



ASX/Media release

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ASX: SHE

STONEHENGE ANNOUNCES NEW DISCOVERY OF URANIUM MINERALISATION AT GWESAN, SOUTH KOREA

- Assay results from drilling confirm mineralisation extending over approximately 600m of strike length and open along strike and down dip.
- Best intercept to date is **OKS-006: 7m @ 337 ppm U₃O₈ and 4,880 ppm V₂O₅**
- Assays confirm strong uranium and vanadium results, including:
 - **OKS-003: 8m @ 10,198ppm V₂O₅ from 87m, and**
 - **OKS-003: 17m @ 267ppm U₃O₈ and 5,460ppm V₂O₅ from 140m**
- This significant discovery has been made in an area where there has been no previous drilling.
- Korean Government committed to existing plans for substantial growth in nuclear power.

Stonehenge Metals Ltd (**ASX: SHE**) ("**Stonehenge**" or the "**Company**"), is pleased to announce the assay results from the first six holes of the drilling program at its Gwesan Project in South Korea. The drilling was designed to test the down dip and along strike continuity of the outcropping uranium and vanadium mineralisation along strike from strong surface results (up to 5,354ppm U₃O₈ refer ASX announcement 28 October 2010).

The best uranium assay result includes: **OKS-006: 7m @ 337ppm U₃O₈**; the best vanadium result includes: **OKS-003: 8m @ 10,198ppm V₂O₅ from 87m**. Results for the remaining drill holes will be announced when they become available.

The drilling program included **935m** of diamond drilling in eight (8) drill holes (see Table 1, overleaf) and has provided an initial drill test of approximately 800 metres of strike length of the mineralised horizons (up to three zones). The strike extensions of the outcrop sampling were partially confirmed by strong scintillometer readings from a number of outcrops widely spaced along the mineralised zone.

The drill cross sections - four drill cross sections in total - are at approximately 400m and 200m intervals along the strike length of the outcropping mineralisation.

Following completion of drilling, the diamond core was lithologically logged, photographed, cut and sampled. Samples of half core (generally one metre samples) were sent to ALS Laboratories in Brisbane for assay by fusion, ICP mass spectrometer for a suite of 35 elements.

Table 1: Gwesan Diamond Drill Hole Locations

Hole	Easting	Northing	RL	Total Depth	Azimuth	Dip
OKS-001	393,158	4,068,973	195	126.5	300	-60
OKS-002	393,152	4,068,977	182	100	120	-60
OKS-003	393,437	4,069,616	262	198.5	300	-60
OKS-004	393,443	4,069,624	236	100	120	-60
OKS-005	393,522	4,069,818	251	100	300	-60
OKS-006	393,519	4,069,820	254	100	120	-60
OKS-007	393,381	4,069,437	204	110	300	-60
OKS-008	393,377	4,069,435	206	100	120	-60

