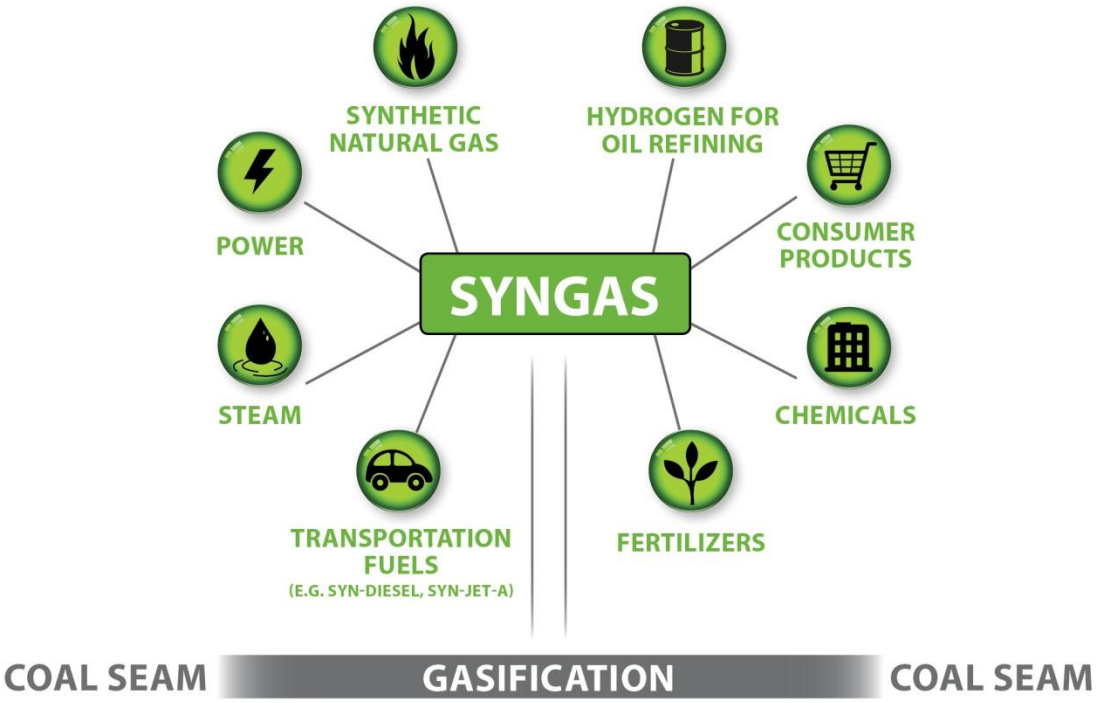
UCG benefits overview

Economic Benefits

- Coal is the most abundant fossil fuel with the U.S. containing a third of the world's resource
- Long term source of clean liquid fuels
- Monetization of previously "stranded" coal
- Transportation of coal is eliminated
- Reduces cost of carbon capture
- No surface gasifier purchase or operation
- Low-cost power generation
- Great flexibility in products (power, syngas, liquids)
- Energy Security and Independence
  - Domestic supply of diesel and jet fuel
  - Domestic supply of CO_2 for EOR projects
  - Utilization of domestic coal to generate power

