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STONEHENGE METALS: DAEJON PROJECT LAND ACCESS AGREEMENTS SIGNED

- Stonehenge Metals confirms three separate land access agreements to undertake a maiden exploration drilling program at its Daejon Project.
- A 21 diamond drill hole program is proposed to confirm historical uranium drill results and establish a maiden vanadium resource.

Stonehenge Metals Limited (“Stonehenge” or the “Company”) is pleased to announce the signing of three separate land access Agreements across the Daejon Project Area (‘Daejon’). Daejon has 225 historical diamond drill holes and outcrops over a 6 kilometre strike containing the largest known uranium resource within South Korea at **65.0Mlbs** (Inferred) grading **320ppm** eU₃O₈ at a 200ppm cut-off (in accordance with JORC guidelines). Daejon also has a Vanadium Exploration Target¹ of 70-90 Mt at a grade of between 0.25% - 0.35% V₂O₅ for a contained 385-695 M lbs V₂O₅. More than 36,000m of drilling was completed by the Korean Institute of Energy and Resources (KIER) in the 1980’s.

Table 1: Resource for the Daejon Project at a 200ppm eU₃O₈ cut-off (as at Feb 2011).

Prospect	Classification	Tonnes (Mt)	Grade eU ₃ O ₈ (ppm)	Contained U ₃ O ₈ (Mlbs)
Chubu	Inferred	46	330	34
Yokwang	Inferred	39	310	26
Kolnami	Inferred	7	340	5
Total		92	320	65
Prospect	Classification	Tonnes(Mt)	Grade U ₃ O ₈ (ppm)	Contained U ₃ O ₈ (Mlbs)
Yokwang	Target	15 - 59	300-500	17-39Mlbs
Prospect	Classification	Tonnes(Mt)	Grade V ₂ O ₅ (ppm)	Contained V ₂ O ₅ (Mlbs)
Daejon	Target	70-90	250-350	385-695Mlbs

¹ It should be noted that, under JORC guidelines, the potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration to define a Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral Resource.

Stonehenge has signed three separate land access agreements to undertake a maiden exploration drilling program at its Daejeon Project. Agreements for two parcels of land, Seo 16 and 17, located within the Yokwang deposit have been secured (see Figure 1). A large majority of the historical drill holes were vertical or near vertical. It is intended to drill the uranium strike from the opposite side of the hill to intersect the mineralized zone. This will prevent ground disturbance of the uranium outcrops during drilling activities. Dae 6-1 has also been secured which is located within the Chubu deposit and was the major focus of historical drilling.