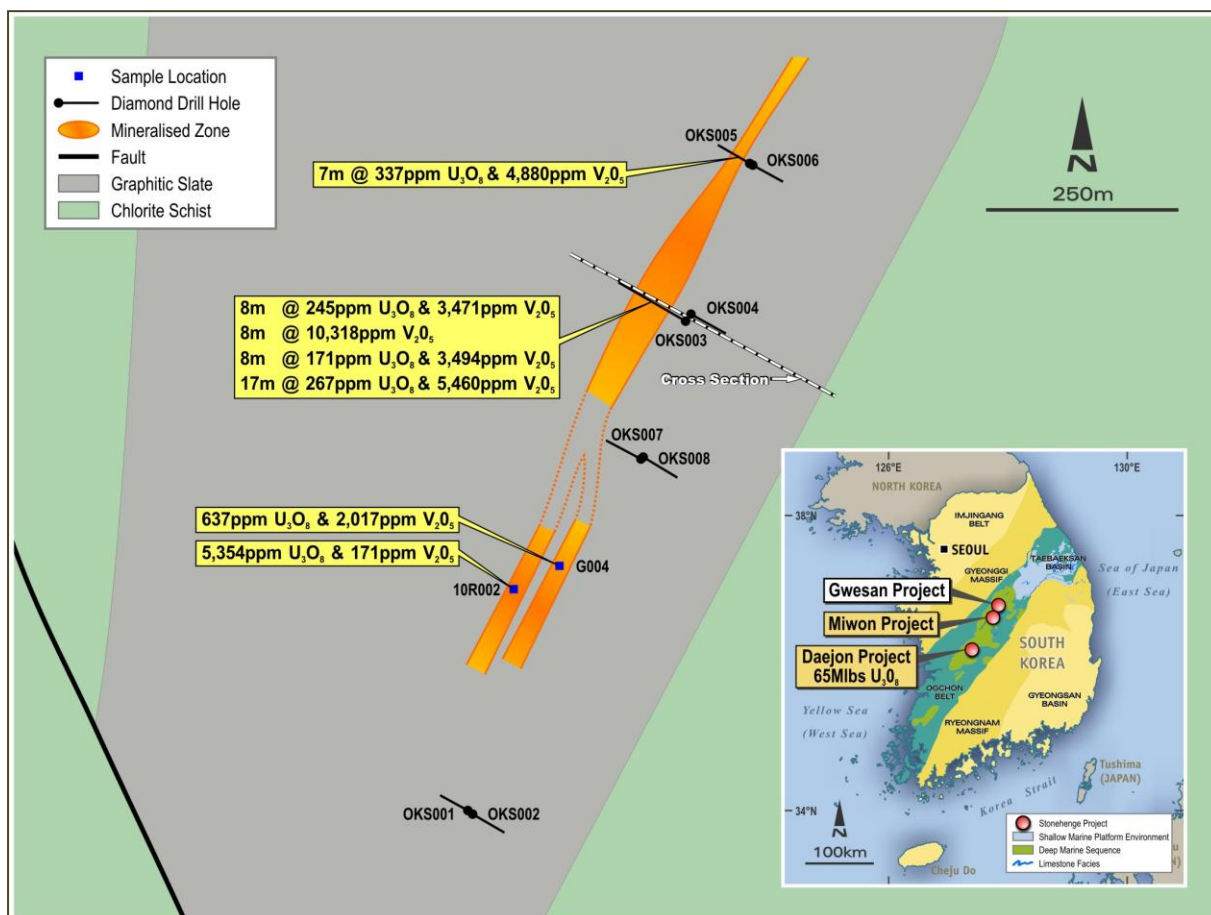


Figure 1: Showing the Gwesan Project drill hole locations, significant results and mineralised zone.

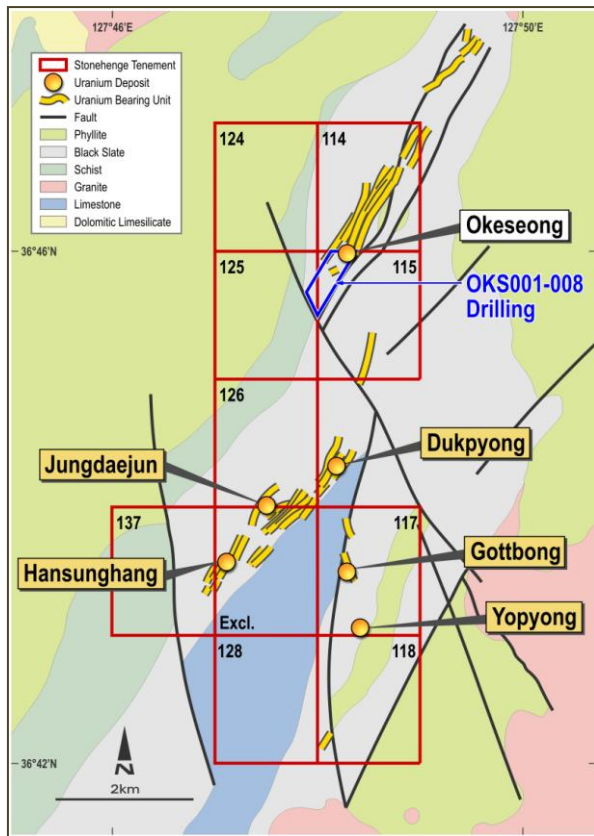


Figure 2: Showing the location of the drilling within the Gwesan Project

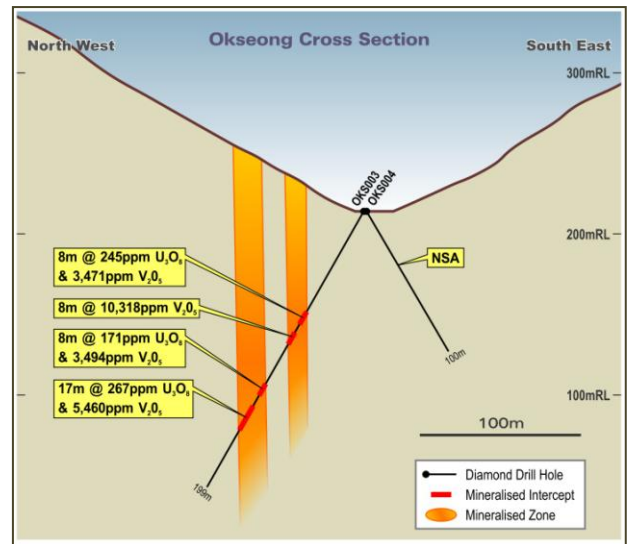


Figure 3: Showing the mineralised zones in drill hole OKS-003.

