



13 November 2012

Update on Financial Restructure

On 5 October 2012 **Firestone Energy Limited** (ASX/JSE: FSE) (the “**Company**” or “**FSE**”) announced that it had received shareholder approval for the proposed financial restructure which included a \$40.7 million funding facility from Ariona Company SA.

Since 5 October 2012, the Company has been working with Ariona to satisfy the remaining conditions precedents that have taken longer than originally expected. While all the conditions precedent have now been satisfied, Ariona has requested a seven day extension in order to propose a deed of variation as to the terms of the financial settlement, to which the board has agreed, that may result in the financial completion occurring in stages.

Ariona is a special purpose vehicle representing a consortium of international institutional and private investors focusing on global resource opportunities.

Yours sincerely,

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About Sekoko Resources

Sekoko Resources (Pty) Ltd is a South African-based black-owned energy and minerals company developing the coal, magnetite iron ore and PGMs Projects in the Limpopo Province of South Africa. This includes a significant exploration program and development of the Waterberg Coal Joint Venture Project based on significant Coal Zone Resources.

About Firestone Energy

Firestone Energy Limited is an independent, Australian exploration and development company listed on the Australian Stock Exchange Ltd (ASX) and the Johannesburg Stock Exchange (JSE). Firestone Energy has entered into a Joint Venture with Sekoko Resources (Pty) Ltd through which Firestone Energy has acquired the right to 60% participation interests in the Waterberg Coal Project located in Lephallale area, Limpopo Province, South Africa.

The first stage of the project is to develop the Smitspan mine which has a substantial measured thermal coal resource and to develop the Velleegte mine which is a substantial metallurgical coal deposit.

Firestone Energy is committed to becoming a profitable independent coal and energy producer at its projects in South Africa, thereby making a substantial contribution to the social and economic development of the Lephallale area and South Africa.

Corporate Details

ASX: FSE
JSE: FSE

Issued Capital:
3,114 million ordinary shares

Major Shareholders:
Sekoko Resources (Pty) Ltd
Linc Energy Ltd
BBY Nominees Pty Ltd
Bell Potter Nominees Ltd

Directors and Officers

Non Executive Directors:
Mr Tim Tebeila (Chairman)
David Perkins (Deputy Chairman)
Dr Pius Kasolo
Ben Mphahlele
Kobus Terblanche

Officers:
Mr David Knox CEO
Ms Amanda Matthee CFO
Mr Jerry Monzu Company Secretary

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