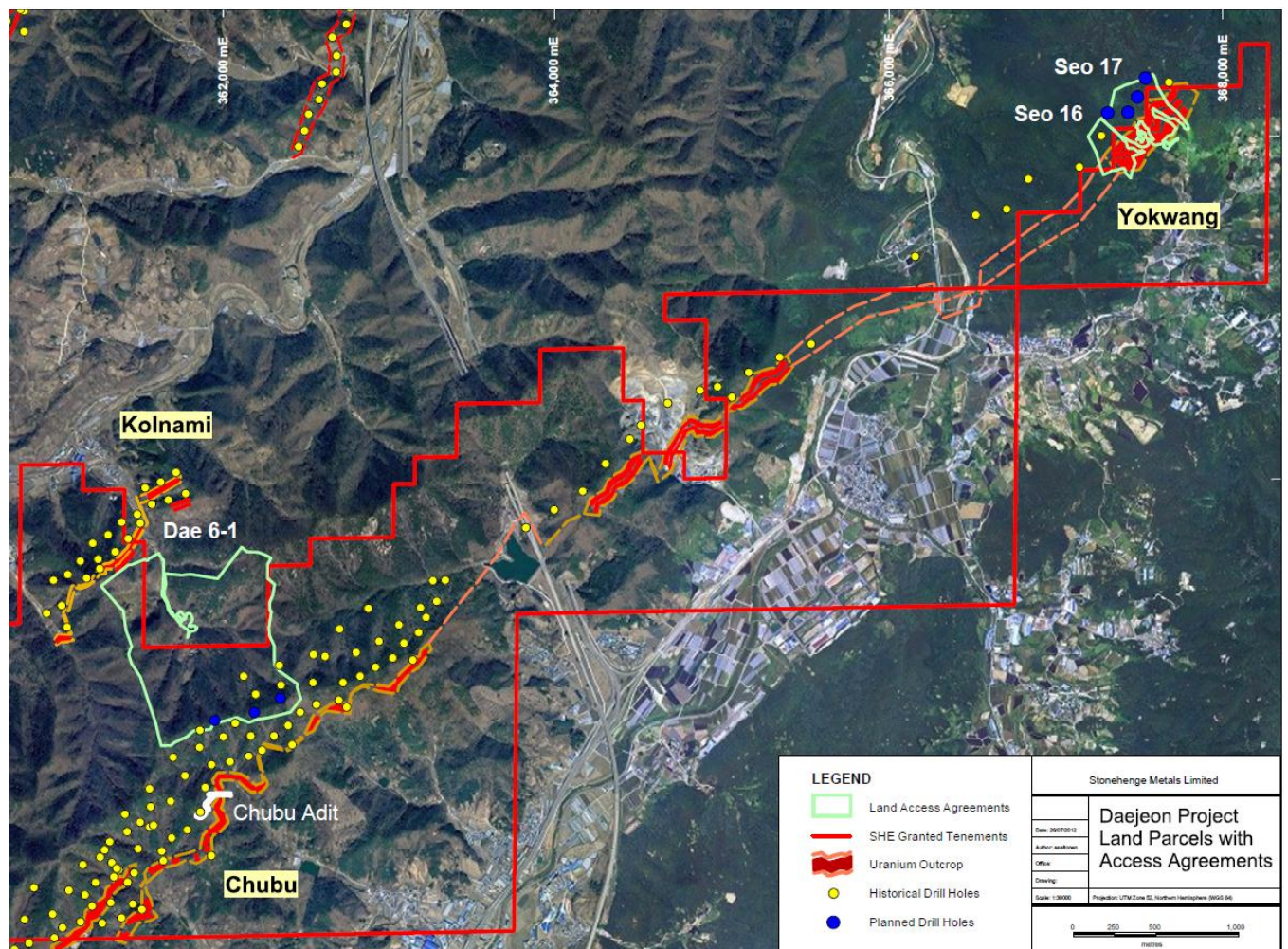


Figure 1: Map of Daejeon project area showing location of land access agreements.

An eight hole diamond drill program at Yokwang is currently being prepared for submission and final approval by the Geumsan County Office. Land owner agreement is a critical step in this approval process. Yokwang has a large exploration potential with a JORC Exploration Target² of 15 to 59 Mt with uranium grade ranging between 300-500ppm U₃O₈. Two diamond drill holes 83-DEY-10 and 83-DEY-11 were previously drilled in Yokwang and these holes are positioned either side of the proposed Yokwang drill program. Table 2 shows the historical results from these drill holes and confirms the presence of a large uranium mineralized zone. Angle of these drill holes is normal to the mineralization and intersections are approximate to true widths.

² It should be noted that, under JORC guidelines, the potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration to define a Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral Resource.

Table 2: Historical drill results for Yokwang using 200ppm eU₃O₈ cut-off.

Hole ID	From (Metre)	To (Metre)	Interval (Metre)	Dip (deg)	eU ₃ O ₈ (ppm)
83-DEY-10	179.0	188.5	9.5	33	342
83-DEY-10	228.0	238.3	10.3	33	334
83-DEY-10	242.0	252.5	10.5	33	324
83-DEY-10	259.2	265.0	5.8	33	331
83-DEY-10	267.1	279.6	12.5	33	360
Total			48.6	33	339
83-DEY-11	42.6	61.5	18.9	33	372
83-DEY-11	145.7	149.0	3.3	33	381
83-DEY-11	177.4	188.6	11.2	33	299
83-DEY-11	190.0	197.1	7.1	33	360
83-DEY-11	198.5	201.5	3.0	33	409
Total			43.5	33	354

Note: Drill core was not assayed for vanadium.

A typical section from one of the proposed drill sites is shown in Figure 2. The purpose of the Yokwang drill program is to confirm the continuity of the uranium mineralised zone, including thickness and grade. It will also allow a maiden vanadium resource to be estimated over the area covered by the proposed drilling.

