



Stonehenge
METALS LTD

22 April 2010

Dear Shareholder



DEVELOPING WORLD CLASS URANIUM ASSETS

I am writing to update you on significant developments at your Company and specifically to highlight the progress made towards developing Stonehenge's new South Korean projects into world class uranium assets.

As you may now be aware, Stonehenge has completed on the acquisition of Chong Ma Mines Inc in South Korea. Subsequent to completing the acquisition, the Company also confirmed a significant Inferred Mineral Resource at the Daejon Project. Daejon now boasts an Inferred Mineral Resource estimated at **46.8 million tonnes averaging 340 ppm eU₃O₈ for 34.9 million pounds of contained eU₃O₈** (or approximately 15,900 tonnes contained U₃O₈) at a cut off grade of 200 ppm eU₃O₈.

We believe that this is a very positive start for the Company's new acquisition and we look forward to growing the quantity and quality of resources rapidly in South Korea. Our independent consultants, Hellmann & Schofield, have also confirmed an initial **Exploration Target of 72 to 108 million pounds U₃O₈ at a grade of 250 to 350 ppm** at the Daejon Project.

We can now also confirm the appointment of experienced exploration specialist Mr Simon Fleming as Chief Operating Officer (COO) and an Executive Director of the Company. Mr Fleming is a geologist with a broad range of minerals exploration experience including, most recently, five years in the uranium sector. He has more than 30 years' experience in gold, base metals and uranium exploration and development in both Australia and at a number of overseas locations. Mr Fleming previously held senior technical and management positions with Reynolds Australia Metals Ltd, Sons of Gwalia Limited, China Metals Ltd, Summit Resources Ltd, Paladin Energy Ltd and Energy and Minerals Australia Ltd. As COO, Mr Fleming is responsible for the exploration and development of Stonehenge Metals' projects in South Korea and Tasmania.

The Directors believe that Stonehenge is now well positioned to advance our interests rapidly in South Korea by developing world class uranium assets at a time when South Korea is experiencing a steep increase in demand for uranium to fuel its rapidly expanding nuclear power industry. South Korea is estimated to consume 8 million pounds of U₃O₈ per year, all of which is currently imported.

For further information please visit the Company's website at www.stonehengemetals.com.au.

Bruce Lane
Executive Director
Stonehenge Metals Limited

The geological information in this announcement relating to Exploration Results has been compiled by Mr. Christopher Sennitt of Senlac Geological Services Pty Ltd (2009) (ACN 010 677 595). Mr Sennitt is a Member of The Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Sennitt has consented to the inclusion in the document the Mineral Resources in the form and context in which they appear.

Geological modelling conducted on the Daejon Properties was conducted by Mr Simon Tear and Mr Arnold van der Heyden, who are full-time employees of Hellman & Schofield Pty Ltd with assistance from Simon Fleming of Stonehenge Metals Limited. Simon Fleming is a Fellow of the Australian Institute of Mines and Metallurgy (FAusIMM) who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which has been undertaken to qualify as Competent Persons as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Simon Fleming is a geological consultant and has consented to the inclusion in the document of the Mineral Resources in the form and context in which they appear.



Uranium Explorer in South Korea

Stonehenge Metals Limited (ASX Code: SHE) is developing a potentially world-class uranium project in South Korea. The Company's flagship Daejon Project boasts an Inferred Resource of 34.9Mlbs U₃O₈ (in accordance with JORC guidelines). Daejon is one of four projects Stonehenge holds in South Korea and has significant exploration upside via a conceptual exploration target of 72Mlbs to 108Mlbs U₃O₈. Stonehenge is well positioned to take advantage of the burgeoning nuclear power industry in South Korea, a country that imports 100% of its uranium requirements which are estimated to be 8Mlbs per annum and growing rapidly.

PROJECT HIGHLIGHTS

- Uranium project with world class exploration potential
- Inferred Resource of 34.9 Mlbs U₃O₈
- Extensive drilling database > 36,000m diamond drill core
- Uranium mineralisation predominantly Uraninite
- Scientific work indicates that metallurgy is likely to be straight forward
- Potential for Vanadium and Molybdenum Credits
- Korea currently has no domestic U₃O₈ production and is aggressively expanding its nuclear power industry

Capital Structure and Cash at 14 April 2010

Shares on Issue	179,095,274*
Options on Issue	18,389,324
Market Cap	~\$18 million*
Cash Reserves	~\$1,500,000
Debt	Nil

*excludes 60M Stonehenge Performance Shares issued at completion of the acquisition

RESOURCES (IN ACCORDANCE WITH JORC GUIDELINES)

Daejon Project: Inferred Resource Estimate

	Tonnes	Grade eU ₃ O ₈ (ppm)	Contained U ₃ O ₈ (lbs)
Daejon Inferred	46.8 million	340	34.9 million

