

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity	LODSTONE ENERGY LIMITED
ABN	20 075 877 075
Date	14 July 2010

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Gregory A J Baynton
Date of last notice	14 January 2010

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	(a) Indirect (b) Indirect
Nature of indirect interest (including registered holder) <small>Note: Provide details of the circumstances giving rise to the relevant interest.</small>	(a) G Baynton is a Director of Orbit Capital Pty Ltd, the registered holder (b) G Baynton is a Director of Allegro Capital Nominees Pty Ltd, the registered holder.
Date of change	13 July 2009
No. of securities held prior to change	Indirect – 9,246,768 Ordinary shares Indirect – 2,000,000 Unlisted Options Direct – 1,000,000 Perf. Rights Type 1 Direct – 1,000,000 Perf. Rights Type 2
Class	Ordinary Shares
Number acquired	(a) 8,145,764 Ordinary shares (b) 399,142,447 Ordinary shares
Number disposed	Nil

+ See chapter 19 for defined terms.

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Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	All issued capital in Tambo Coal & Gas Pty Limited and Moreton Energy Pty Limited. Refer Independent Expert Report on the value of the consideration included in the Notice of EGM lodged with ASX on dated 20 May 2010
No. of securities held after change	Indirect – 416,534,979 Ordinary shares Indirect – 2,000,000 Unlisted Options Direct – 1,000,000 Perf. Rights Type 1 Direct – 1,000,000 Perf. Rights Type 2
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	Issue of shares under Share Purchase Agreement approved by shareholders on 29 June 2010

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	Share Sale and Purchase Agreement as disclosed in Appendix 3Y lodged on 14 January 2010
Nature of interest	
Name of registered holder (if issued securities)	
Date of change	13 July 2010
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	
Interest acquired	
Interest disposed	
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	
Interest after change	All shares to be issued under the Share Sale and Purchase Agreement have now been issued and are disclosed under Part 1 above. No further interests under the Share Sale and Purchase Agreement now exist.

+ See chapter 19 for defined terms.