



18 December 2012

**Takeover Offer Announced by Range River Gold Limited**

**SHAREHOLDERS SHOULD TAKE NO ACTION**

The Board of **Firestone Energy Limited** (ASX/JSE: FSE) (the “**Company**” or “**Firestone**”) advises that on 17 December 2012 Range River Gold Limited (ASX: RNG) (“**Range River**”) announced to the ASX an unsolicited, conditional proposal to acquire all of the ordinary shares in Firestone by way of an off market takeover offer (the “**Range River Offer**”). A formal Bidders Statement has not yet been received from Range River.

In summary, under the Range River Offer Firestone shareholders will be offered one (1) Range River share for every two (2) Firestone shares.

**The Board is unanimous in its view that Firestone shareholders should take no action and not make any decision in relation to their shareholding in the Company until the Board has received and has had an opportunity to consider the Range River Offer. Pursuant to the requirements of Australian Corporations law, the Range River Offer will be outlined in a Bidder’s Statement to be lodged with the Australian Securities and Investments Commission, released to the ASX and despatched to Firestone shareholders. Following careful consideration of the Range River Offer, the Board will determine and advise Firestone shareholders of its recommendation.**

The Range River Offer will not open for acceptance until its Bidder’s Statement is despatched to Firestone shareholders and must remain open for at least one month.

The Board’s focus will be on maximising value for shareholders and the Range River Offer will be considered in that context. The Board will keep shareholders informed of any further developments and will provide updates to the market as appropriate. The Company has retained Kelly & Co. Lawyers as its legal adviser and BBY Limited as its corporate adviser in relation to this matter.

Yours sincerely,

**David Knox**  
**Chief Executive Officer**  
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**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 Lephalale 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 Lephalale 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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