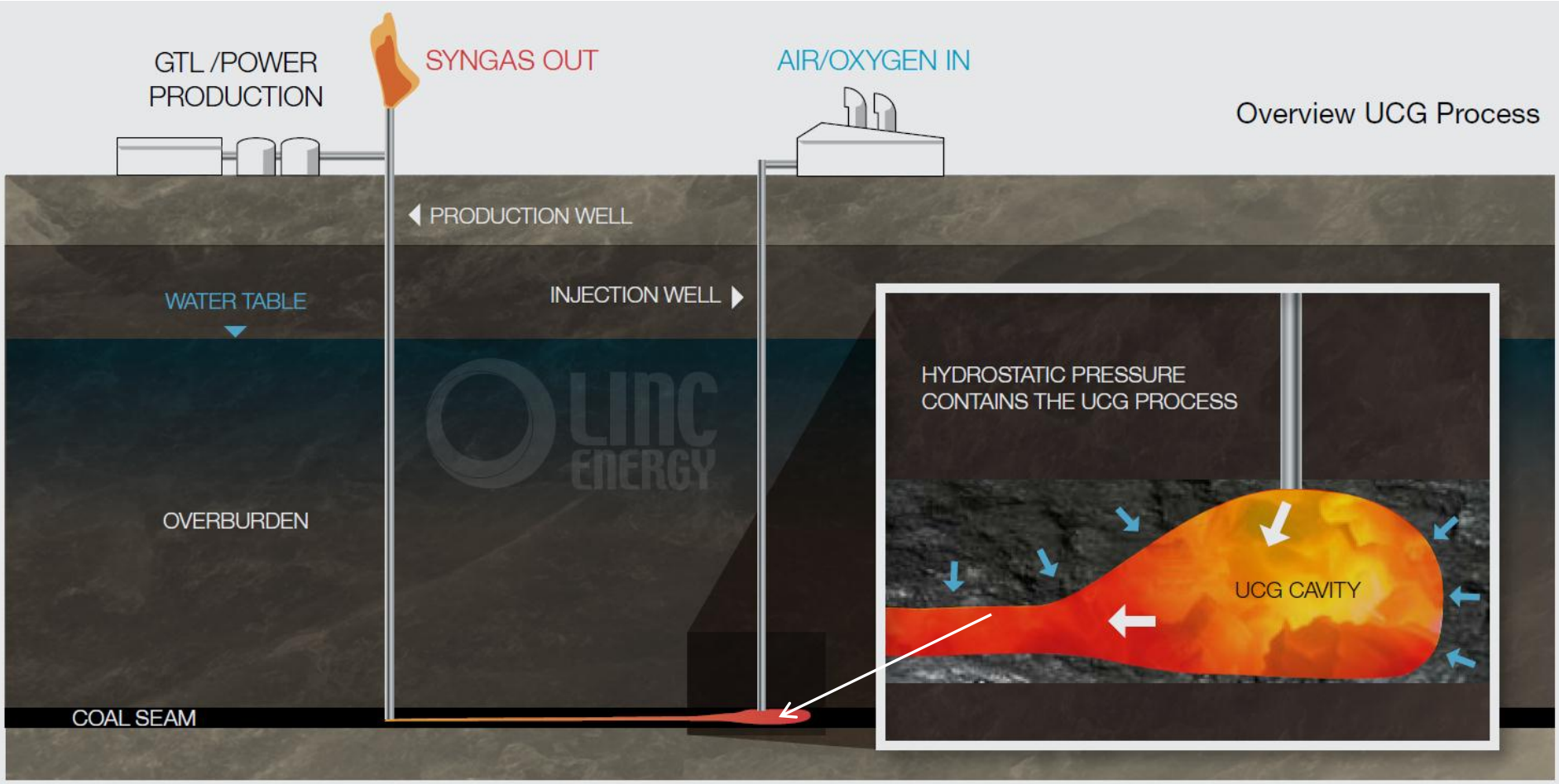
UCG – Key advantages

- UCG can access deep "stranded" coal anywhere in the world
- Long-term source of clean liquid fuels
- Low-cost, **consistent quality syngas** for production of valuable power and fuels
- Low sulfur fuel production
- Delivers new social and economic benefits



UCG – in simple terms

- Air or oxygen is injected along with water/steam if required
- Products include CO + H_2 (syngas) CO_2 and CH_4
- Groundwater integrity is maintained by operating under hydrostatic pressure



