

21 April 2016

ASX Limited
Level 40, Central Park
152 – 158 St George's Terrace
PERTH WA 6000
Attn: Ben Tippett

By email: tradinghaltsperth@asx.com.au

Dear Ben,

Request for Voluntary Suspension – Firestone Energy Limited

Firestone Energy Limited (**Company**) hereby requests an extension to its current voluntary suspension in the trading of its securities.

In accordance with ASX Listing Rule 17.2, the Company advises that:

- a. as announced on 17 September 2015 (**Announcement**), the Company and its parent company The Waterberg Coal Company Limited (**WCC**) entered into a non-binding term sheet with Sibanye Gold Ltd (Sibanye) whereby, inter alia, Sibanye had agreed terms with Standard Bank of South Africa (**SBSA**), as facility agent, to acquire WCC's existing funding facility held by SBSA (**Facility**);
- b. as per the Announcement, the transaction contemplated with Sibanye was originally expected to be completed by end of November 2015, then revised to the end of February 2016.
- c. a Company market release dated on 25 February 2016 advised that Sibanye had, on 24 February 2016, submitted a new offer to WCC which was materially different from the equity based transaction, as originally contemplated, to one whereby Sibanye proposed to acquire only the assets of the Waterberg Coal Project. This offer was withdrawn by Sibanye when WCC was unable to give due consideration within the approximately 24 hours turn around time stipulated.
- d. on 10 March the Company advised that it and WCC were in negotiations with South African company Villora Limited to assist in recapitalisation of the Company's balance sheet including, inter alia, a potential transaction for acquisition of the WCC convertible note facility held by SBSA (**Replacement Funding**).
- e. the Replacement Funding represents a significant transaction and the final terms of the proposal will impact both WCC's and the Company's ability to carry out its future objectives;
- f. the Company is of the view that re-instatement of trading for its securities at this time is likely to be materially prejudicial to WCC's and its ability to successfully complete the complex funding transaction contemplated which is critical to the Company's financial viability;
- g. it expects the voluntary suspension to remain in place until the earlier of:
 - i. the date that it has made an announcement in respect of the proposed Replacement Funding arrangement; and
 - ii. commencement of trade on Tuesday, 24 May 2016;
- h. it is not aware of any reason why the securities should not be suspended; and
- i. is not aware of any other information necessary to inform the market about the suspension.

Yours faithfully



E L (Lee) Boyd
Company Secretary
Firestone Energy Limited