Table 2: Significant assay results from the Gwesan drilling

Hole	From	To	Interval	U ₃ O ₈ ppm	V ₂ O ₅ ppm
OKS-003	73	81	8	245	3,471
OKS-003	87	95	8		10,318
OKS-003	124	132	8	171	3,494
OKS-003	122	184	62		3,291
OKS-003	140	157	17	267	5,460
OKS-006	15	22	7	337	4,880

A full listing of assay results received to date is included in Appendix 1.

Stonehenge Managing Director, Richard Henning stated “Given the early stage of this exploration these results are very encouraging and warrant further drilling. A drilling programme will be considered following receipt of all assay results. Our team has once again made excellent progress in identifying this new zone; the mineralisation remains open along strike and at depth and we expect that additional drilling will extend the target, further adding to the exploration potential of the Gwesan Project”.

For further information visit www.stonehengemetals.com.au or contact;

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Competent Persons Statement

The geological information contained in this ASX release relating to South Korean Exploration Results has been compiled by Mr. Simon Fleming of Stonehenge Metals Limited. Mr. Fleming is a Fellow of The Australian Institute of Geoscientists and Mr. Fleming has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking 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 information contained in this ASX release relating to Mineral Resources has been compiled by Mr. Michael Andrew of Snowden Mining Industry Consultants Pty Ltd. Mr. Andrew is a Member of The Australian Institute of Mining and Metallurgy. Mr. Andrew has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking 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". Mr Andrew consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

About Stonehenge

Stonehenge Metals Limited (ASX Code: SHE) is developing a uranium project in South Korea. Stonehenge owns 100% of the rights to four uranium projects in South Korea including the Company's flagship Daejon Project which contains the largest uranium resource within South Korea at **65.0Mlbs¹** grading **320ppm eU₃O₈** (in accordance with JORC guidelines).

Recent metallurgical testwork has shown that the uranium mineralisation is uraninite (UO₂) and is associated with feldspars; uranium extraction of over 90% can be achieved using a grind size of 150 µm, weak acidic conditions, (low acid consumption, 10 kg acid / tonne ore) and a leach temperature of 50°C.

Metallurgical consultants Clean TeQ has used current Korean power and chemical costing and based on conservative assumptions from the test program, a C1 cash cost of **US\$24.50/lb U₃O₈** can be achieved. This cash cost is based upon a Vanadium by-product credit - a sale price of US\$13 / lb V which generates an equivalent 'operating cost credit' of \$33.76 / lb U₃O₈. Further metallurgical testing is on-going.

Korean Nuclear Power Industry Update

Source: Straits Times

SEOUL - SOUTH Korea, the world's fifth largest oil importer and now a major global supplier of nuclear plants, will not abandon its nuclear plans despite the nuclear crisis in Japan, a government minister said on Monday.

Nuclear already accounts for 31.4 per cent of resource-poor South Korea's electricity generation needs and government plans call for it to rise to 48.5 per cent by 2024.

It has seven reactors under construction, with plans to build six more and bring to 34 the number on stream by 2024.

'Our answer to the nuclear industry is that we need to keep going,' Minister of Knowledge Economy, Choi Joong-kyung said in a speech to a business event on Monday 4th April.

'Part of our manufacturing industry's competitiveness comes from nuclear power thanks to its cheap energy costs. Therefore, it is hard to give up.'

Appendix 1:

Assay results for Gwesan drill holes OKS-001 to OKS-006

Hole	Easting (WGS84) (m)	Northing (WGS84) (m)	Depth (m)	Azimuth	Dip	From (m)	To (m)	Interval (m)	U ₃ O ₈ (ppm)	V ₂ O ₅ (ppm)
OKS001	393,158	4,068,973	126.5	300	-60	26	29	3		2,642
OKS001						36	41	5		1,382
OKS001						44	47	3		1,625
OKS001						101	104	3		3,071
OKS003	393,437	4,069,616	198.5	300	-60	7	11	4		1,401
OKS003						42	50	8		1,852
OKS003						73	81	8	245	3,471
OKS003						87	95	8		10,198
OKS003						112	115	3		2,701
OKS003						122	184	62		3,291
OKS003						124	132	8	171	3,494
OKS003						140	157	17	267	5,460
OKS004	393,443	4,069,624	100	120	-60	15	18	3		1,845
OKS004						50	53	3		3,511
OKS004						56	59	3		1,785
OKS006	393,519	4,069,820	100	120	-60	15	22	7	337	4,693
OKS006						26	36	10		1,803
OKS006						72	83	11		1,850

Reported intervals calculated using >100 ppm U₃O₈, and/or >1,000ppm V₂O₅. Minimum width = 3m, maximum of one metre of internal dilution. All samples assayed by fusion XRF analysis.