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**MEDIA RELEASE**

## **LODESTONE LAUNCHES FLOAT**

Australian gold-copper exploration company, Lodestone Exploration today announced it has lodged a prospectus with the Australian Securities and Investments Commission for its \$2.5 million initial public offering.

Founded in 1996, Lodestone is an Australian gold and base metals exploration company with strategically located tenements in Central Queensland. The junior explorer has a tenement area of more than 600 square kilometres, commencing 3 km outside the historic gold and copper mining town of Mount Morgan.

Under its public float, Lodestone will offer 12.5 million new shares at an issue price of \$0.20 each to raise \$2.5 million.

The Company will also issue an Attaching Option with every two shares issued in the float, exercisable at \$0.20 each at any time on or before 7 December 2004. The Company will seek quotation of these 1:2 Attaching Options on the Australian Stock Exchange (ASX), which offer investors further upside potential in the event of exploration success.

Upon listing on the ASX, Lodestone will have a market capitalisation of approximately \$6.1 million, based on the \$0.20 per share issue price.

The Offer is fully Underwritten by ABN AMRO Morgans and is expected to open on 10 February and close on 5 March 2003.

The Company has a formal exploration alliance with BHP Billiton for its Mount Morgan project.

Lodestone's Chairman, Mr John Shaw said the Company had a clear objective – to discover major gold and/or copper-gold deposits similar to Mount Morgan in central Queensland.

He said that followers and associates of the Company had already shown strong interest in the lead up to the float.

“We have been working on the strategy for floating Lodestone now for a number of months, and have received positive feedback from existing shareholders and supporters in Central Queensland.

“Given the six-year high in the gold price, and the support we have already received, we feel it's now a good time to be listing this junior gold explorer.”

Mr Shaw said Lodestone had been able to leverage the advances made in airborne electromagnetic survey techniques to conduct large-scale exploration within the region south east of the original Mount Morgan deposit.



He said the prospective ground included area covered by a substantial thickness of volcanic rocks - which had previously been unexplored due to limitations of available technology to penetrate this cover layer.

“Today, advances in geophysical techniques have allowed us to examine this underlying target area. Since 1998, three airborne electromagnetic surveys have identified more than 15 electromagnetic anomalies in our tenement area.

“Based on this data, we’re planning to commence a drilling program south of Mount Morgan soon after listing and are confident there is potential for a significant new economic discovery in Central Queensland.”

**ENDS**

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***For a copy of the prospectus:***

[www.lodestonex.com](http://www.lodestonex.com)