

22 June 2011

ASX ANNOUNCEMENT



Firestone Completes Australian and New Zealand components of SPP offer

Firestone Energy Limited (**Firestone**) (ASX/JSE: FSE) wishes to advise shareholders that the Share Purchase Plan (**SPP**) (as applicable to Australian and New Zealand shareholders) has closed and raised a total of \$1,702,800 before costs.

Shareholders (other than related parties of Firestone) who participated in the SPP have also been granted one free attaching option, exercisable at \$0.04 per share and expiring on 31 May 2014, for every two shares subscribed for under the SPP.

On 22 June 2011 Firestone will accordingly issue 85,140,000 fully paid ordinary shares at \$0.02 each, along with 42,382,500 free attaching options exercisable at \$0.04 each, to SPP participants. The shares and options are expected to be quoted on 24 June 2011.

After the finalisation of the Australian and New Zealand components of the SPP, Firestone's share capital has increased to 2,781million shares and could further increase to 2,824million shares if the options are exercised.

The South African component of the SPP is still open in order to give South African resident shareholders an equivalent offer period (to that granted to Australian and New Zealand shareholders under the SPP) and will close at 12.00pm South African time on 8 July 2011. Firestone will thereafter update shareholders of the results and any subsequent change to the share and option numbers.

On behalf of the Board I would like to thank you for your continuing support and encourage South African resident shareholders to take part in the SPP.

Yours sincerely

A handwritten signature in black ink, appearing to read "David Perkins", enclosed in a thin black rectangular box.

Firestone Energy Limited
David Perkins
Chairman

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 economic empowerment company (BEE) and Sekoko has two directors on the Board of Firestone Energy.

Corporate Details

ASX: FSE

JSE: FSE

Issued Capital:

2,781 million ordinary shares

Major Shareholders:

Sekoko Resources (Pty) Ltd

BBY Nominees Ltd

Colbern Fiduciary Nominees Ltd

Bell Potter Nominees Ltd

Directors and Officers

Non Executive Directors:

David Perkins (Chairman)

Dr Pius Kasolo

Colin McIntyre

Peter Tshisevhe

Executive Directors:

Sizwe Nkosi

Company Secretary:

Jerry Monzu

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