Daejon Project Conceptual Exploration Targets¹

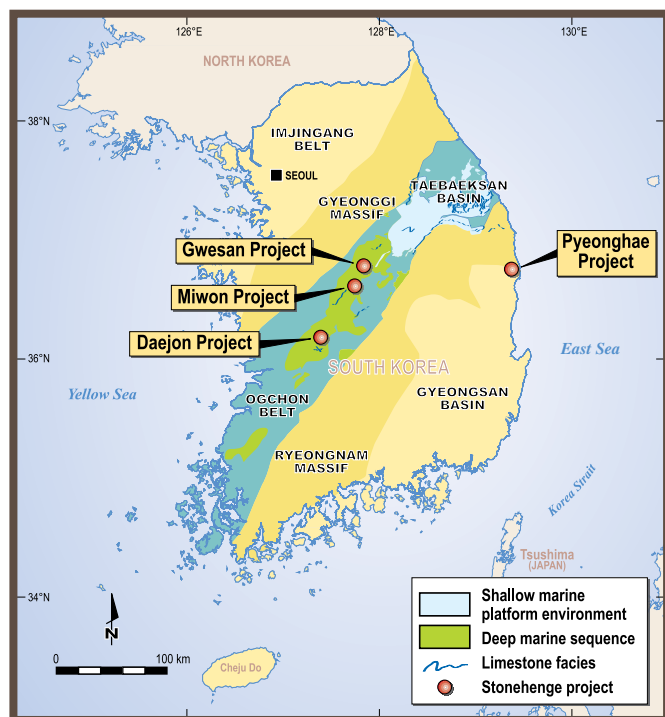
	Tonnage Range (Mt)	Grade Range U ₃ O ₈ (ppm)	Contained U ₃ O ₈ Range (lbs)
Chubu Prospect	101 - 156	250 - 350	68 - 100 million
Kolnami Prospect	4 - 8	350 - 550	4 - 8 million
Project Total	105 - 164	250 - 350	72 - 108 million



¹The potential quantity and grade of Daejon Conceptual Exploration Targets is conceptual in nature and there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

OGCHON BELT - GEOLOGICAL SETTING & MINERALISATION

- Northeast-trending, elongate Cambrian - Devonian age, 150km x 30km basin
- Deep marine, organic-rich depositional environment
- Mineralisation hosted in the Guryongsan Slate; metal-rich (V, Mo) black slate, up to 60m thick
- Up to 3 uranium-bearing units interbedded with shales



SOUTH KOREA – COUNTRY SUMMARY

- 10th largest world economy
- 3rd largest Asian economy
- Established mining law
 - No royalties
 - 25 year mining rights (transferrable)
- Tozai Holdings with Korean Resources Corporation (KORES) planning U₃O₈ production at 22 Mlb “Gumsan” deposit along strike from Stonehenge’s Daejon project
- Excellent infrastructure and highly educated labour force

SOUTH KOREA – A NUCLEAR POWER HOUSE

- Korea is worlds 5th largest producer of nuclear power
- 20 nuclear power plants supply 40% (rising to 60% by 2030) of South Korea’s energy requirements
- 12 nuclear power plants to be commissioned by 2021 (6 in construction)
- International ambitions - South Korean consortium to build and operate 4 nuclear plants in the United Arab Emirates
- Korea imports 100% of its estimated 8.0Mlbs annual U₃O₈ demand
- Korea actively securing uranium supplies for both domestic needs and foreign power construction plant contracts

PROPOSED TIMELINE AND BUDGET

Quarter	March Qtr 2010	June Qtr 2010	Sept. Qtr 2010	Dec. Qtr 2010	March Qtr 2011
Maiden U3O8 Inferred Resource Announced					
Daejon Drilling	15,000m				
Resource Up-grade					
Metallurgical testing					
Miwon Drilling					
BUDGET \$5 million		\$1 million	\$1.5 million	\$1.5 million	\$1 million

STONEHENGE METALS

Board and Executive Management			
Warren Staude	Non Executive Chairman	Chris Sennitt	Project Manager South Korea
Bruce Lane	Executive Director	Kim Wan Joong	Project Manager South Korea
Simon Fleming	Executive Director - COO	Jay Stephenson	Company Secretary
Bevan Tarratt	Executive Director		

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Disclaimer

Certain statements contained in this presentation constitute forward looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Stonehenge Metals Limited (the Company) to be materially different from actual future results and achievements expressed or implied by such forward-looking statements. Investors are cautioned not to place undue reliance on these forward-looking statements. This presentation may describe Measured, Indicated and/or Inferred Resources. Inferred Resources have a greater amount of uncertainty as to their existence and greater uncertainty as to their economic feasibility. It cannot be assumed that all or any part of any Inferred Resource will ever be upgraded to a higher category. The potential quantity and grade of the Daejon Uranium Project Conceptual Exploration Targets is conceptual in nature and there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. Exploration is an inherently risky proposition and investors are advised that most exploration projects fail to identify economic resources. The Company has at present not confirmed the economic viability of any resources at the project. The Company plans further drilling programs and studies with the objective of confirmation of any deposits and ultimately completing a feasibility study to demonstrate the economics of the resources.

Competent Person Statement

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