

4 February 2011

ASX Announcement

## Approval of Acquisition of Properties and Jindal MOU

Firestone Energy Limited, "Firestone" (ASX/JSE: FSE), wishes to announce that its Joint Venture partner, Sekoko Resources, has approved in a General Meeting the transfer of properties (T3 Properties) to the Joint Venture. This is the transfer of the T3 Properties which was approved by FSE shareholders on 4 January 2011. As contemplated, 200 million shares in the company have been issued to Sekoko.

FSE is pleased to announce a related transaction pursuant to which the FSE/Sekoko joint venture has entered into a non-binding Memorandum of Understanding (MOU) with Jindal Steel & Power Limited "Jindal".

The MOU establishes a framework for Jindal to negotiate a definitive agreement to undertake an exploration and drilling program on the T3 Properties without cost to FSE. At Jindal's election it may require FSE and Sekoko to enter into a joint venture to develop a mine on the T3 properties. If Jindal elects to proceed with the development of a mine there will be an adjustment in the ownership interests in the T3 properties.

Jindal Steel & Power Limited "JSPL" forms part of the Jindal Group. JSPL is a leading player in Steel, Power, Mining, Oil and Gas and Infrastructure. In terms of tonnage, they are the third largest steel producer in India.

Further details will be provided when a definitive agreement is entered into.

David J Perkins  
Chairman

[www.firestoneenergy.com.au](http://www.firestoneenergy.com.au)

### About Firestone Energy

Firestone Energy is an independent Australian exploration company focused on developing coal projects in South Africa. The company is currently exploring the richly endowed Waterberg coal field in the Limpopo Province of South Africa.

The Company is committed to value-added growth through becoming an independent coal and energy producer at its projects in South Africa.

The Company has entered into three joint ventures with Sekoko Resources, a South African black empowerment company (BEE) and Sekoko has two directors on the Board of Firestone Energy.

### Corporate Details

ASX: FSE  
JSE: FSE

Issued Capital:  
2,427 million ordinary shares

Major Shareholders:  
Sekoko Resources (Pty) Ltd  
Colbern Fiduciary Nominees Ltd  
Bell Potter Nominees Ltd

### Directors and Officers:

Non Executive Directors:  
David Perkins (Chairman)  
Dr Pius Kasolo  
Colin McIntyre  
Sizwe Nkosi  
Peter Tshisevhe

Company Secretary  
Jerry Monzu

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