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RELEASE**

MEDIA

LODESTONE OFFER CLOSES OVERSUBSCRIBED

Strong investor support saw Australian gold-copper exploration company, Lodestone Exploration close its \$2.5 million initial public offering oversubscribed today.

Despite current stock market and uncertainty in the global economy, Lodestone achieved strong investor support their float.

Lodestone's Chairman, Mr John Shaw said he was pleased with the solid investor interest the float had attracted.

He said that the Company was now looking forward to commencing trading on the ASX on 14 March 2003.

"The response to the float was confirmation of the market's confidence in Lodestone and in the gold sector, and supported the potentially high growth prospects of Lodestone stock in the years ahead.

"Now that we have raised the necessary capital, we are looking forward to commencing the drilling program and further studies of our tenement area.

"Closing the IPO oversubscribed means we are able to focus on Lodestone's Mount Morgan Project, with our objective remaining clear – to discover major gold-copper deposits similar to the old Mount Morgan mine using advanced technologies.

"We believe there is potential for another significant new economic discovery in Central Queensland, and the success of this float has highlighted the renewed optimism in the region," he said.

Mr Shaw said that under its \$2.5 million public float, Lodestone had offered 12.5 million new shares at an issue price of \$0.20 each, with an Attaching Option for every two shares issued, 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 on 14 March, Lodestone will have a market capitalisation of approximately \$6.1 million, based on the \$0.20 per share issue price. The Offer was fully Underwritten by ABN AMRO Morgans.



Lodestone Exploration

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.

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

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For a copy of the prospectus:

www.lodestonex.com