

7 April 2015
Market Announcements Platform
ASX Limited,
Exchange Centre,
20 Bridge Street, Sydney NSW 2000



CALIFORNIAN VENTURE ADVISORY GROUP APPOINTED

Stonehenge Metals Limited (**Stonehenge** or the **Company**) is pleased to advise that California-based [San Marino Venture Group LLC \(SMVG\)](#) has been engaged to support commercialisation of the Protean Wave Energy Conversion (**WEC**) technology in the US as part of the Company's global commercialisation strategy.

SMVG originates and manages deal flow with an emphasis on emerging technologies, sustainable energy, real estate and infrastructure revitalisation. The team at SMVG include a number of prominent individuals, who have direct knowledge and experience with the Protean WEC technology.

"The San Marino Venture Group provides the ideal platform for Stonehenge as we focus on commercialising the Protean WEC intellectual property and establish operations in the USA. The SMVG team's market connections with key customer segments like ports, oil companies, and power and water utilities in the US combined with their ability to access both public and private venture and infrastructure funding partners make them an ideal partner for Stonehenge. SMVG's capabilities will be a great complement to those of Bill Toman, recently appointed as President of our US subsidiary (Protean Wave Energy Inc.), specifically in the areas of access to funding, connections to major Californian ports and their deep experience of environmental planning and infrastructure permitting in California. SMVG team members, in association with Sean Moore, the Protean WEC inventor, have worked closely with Mr. Toman since 2008 to support the growth of the U.S. wave energy industry in California and Hawaii. This collaboration extends to working with federal agencies in Washington, D.C. and state agencies in Sacramento and Honolulu. Current efforts include ongoing collaboration with Mr. Toman on the U.S. Department of Energy-funded CalWave program in California, and discussions with the State of California to fund California wave energy technology and projects." commented Bruce Lane, Stonehenge MD.

Stonehenge is particularly pleased to have secured SMVG as its advisory partner and we look forward to working with their highly experienced team to help secure relationships with major ports, utilities and research institutions in California. In particular SMVG's unique set of skills, experience and contacts will add significant credibility and know-how to the Company's U.S. commercialisation effort.

"SMVG is excited to be joining forces with Stonehenge so that we can help drive the US commercialisation program for the Protean WEC. We believe that the Protean WEC technology is truly unique in the world of wave energy conversion and that it has the potential to deliver real solutions for many of the problems currently being faced by other wave energy conversion companies. The state of California has been searching for years to find a viable system that will convert wave energy into electricity & water supply and I believe that the Protean wave energy technology is favourably positioned to succeed in California." Eric C. Miller, Vice President, Finance, SMVG

For further information see www.stonehengemetals.com.au, www.proteanwaveenergy.com.au or contact:

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ABOUT THE SAN MARINO VENTURE GROUP (SMVG)

San Marino Venture Group originates and manages deal flow across a wide spectrum of industries with an emphasis on emerging technologies, sustainable energy, real estate and infrastructure revitalisation. Founded in 2012, SMVG leverages opportunities within the nexus of market entry, public/private funding, regulatory compliance and intellectual property monetisation. Headquartered in Altadena, CA, at the Business Technology Centre of Los Angeles County with a rep office in Beijing, SMVG creates an environment where opportunities can flourish and enterprise value captured. By facilitating complementary partnerships, SMVG exposes early stage business opportunities to an extensive network of resources; fast-tracking growth and market realisation. More information on SMVG can be found on their website: <http://sanmarinoventuregroup.com/>

San Marino Venture Group Key Personnel

Melanie Hardin (Head of Strategic Investments)

Before Joining San Marino Venture Group, Melanie Hardin was most recently Executive Vice President of Investment Platform Solutions and Cash Products for LPL Financial. LPL Financial is the largest independent broker dealer in the US, with more than 13,500 financial advisors and approximately 700 financial institutions and over \$450B in assets. Melanie led the strategic expansion of LPL's comprehensive wealth management services, which include the fee-based platforms, due diligence, field marketing support, and strategic relationship management with investment companies to attract assets to LPL's custodial platform.

Eric Miller (Founding Partner)

Eric has more than 20 years of experience in corporate communications, public relations and investor relations. Specific areas of expertise include corporate communications strategy, crisis and reputation management, media relations and speaker/presentation training. He is a Managing Director of Portland-based firm, LTPR, a communications agency serving the financial services industry.

Pete Kimbrell (Founding Partner)

Pete Kimbrell has over twenty years of experience in electronic data management including business process automation, document management, private cloud services, and digital conversion and scanning equipment. Through Kimbrell & Associates, Pete's teams have delivered greater efficiency as well as better levels of security & compliance for his clients across a wide variety of sectors.

