

**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