



1 April 2009

The Manager  
Company Announcements  
Australian Securities Exchange Limited  
Level 8  
Exchange Plaza  
2 The Esplanade  
Perth WA 6000

**Attention: Nicholas Ong**

Dear Sir

**ASX Price Query**

Further to your letter dated 30 March 2009, Firestone Energy Limited confirms the following:

1. Yes the company was aware of information, with the Company's Chief Executive Officer in Johannesburg last week negotiating a second transaction with Sekoko Resources Pty Ltd. An announcement titled "Firestone Adds 1 Billion Tonnes of Coal to its Existing Inventory in the Waterberg Coalfield of South Africa" was released to the market this morning in respect of this.
2. An announcement could not be made prior to this as the final agreement had not been signed off by the board of directors of Firestone Energy Limited. This was finally executed yesterday. In light of this and the increase in price and volume of traded stock and a query from the ASX, the company deemed it prudent to apply for a trading halt until the execution formalities were complete.
3. The company is not aware of any other reason for the price change and increase in volume in the company's shares.
4. The company is in compliance with the ASX Listing Rules and, in particular, listing rule 3.1.

Yours faithfully

**Simon Storm**  
**Company Secretary**

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**FAXED**  
30 March 2009



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Lee Boyd  
Company Secretary  
Firestone Energy Limited  
Level 1, 63 Hay Street  
Subiaco WA 6008

By: Facsimile: 9381 4799

Dear Lee,

**Firestone Energy Limited (the "Company")**

**RE: PRICE QUERY**

We have noted a change in the price of the Company's securities from \$0.019 on 27 March 2009 to \$0.03 today. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price change and increase in volume, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?
2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price change and increase in volume in the securities of the Company?
4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me on facsimile number 9221 2020. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, **not later than 12.00 pm W.S.T. today.**

The response must be in a form suitable for release to the market. If you have any concern about release of a response, please contact me immediately.

### Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in the rule.

In responding to this letter you should consult listing rule 3.1 and the guidance note titled "Continuous disclosure: listing rule 3.1".

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

### Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and the guidance note titled "Trading halts" we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please contact me on 9224 0017.

Yours sincerely,



Nicholas Ong  
**Principal Adviser, Issuers**