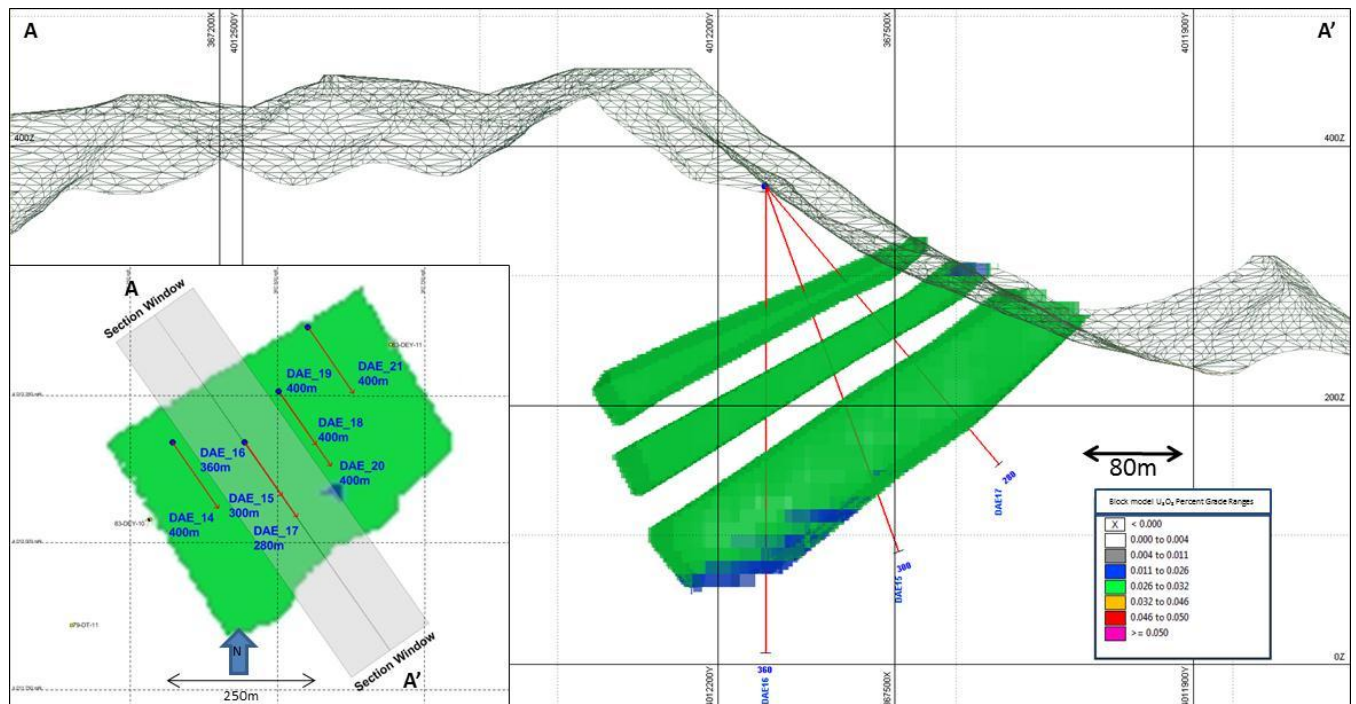


Figure 2: Proposed drill section through uranium block model for Yokwang (red line indicates proposed drill hole).

A separate 13 hole diamond drill program for the Chubu deposit is also being prepared. Chubu contains a JORC Inferred Resource of 46Mt grading 330 eU₃O₈ for 34Mlbs eU₃O₈ at a cutoff grade of 200ppm eU₃O₈. The proposed drill program is located directly above the existing Chubu Adit, which was sampled at 1 metre intervals during 2011. Results from this program showed high grade zones much greater than the existing resource average with the best result of 59m at 472ppm U₃O₈.

The intent of the Chubu drill program is to infill the historical drill holes to improve the confidence level of the existing uranium JORC resource and identify potential high grade zones. This program will also allow a maiden vanadium resource to be estimated for Chubu over the area covered by the proposed drilling. A typical drill section is shown in Figure 3.

