



Stonehenge
METALS LTD

14 March 2012

Company Announcements Office
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000



ASX Code: SHE

STONEHENGE SECURES KOREAN INVESTORS AND LAUNCHES PRO-RATA NON-RENOUNCEABLE RIGHTS ISSUE

Highlights

- Stonehenge Secures \$1.3M via Private Placement to Korean Investors
 - Pro-rata Non-renounceable Rights Issue to raise \$2.5M
-

Stonehenge Metals Limited (**Stonehenge** or the **Company**) is pleased to announce it has completed a placement consisting of the issue of 43,491,126 shares at an issue price of \$0.03 per share raising a total of \$1,304,734.

The Company completed the private placement with a consortium of sophisticated and professional investors located primarily out of South Korea.

“The Company is delighted to have provided the opportunity to Korean Investors to participate in this private placement. The investors range from senior management to energy companies and provide evidence of the vision and support within Korea to take this project through to development” commented Managing Director Mr Richard Henning.

In addition, the Company intends to raise approximately \$2,500,739 before costs via a pro-rata non-renounceable rights issue (“**Rights Issue**”). Eligible shareholders will be provided the opportunity to subscribe for one (1) new fully paid ordinary share in the Company for every four (4) shares held as at 7:00pm AEDT on 22 March 2012 (**Record Date**).

The Company has appointed Indian Ocean Capital (**Indian Ocean**) as Lead Manager to the Rights Issue. New Shares under the Rights Issue will be offered at \$0.03 per share. Based on the current capital structure (and assuming no options to acquire shares are exercised prior to the Record Date), if the Rights Issue is fully subscribed, an additional 83,357,992 New Shares will be issued and approximately \$2,500,739 will be raised. The Directors reserve the right, in consultation with Indian Ocean Capital as Lead Manager to the Offer, to allocate any New Shares that may comprise the Shortfall, at their absolute discretion.

The Rights Issue will enable Shareholders to increase their holding of Shares and presents a good opportunity for Shareholders to participate in the future development of the Company.

The Company intends to apply the funds raised from the Offer to:

- (a) Drilling at the Yokwang & Chubu Project locations to define a maiden JORC compliant vanadium resource and increase existing uranium resources;
- (b) The development of process flow sheets with the aim of maximising vanadium metal recovery; and
- (c) The preparation of the Preliminary Environmental Referral document as part of the Korean government's permitting & approval process.

As at the date of this announcement, the Company has 61,643,099 Options on issue. In order to participate in the Rights Issue, these options must be exercised prior to the Record Date.

An Offer Document will be mailed to eligible shareholders together with personalised Entitlement and Acceptance Forms as set out in the timetable below:

Event	Date
Announcement of Offer and lodgement of Appendix 3B	14 March 2012
Lodgement of Offer Document with ASIC and ASX	14 March 2012
Notice to Shareholders	15 March 2012
Ex Date	16 March 2012
Rights Issue Record Date (7pm AEDT)	22 March 2012
Dispatch of Offer Document and Entitlement & Acceptance Forms	28 March 2012
Rights Issue opens	28 March 2012
Offer Closing Date*	13 April 2012
Securities quoted on a deferred settlement basis	16 April 2012
ASX notified of under subscriptions**	18 April 2012
Allotment of Rights Issue Shares & dispatch of holding statements**	23 April 2012

* Subject to the Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the New Shares.

** These dates are indicative only.

NOTICE UNDER s708AA OF THE ACT

The Company hereby notifies ASX under paragraph 708AA(2)(f) of the Corporations Act 2001 (Cth) (the Act) that:

- (a) the Company will offer the Shares for issue without disclosure to investors under Part 6D.2 of the Act;
- (b) the Company is providing this notice under paragraph 2(f) of section 708AA of the Act;
- (c) as at the date of this announcement, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company;
- (d) as at the date of this announcement, the Company has complied with section 674 of the Act;
- (e) as at the date of this announcement, there is no information:
 - (i) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - (ii) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - (B) the rights and liabilities attaching to the Shares; and
- (f) the issue of the Shares is not expected to have any effect on the control of the Company.

For more information on the Company visit www.stonehengemetals.com.au

Stonehenge Metals Limited
Richard Henning (Managing Director)
T: +61 8 9481 2277