

24 August 2010

LODESTONE SIGNS DRILLING CONTRACT FOR COAL PROGRAM

LODESTONE ENERGY LIMITED (ASX: LOD) is pleased to announce it has today executed a drilling contract with drilling services company, Nitro Drilling to commence a shallow coal drilling program at its Tambo Coal & Gas Project located west of Mitchell in Queensland.

The initial drilling program will target and expand on relatively shallow coal intersections encountered in historical petroleum wells in an area located between Mitchell and Morven along the rail and highway corridor.

Under the recently signed Cultural Heritage Management Agreement with the Bidjara People, 43 drill sites have already been inspected, with additional sites identified for future inspection.

Subject to local weather conditions, and equipment inspections, drilling is expected to commence within a fortnight.

Ends

Further information:

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