Most Important Controls

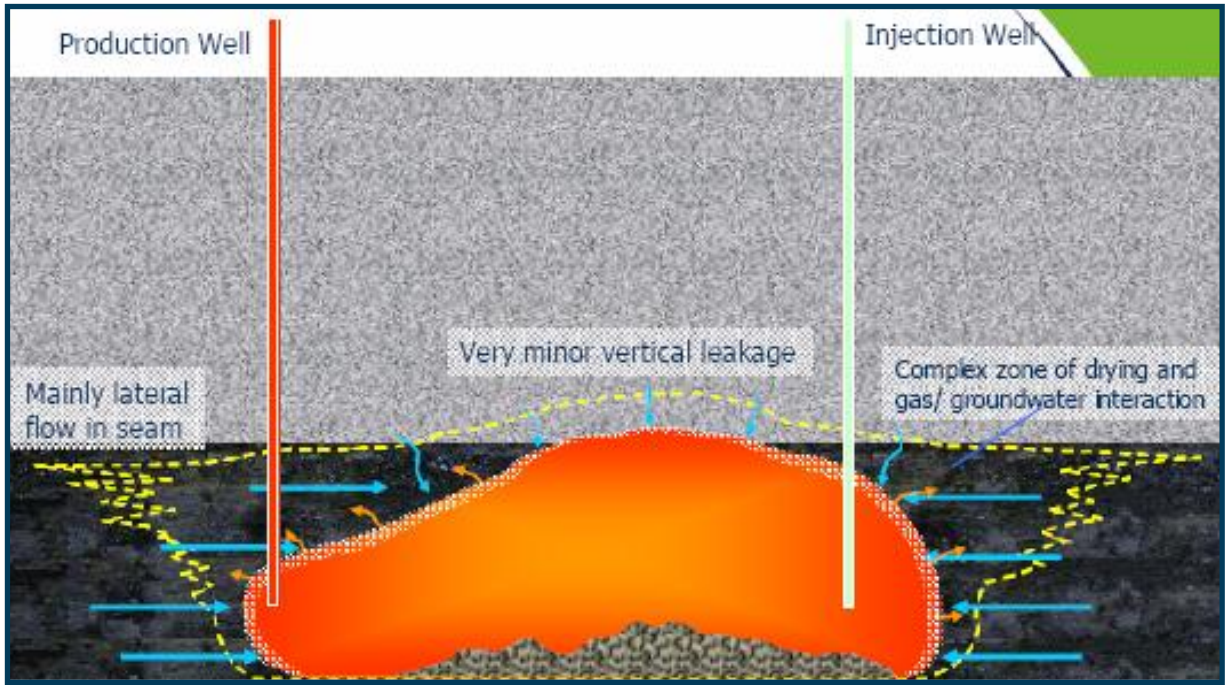
- Site selection – many variables
- Operations – maximizing gas quality by minimizing gas loss by controlling operating pressure (operate at slightly under hydrostatic pressure)
- Monitoring – before, during and after

Dewatering Coal Seam is Undesirable for UCG

Linc Energy's advanced UCG technology requires that normal groundwater levels be maintained

