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Market Announcements Platform
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000



WAVE ENERGY PRIZE REGISTRATION UPDATE

Stonehenge Metals Limited (ASX:SHE) (**Stonehenge** or the **Company**) together with California Polytechnic University, San Luis Obispo (**Cal Poly**) advises that the joint registration for the U.S. Department of Energy's (**DOE**) Wave Energy Prize (**Wave Prize**) has been withdrawn. This registration was announced to the market on 2 July 2015.

Stonehenge and Cal Poly have decided to continue to focus on their primary collaboration objective, being the joint application for a potential \$US1.5 million award from the DOE supporting the continuation of Cal Poly's CalWaveSM initiative. The Company believes that the ProteanTM Wave Energy Conversion (**WEC**) technology positions it at the forefront of the development of the wave power industry in the U.S. through its partnership and MOU with Cal Poly.

Stonehenge is of the view that the ProteanTM WEC technology is at an advanced stage of development and has the potential to be commercialised rapidly upon completion. Whilst the Wave Prize is a worthwhile endeavor, it is not consistent with the Company's current path to commercialisation. The decision to withdraw from the Wave Prize was made subsequent to receiving, post initial registration, the full information pack regarding the detailed commercial terms and requirements of the competition.

The Company continues to actively pursue a range of significant opportunities relating to commercialisation of the ProteanTM WEC technology and remains committed to this program with Cal Poly's full support.

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

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The Company notes that neither Stonehenge Metals Limited, Protean Energy Pty Ltd, Protean Energy Australia Pty Ltd (**PEA**), Protean Wave Energy Inc., Sean Moore nor Cal Poly are associated in any way with two other Wave Energy Prize teams registered under the names "*Protean Wave Technology Inc.*" and "*CalWave*". The trademarks ProteanTM and Protean PowerTM are trademarks owned by PEA which are current and operating as registered trademarks in several jurisdictions around the globe. PEA is the Australian legal entity which holds the rights to all of the intellectual property, including all U.S. trademarks and patents, associated with the ProteanTM Wave Energy Converter.

ABOUT STONEHENGE METALS LIMITED

Stonehenge is the parent holding company of U.S. based Protean Wave Energy Inc. and is based in Perth, Western Australia. The Company is moving forward in its quest to build and deploy a commercially viable marine hydrokinetic energy system based on the Protean™ Wave Energy Converter technology to be located off the coast of California. The Company has appointed veteran U.S. wave energy industry professional, William Toman, as the president of Protean Wave Energy Inc. (Protean), its U.S. subsidiary.

ABOUT PROTEAN WAVE ENERGY INC.

Protean Wave Energy Inc. (based in Los Osos, California) is the U.S. subsidiary of Stonehenge Metals Limited. Stonehenge holds the rights to the Protean™ wave energy technology intellectual property, globally and in the U.S. including the registered U.S. trademarked names of Protean™ and Protean Power™ and the U.S. patent associated with the Protean™ Wave Energy Converter.

ABOUT THE PROTEAN WAVE ENERGY CONVERTER (WEC) TECHNOLOGY

Stonehenge has entered into a global licence and option agreement to acquire 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.

The Protean™ WEC has been developed to use compact architecture to produce power from a small, low cost, scalable design targeted to deliver a low projected total levelised cost of energy. 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 (wave farm) prior to moving the technology into early commercialisation.

ABOUT CALIFORNIA POLYTECHNIC UNIVERSITY, SAN LUIS OBISPO (CAL POLY)

California Polytechnic State University, San Luis Obispo is a highly selective, nationally-ranked public university located in San Luis Obispo, California. It has a total undergraduate enrollment of 18,739 with a campus size of 6,000 acres. Founded in 1901 as a vocational high school, it is currently one of only two polytechnic universities in the 23-member California State University system. Comprising six distinct colleges, the university offers 64 bachelor's degrees, 32 master's degrees, and 7 teaching credentials. Cal Poly is a member of the American Association of State Colleges and Universities and the Association of Public and Land-grant Universities. Cal Poly is known for its "learn by doing" educational philosophy that encourages students to solve real-world problems by combining classroom theory with experiential laboratory exercise.