



Suite 350 -885 Dunsmuir Street
Vancouver, BC V6C 1N5
Tel: 604-688-7377
Fax: 604-688-7307
Web: www.lincolnmining.com

Portion of Lincoln Mining Corporation Press Release dated September 5, 2012

Lincoln Mining property agreement for Bell Mountain

Letter agreement with Laurion

Lincoln has signed a binding letter agreement with Laurion providing for the purchase by Lincoln (or a subsidiary) from Laurion of certain unpatented mining claims and the assignment and assumption of Laurion's option to earn a 100-per-cent interest in the Bell Mountain property located in Churchill county, Nevada. The purchase price is an aggregate of \$2.35-million cash.

The transaction under the letter agreement remains subject to various conditions, including receipt of necessary approvals from the TSX-V, Lincoln's acceptance of the physical condition and status of title of the property, and receipt of all necessary third party consents. Laurion shall retain the right to reassert its interests and rights in the Bell Mountain option in order to be able to exercise the option to earn a 100-per-cent interest in the project in the case that Lincoln does not complete the remaining expenditure requirements of \$1,755,000 or Lincoln defaults on any of the other obligations assumed under the option.

Pursuant to the letter agreement, the parties must use their best efforts to negotiate and execute a definitive agreement incorporating the terms of the letter agreement within 30 days.

Bell Mountain property

The Bell Mountain property is located approximately 95 miles southeast of Reno, Nev. It comprises 26 unpatented lode claims optioned by Laurion from Globex Nevada Inc. covering an area of approximately 217 hectares. In addition, Laurion staked 119 contiguous lode claims in 2010 totalling 995 hectares. The total Bell Mountain land package is 1,212 hectares (2,900 acres). The property is in the Fairview mining district and encompasses portions of sections 1 through 3 and 10 through 16 in Township 15 North, Range 34 East and parts of sections 35 and 36 in Township 16 North, Range 34 East, Mount Diablo Base and Meridian, Churchill county, Nevada.

Laurion has the right and option to earn a 100-per-cent interest in the property from Globex pursuant to an exploration and option agreement dated June 28, 2010. In order to complete the exercise of the option to acquire a 100-per-cent interest in the property, an additional \$1,755,000 in exploration expenditures must be incurred on the property by June 28, 2015.

As disclosed in Laurion's news release dated May 4, 2011, Laurion filed a National Instrument 43-101 technical report dated May 3, 2011, prepared by Telesto Nevada Inc. and titled "NI 43-101 technical report for the Bell Mountain project, Churchill county, Nevada." The technical report, which is available under Laurion's profile on the SEDAR website, contains the attached resource estimate on the Bell Mountain property as at May 3, 2011.

Table 1 – Global Bell Mountain Resource Estimate

| Category | Tonnage ('000 Tonnes) | Average Gold Grade (g/Tonne) | Gold (grams) | Gold (ozs) | Average Silver Grade (g/Tonne) | Silver (grams) | Silver (ozs) | Total Equivalent Ounces Of Gold |
|-------------------------------------|-----------------------|------------------------------|--------------|------------|--------------------------------|----------------|--------------|---------------------------------|
| Measured | 5,952 | 0.531 | 3,158,063 | 101,534 | 16.62 | 98,913,080 | 3,180,127 | 159,355 |
| Indicated | 3,810 | 0.518 | 1,974,575 | 63,484 | 19.22 | 73,210,796 | 2,353,780 | 106,280 |
| Total Measured and Indicated | 9,761 | 0.526 | 5,132,638 | 165,018 | 17.63 | 172,123,876 | 5,533,907 | 265,635 |
| Inferred | 2,046 | 0.449 | 919,108 | 29,550 | 13.26 | 27,135,036 | 872,411 | 45,412 |

Notes:

1. Rounding of tons as required by Form 43-101F1 reporting guidelines (Item 19) results in apparent differences between tons, grade and contained ounces in the mineral resource.
2. Mineral Resources are estimated at a pit discard cutoff Grade at 0.192 g/t AuEq.
3. The assumed parameters used for establishing a cut-off grade is identified as follows:
 - Gold Price - \$1,149.89/oz (US) - 60% 3-year previous average/40% 2-year forward (Dec. 31, 2010)
 - Silver Price - \$20.92/oz US - 60% 3-year previous average/40% 2-year forward (Dec. 31, 2010)
 - Recovery - Gold 80%, Silver 51%
 - Total Operating Costs - \$11.43/ton (mining, processing and G&A)
 - Gold Equivalent Ratio - 55 to 1

Jeffrey Wilson, the company's vice-president exploration and a "qualified person" under NI 43-101, reviewed the technical report on behalf of Lincoln. To the best of Lincoln's knowledge, information and belief, there is no new material scientific or technical information that would make the disclosure of the above mineral resources inaccurate or misleading. Lincoln plans to file a technical report on the Bell Mountain property within 180 days of this news release in accordance with the requirements of NI 43-101.

The Bell Mountain property is subject to two royalties which will take effect upon commencement of commercial production. The first royalty is held by N.A. Degerstrom Inc. (a previous property owner/operator) which retains a 2-per-cent net smelter return royalty which can be acquired for \$167,000 (U.S.). In addition, pursuant to the Globex agreement, Globex will maintain a sliding-scale gross metal royalty (GMR) on all mineral production (such as gold and silver) benchmarked upon the price of gold (1-per-cent GMR at a gold price under \$500 (U.S.) per troy ounce, 2-per-cent GMR at a gold price between \$500 (U.S.)

and \$1,200 (U.S.) per troy ounce and 3-per-cent GMR at a gold price over \$1,200 (U.S.) per troy ounce).

Pursuant to the Globex agreement, upon exercise of the option and the acquisition of a 100-per-cent interest in the Bell Mountain property from Globex, Lincoln (as assignee of Laurion) would be required to pay annually a \$20,000 advanced royalty payment which would be credited against the royalty payable to Globex described above.