This is **opposite** to all other forms of energy extraction from coal

Linc Energy - Groundwater and the UCG process



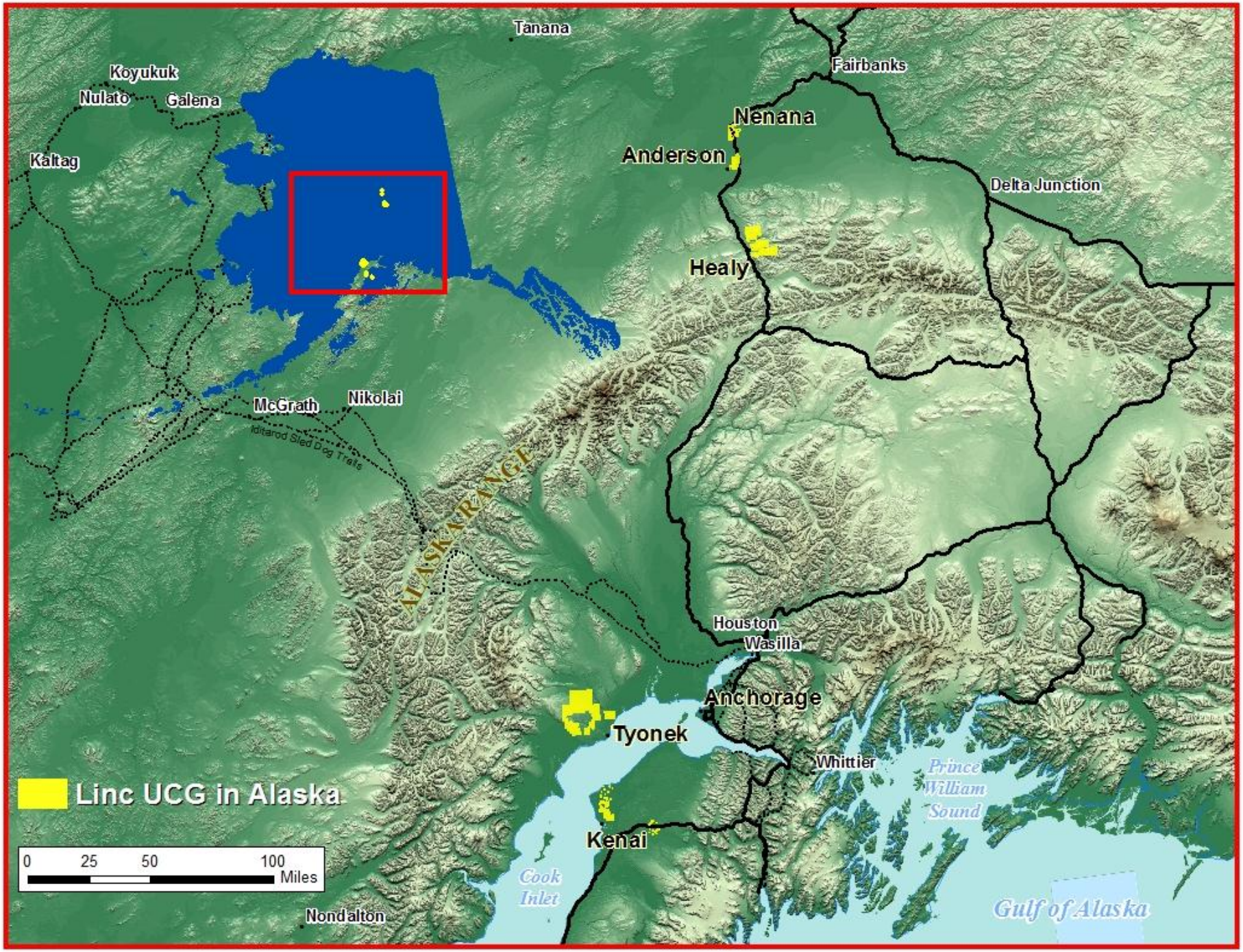
Golden Rule of UCG – “Operate the gasifier at or below the hydrostatic pressure of the coal seam so groundwater flows towards the gasifier to ensure proper operations and containment”

