



**Lodestone Exploration Limited**

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28 November 2008

### **CHAIRMAN'S ADDRESS TO ANNUAL GENERAL MEETING**

Since my appointment twelve months ago the Directors have concentrated on the restructuring of the Company to include a focus on energy minerals, namely coal and coal seam gas, in addition to maintaining the more prospective of our mineral tenements.

To achieve this aim we have strengthened our board with the appointment of Mr Bill Stubbs who has extensive corporate experience in the CSG area, having previously been the Chairman of Arrow Energy Ltd. Our technical experience in the coal development area has been greatly enhanced by the appointment of Mr Lance Grimstone, a geologist with unparalleled experience in Queensland coals. Mr Grimstone was most recently involved in the development of the Macarthur Coal Limited portfolio, but has a wealth of experience prior to this project.

Our management has been enhanced by the appointment of Mr Jeff Jamieson as Chief Executive Officer. Mr Jamieson has been a well known and prominent consultant in the Australian coal industry.

As part of these changes Mr John McCawley has stepped down as an Executive Director but retains oversight for the non energy minerals area from a board perspective.

Our first project in the energy area was the farm in to the Moreton Energy tenements in the southern Queensland Bromelton / Strathnaver and Albert River areas as previously announced. Strathnaver (EPC1299) was granted this month. We are hopeful that in these areas small "surgical" coal mining developments can be achieved profitably in an area that is well serviced by established infrastructure.

We continue to search for other areas in Queensland where potential for coal and coal seam gas exists.

I note that early discussions with potential financiers are promising despite the turmoil in equity markets at present. We look forward to confirming these agreements in the coming months and commencing a tight but well targeted and thorough exploration program.

In conclusion I would like to thank Mr John McCawley who has worked tirelessly as an Executive Director on the minerals prospects since the establishment of the Company, and note his continuation on the board as previously mentioned, and thank our Company Secretary, Ms Leni Stanley for her continuing sterling efforts over the past year.

Yours faithfully,

Martin Ackland  
Chairman

**Lodestone Exploration Limited**  
*Exploring Queensland*

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