



Lodestone Exploration Limited

ABN 20 075 877 075

www.lodestonex.com

21 February 2006

The Manager
Company Announcements Office
Australian Stock Exchange Limited
Electronic Lodgment System

Dear Sir,

UNLISTED OPTIONS ISSUED

Lodestone Exploration Limited (**ASX: LOD**) advises that it has issued 501,000 unlisted options to Douglas Haynes Discovery Pty Ltd. The options were issued on 27 January 2006 in accordance with the resolution passed by shareholders at the Company's Annual General Meeting. The terms of the options are as follows:

- *167,000 options at an exercise price of \$0.20 per option exercisable from the first anniversary of the issue of the options until the fifth anniversary of the issue of the options*
- *167,000 options at an exercise price of \$0.25 per option exercisable from the second anniversary of the issue of the options until the fifth anniversary of the issue of the options*
- *167,000 options at an exercise price of \$0.30 per option exercisable from the third anniversary of the issue of the options until the fifth anniversary of the issue of the options.'*

Yours faithfully,

A handwritten signature in black ink that reads "Leni Stanley". The signature is written in a cursive, flowing style.

Leni Stanley
Company Secretary