UCG Operations – Chinchilla, Australia

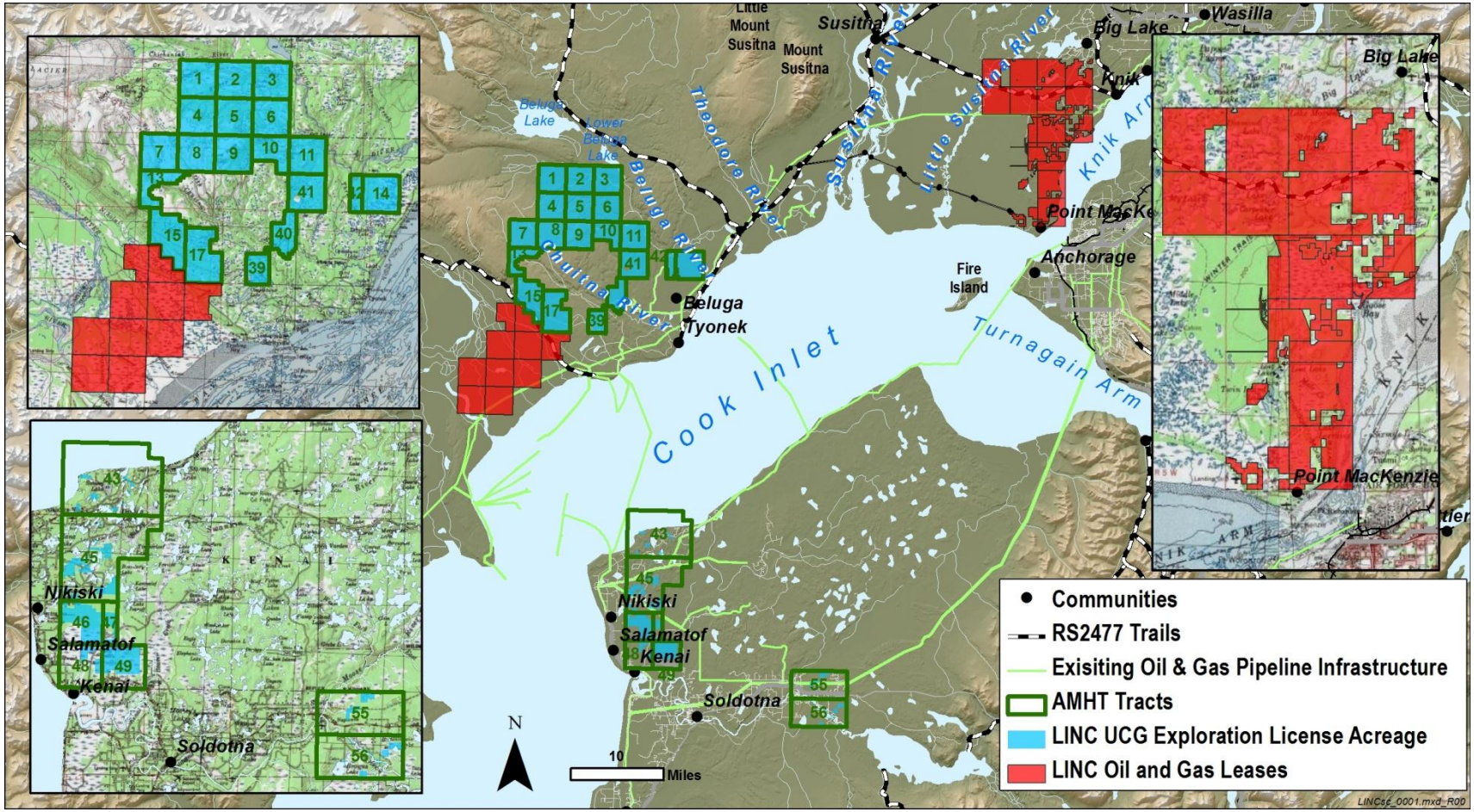
GTL Demonstration Plant
Chinchilla, Australia

