



3 September 2012

The Manager  
Company Announcements  
Australian Securities Exchange Limited  
Level 8, Exchange Plaza  
2 The Esplanade  
Perth WA 6000

**Attention: Fiona Murphy**

Dear Ms Murphy

**ASX Price and Volume Query**

Further to your letter dated 30 August 2012, Firestone Energy Limited confirms the following:

- 1. *Is the Company aware of any information concerning it that has not been announced which if known, could be an explanation for recent trading in the securities of the Company.***

Yes, the Company is aware of information that has not been announced that could explain the price and volume movement.

The Company has made several announcements (the most recent being on 31 July 2012, within the quarterly report), updating the progress of a major financial restructuring, the main announcements being;

- 7 May 2012 financial restructure announced;
- 22 May 2012 Update on financial restructure;
- 25 May Firestone signs Key Investment agreement; and
- 23 August Firestone appoints CFO.

The Company was informed on 1 September 2012 that Ariona Company SA, the party providing funding to the Company in the amount of A\$40.7 million has completed technical, legal and financial due diligence to their satisfaction.

The new convertible note facility is still subject to other conditions precedent, with the most significant being:

- 1) Obtaining all necessary regulatory approvals in Australia and South Africa; and
- 2) Obtaining Firestone shareholder approval to the issue and for the conversion of the new convertible notes to be issued to Ariona.

- 2. *If the answer to question 1 is yes, can an announcement be made immediately? If not, why not, and when is it expected that an announcement will, be made.***

Yes, the Company will make an announcement immediately.

- 3. *Is there any other explanation that the Company may have for the price and volume change in the securities of the Company***

The Company is not aware of any other reason for the price volume change in its securities.

- 4. *Please confirm that the Company is in compliance with the listing rules and, in particular, listing Rule 3.1.***

The Company confirms that it is in compliance with the listing rules and in particular listing rule 3.1.

Yours faithfully



---

**David Knox**  
**CEO**  
[www.firestoneenergy.com.au](http://www.firestoneenergy.com.au)



ASX Compliance Pty Limited  
ABN 26 087 780 489  
Level 8 Exchange Plaza  
2 The Esplanade  
PERTH WA 6000

GPO Box D187  
PERTH WA 6840

Telephone 61 8 9224 0000  
Facsimile 61 8 9221 2020  
[www.asx.com.au](http://www.asx.com.au)

30 August 2012

Mr Jerry Monzu  
Company Secretary  
Firestone Energy Limited  
Suite 9B, 431 Roberts Road  
SUBIACO WA 6008

By email: [jerry@monzucorp.com.au](mailto:jerry@monzucorp.com.au)

Dear Mr Monzu

**Firestone Energy Limited Limited (the "Company")**

**PRICE AND VOLUME QUERY**

We have noted a change in the price of the Company's securities from a closing price of \$0.008 on 29 August 2012 to an intra-day high of \$0.013 at the time of writing today. We have also noted an increase in the volume of trading in the securities of the Company.

In light of the price and volume change, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?

Please note that as recent trading in the Company's securities could indicate that information has ceased to be confidential, the Company is unable to rely on the exceptions to listing rule 3.1 contained in listing rule 3.1A when answering this question.

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price and/or volume change in the securities of the Company?
4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by email to [fiona.murphy@asx.com.au](mailto:fiona.murphy@asx.com.au) or on **facsimile number (08) 9221 2020**. It should not be sent to the ASX Market Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, **not later than 11.30 am (W.S.T.) today Thursday, 30 August 2012.**

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

### **Listing rule 3.1**

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

### **Trading halt**

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts, we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please do not hesitate to contact me.

Yours sincerely

*[sent electronically without signature]*

Fiona Murphy  
**Adviser, Listings (Perth)**