



## ASX ANNOUNCEMENT

20 January 2015

### Tranche 1 of USD5.0 Million Convertible Note Funding Received

Firestone Energy Limited (**Company** or **Firestone**) advises that it has received AUD3.13 million in cleared funds being net proceeds after costs of tranche 1 (**TR1**) of the convertible notes (**CNs**) financing as announced to the market on 10 November 2014.

The TR1 CNs are to be issued to Four Oaks Credit Fund Limited (**Four Oaks**). This issue forms part of the approval shareholders gave at the Company's AGM held on 28 November 2014.

The number of CNs to be issued for TR1 is 475,971,429 with each having a face value of AUD0.007 and convertible into one FSE fully paid ordinary share.

Additional relevant terms of the CNs include;

- a. Conversion at Four Oak's election;
- b. Redemption to be in equivalent US dollars;
- c. Coupon interest rate is 6% p.a.;
- d. PIK interest rate is 6% p.a.; and
- e. Maturity date is 30 June 2016.

The Company is pleased to have the financial support of Four Oaks to assist in advancing the Company's Waterberg Coal Project Joint Venture.

**ENDS**

#### About Firestone Energy

Firestone Energy Limited is an independent, Australian exploration and development company listed on the Australian Stock Exchange Ltd (ASX) and the Johannesburg Stock Exchange (JSE). Firestone Energy has entered into a Joint Venture with Sekoko Resources (Pty) Ltd through which Firestone Energy has acquired the right to 60% participation interests in the Waterberg Coal Project located in Lephalale area, Limpopo Province, South Africa.

The first stage of the project is to develop the Smitspan mine which has a substantial measured thermal coal resource and to develop the Vetleegte mine which is a substantial metallurgical coal deposit.

Firestone Energy is committed to becoming a profitable independent coal and energy producer at its projects in South Africa, thereby making a substantial contribution to the social and economic development of the Lephalale area and South Africa.

#### Corporate Details

ASX: FSE  
JSE: FSE

#### Issued Capital

3,549 million ordinary shares

#### Major Shareholders

The Waterberg Coal Company Ltd

#### Directors and Officers

#### Non Executive Directors

Lee Boyd

#### Officers

Mr Stephen Miller CEO and Executive Director

Ms Amanda Matthee CFO

Mr Lee Boyd Company Secretary

#### Contact

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