GTL Demonstration Plant

Alaska Focus

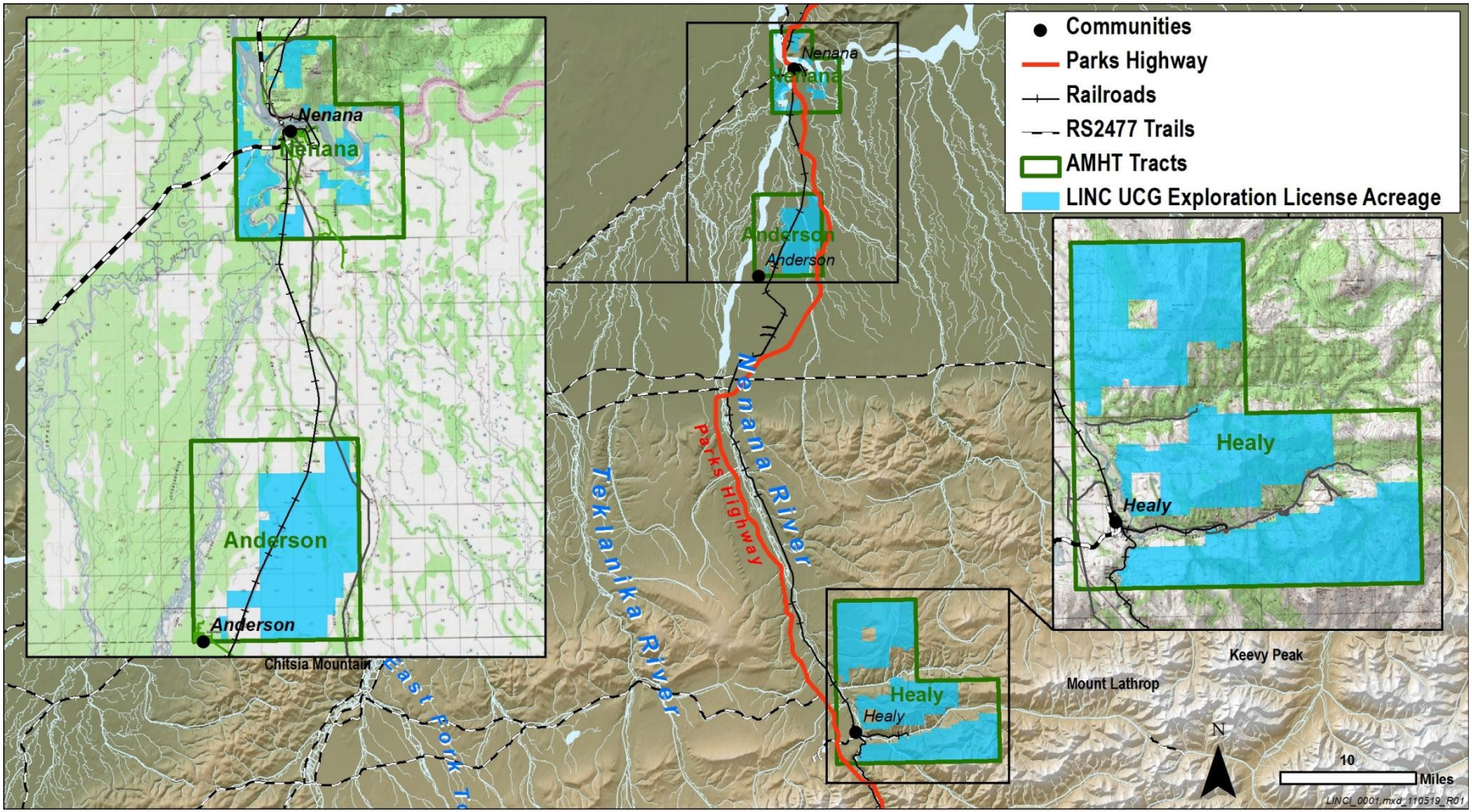

Tanana
Koyukuk
Nulato
Galena
Kaltag
Fairbanks
Nenana
Anderson
Delta Junction
Healy
McGrath
Nikolai
Iditarod Sled Dog Trails
ALASKA RANGE
Houston
Wasilla
Anchorage
Tyonek
Whittier
Prince William Sound
Kenai
Cook Inlet
Gulf of Alaska
Nondalton
Linc UCG in Alaska
0 25 50 100 Miles