William F. Lyte (Advisor)

Mr. Lyte has deep experience in the energy, transportation and marine infrastructure sectors, primarily in California, from 25 years in business development with major U.S. consulting engineering firms. He has helped to lead the approval of \$7+ billion U.S. of capital projects in or serving the Ports of Los Angeles and Long Beach, the U.S.' largest port complex.

He is extremely knowledgeable in most regulatory and infrastructure-related program elements which could affect the Protean system in the U.S. Mr. Lyte also has had extensive technology commercialisation involvement with NASA's Jet Propulsion Laboratory (JPL) and the California Institute of Technology (Caltech), in establishing a major technology cluster yielding 200+ technology firms.

He founded and chaired the County of Los Angeles's technology incubator (Business Technology Centre) for its first four years. He also initiated the establishment of a sister technology incubator at the Port of Los Angeles (Port Tech L.A.)

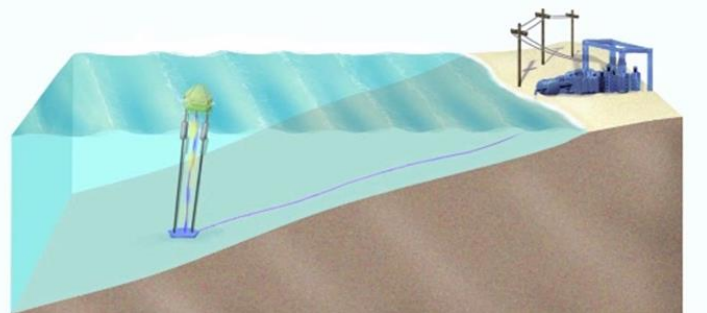
Mr. Lyte has supported Protean and its predecessor firms from the outset of its involvement in the United States, and has consistently worked to build recognition of the Protean technology with U.S. utility, military, research, and other organisations as well as state and federal regulatory agencies in Washington, D.C., California and Hawaii since 2008.

ABOUT THE PROTEAN WAVE ENERGY CONVERTER (WEC) TECHNOLOGY



Stonehenge has entered into an option agreement to purchase the Protean WEC technology. The Protean WEC system is based upon a point-absorber wave energy converter buoy device which floats at the water surface and extracts energy from the waves by the extension and retraction of a tether to its anchoring weight on the seabed. The device is unique in that it optimises the conversion of energy from waves at the surface through **all six degrees of wave movement**.

Figure 1:
Protean WEC
technology



The Protean WEC has been developed to use compact architecture to produce power from a small, low cost, scalable design targeted at keeping the projected levelised cost of energy (LCOE)¹ down. The Protean WEC has been designed to be cost competitive to manufacture, deploy, maintain and retrieve. The future plans for the Protean WEC include the deployment of a pre-commercial demonstration of a dynamic, configurable and scalable power array prior to moving the technology into early commercialisation. During the Option period the Stonehenge assessment program aims to:

1. **Refine** the tried and proven scale device to produce a suitable pre-commercial model;
2. **Create** a scalable power array so as to provide the power requirements of a prospective customer;
3. **Test** the scalable power array for its potential to deliver cost effective power,
4. **Verify** the results, including commissioning of an independent expert to qualify the testing results; and
5. **Commence** commercialisation of the scalable array for small to medium customers.

Protean Wave Energy Converter (WEC) Design, Fabrication and Deployment

PAST Successfully Tested Prototype	PRESENT AND FUTURE Deploy Demonstration Wave Farm
	 <p data-bbox="973 1686 1345 1720">http://proteanwaveenergy.com.au/technical/</p>
<ul style="list-style-type: none"> ➤ 1.5m wide proof-of-concept device successfully tested. ➤ Device operation validated in varied depths and sea states. ➤ Design principles independently verified from test results. ➤ Simple patented deployment system demonstrated. 	<ul style="list-style-type: none"> ➤ Identify and secure deployment sites and customers. ➤ Deploy 1m wide "proof of commercial applicability" unit. ➤ Demonstrate key design improvements. ➤ Deploy an array (farm) of Protean WEC devices. ➤ Confirm Protean as scalable power/water solution.

For further information visit: www.proteanwaveenergy.com.au or www.stonehengemetals.com.au

¹ Levelised cost of energy is one of the industry's main metrics for the cost of electricity produced. It accounts for all of a system's expected lifetime costs (incl. construction, finance, fuel, maintenance, tax, insurance & incentives), which are then divided by the system's lifetime expected power output (kWh) & discounted for inflation & time cost of money.