



10 May 2011

ASX Announcement
Breach of Trading Policy

Firestone Energy Limited (ASX/JSE:FSE – "Firestone" or "the Company")

Firestone refers to the attached appendix 3Y "Change of Director's Interests Notice" lodged today by Mr David Perkins, a director of the Company.

Mr Perkins purchased 2,000,000 ordinary shares on 4 May 2011, two days after Firestone announced that it proposed to offer shareholders of Firestone (who were shareholders at 5pm on Friday, 29 April 2011) the opportunity to subscribe for shares under a share purchase plan (**SPP**) and be allocated free attaching options under an accompanying prospectus (**Prospectus**).

Mr Perkins immediately informed the Company of the trade and acknowledged that he had inadvertently traded in a prohibited period by reason of the Prospectus being a "*disclosure document offering securities*" for the purposes of the Company's trading policy.

The Prospectus under which the free attaching options are offered to shareholders is not itself intended to raise funds, but is required for technical reasons due to the inclusion of free attaching options under the SPP (SPPs without options are exempt under ASIC Class Order [CO 09/425] from the disclosure provisions contained in Chapter 6D of the *Corporations Act 2001* (Cth)). For the purpose of clarity, Mr Perkins' trade does not render him eligible to participate under the SPP as it occurred after the record date.

The Company takes its securities trading policy seriously and the Company Secretary has reminded all Directors and Senior Management of their obligations. In this instance the Company is satisfied that the trade and subsequent breach of the Trading Policy was unintentional.

Yours faithfully

Jerry Monzu
Company Secretary
Firestone Energy Limited

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 30/09/01 Amended 01/01/11

Name of entity: Firestone Energy Limited
ABN: 71 058 436 794

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	David John Perkins
Date of last notice	17 January 2011

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	Indirect
Nature of indirect interest (including registered holder) <small>Note: Provide details of the circumstances giving rise to the relevant interest.</small>	Mr David John Perkins and Ms Susan Margaret Beaton Perkins holding interest through the <Soonoo Super Fund Account>
Date of change	4 May 2011
No. of securities held prior to change	nil
Class	Ordinary
Number acquired	2,000,000
Number disposed	Nil
Value/Consideration <small>Note: If consideration is non-cash, provide details and estimated valuation</small>	\$0.02
No. of securities held after change	2,000,000

+ See chapter 19 for defined terms.

Appendix 3Y Change of Director's Interest Notice

Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	On Market Trade
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------

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	Nil
Nature of interest	Nil
Name of registered holder (if issued securities)	Nil
Date of change	Nil
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	Nil
Interest acquired	Nil
Interest disposed	Nil
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	Nil
Interest after change	Nil

Part 3 – +Closed period

Were the interests in the securities or contracts detailed above traded during a +closed period where prior written clearance was required?	Yes
If so, was prior written clearance provided to allow the trade to proceed during this period?	No
If prior written clearance was provided, on what date was this provided?	No written clearance provided

+ See chapter 19 for defined terms.