Southcentral Acreage – UCG License Areas & Oil/Gas Leases

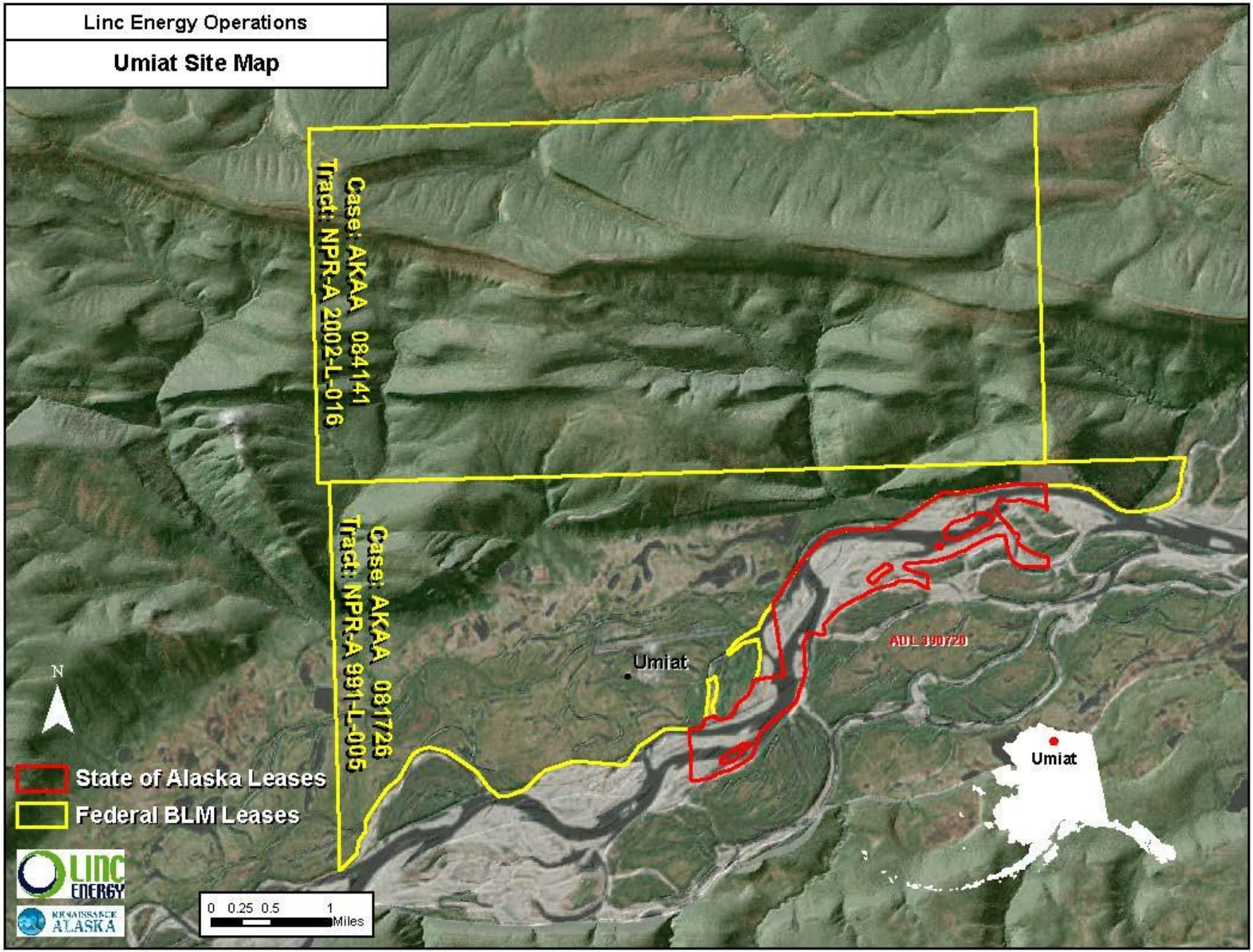


Approximately 110,000 acres of AMHT lands under UCG Exploration License

Interior Region -- UCG Exploration License Areas



Approximately 70,000 acres of AMHT lands in three areas


Linc Energy Operations
Umiat Site Map
Case: AKAA 084141
Tract: NPR-A 2002-L-016
Case: AKAA 081726
Tract: NPR-A 991-L-005
ADL 390720
Umiat
Umiat
N
State of Alaska Leases
Federal BLM Leases
LINC ENERGY
RENAISSANCE ALASKA
0 0.25 0.5 1
Miles

Thank you

- The synergy of Linc Energy's UCG and oil assets is a solid strategy that leaves nothing behind as a waste product
- Positioned to bring UCG to commercialization
- Linc Energy is a leader in advanced coal technology
- UCG has significant economic and environmental benefits
- Committed to Alaska