

**Date:** 16 May 2011

**To:** Australian Securities Exchange  
Companies Announcement Office  
Electronic Lodgment System

Dear Sir,

**UNLISTED OPTIONS EXPIRED**

**Lodestone Energy Limited (ASX:LOD)** advises that 9,000,000 unlisted options exercisable at 20 cents each have expired.

After the cancellation of these options, Lodestone has the following unlisted options on issue:

| Number of Options | Expiry Date | Exercise Price |
|-------------------|-------------|----------------|
| 1,900,000         | 26/06/2011  | 7 cents        |
| 11,000,000        | 26/06/2011  | 20 cents       |

In addition to the unlisted options, Lodestone also has Performance Rights on issue as follows:

- a) 1,000,000 which have vested
- b) 7,250,000 subject to vesting conditions.

Yours faithfully,



Leni Stanley  
Company Secretary