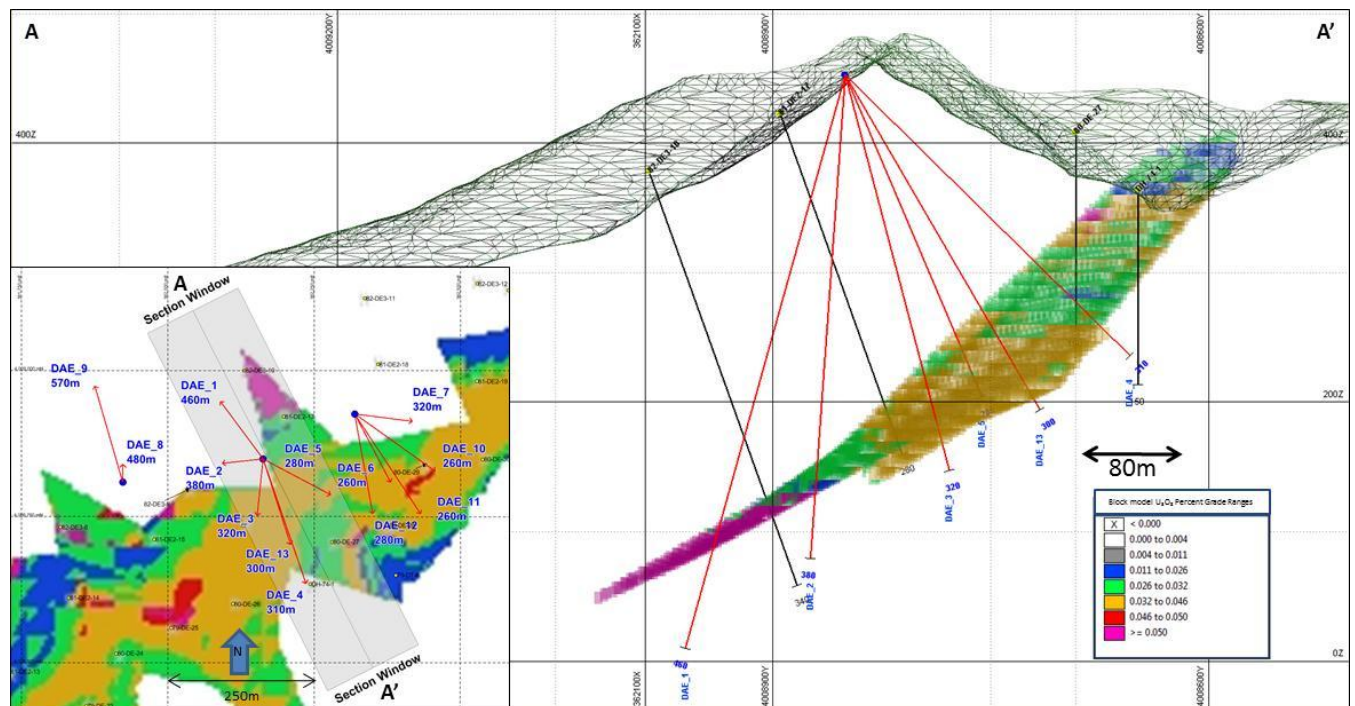


Figure 3: Proposed drill section through uranium block model for Chubu (red line indicates proposed drill hole, black line historical drill hole).

A surveyors report to confirm the location of access track and drill pads will be completed in early August. This report, along with the drilling application, will be submitted to the Daejon City Council for final approval, a decision which can take 30 working days.

Discussions with other land owners across the Daejon project are in progress. An announcement will be made when final approval has been obtained from respective Guemsan County and Daejon City Councils for the proposed drill campaign.

Richard Henning, Managing Director, commented “This programme represents the first stage in converting our vanadium exploration target into a resource; there is little doubt that the quantity and grade of the vanadium that we have tested to date means that it cannot be ignored, and our metallurgical work continues to improve the co-extraction process of uranium and vanadium.

Early modelling shows a strong economic case based on processing the two minerals, both of which are of major significance to Korean industries. As we prove up some of the earlier work done by Korean geologists back in the 1980’s and add our expertise in metallurgy, environmental planning, and adopting ‘best practice’, we will continue dialogue with central and provincial government and all members of the local communities with regard to open and transparent activity.

As a company we embrace the opportunity to work in Korea and strive to add an important dimension in Korea’s energy security”

ABOUT STONEHENGE METALS

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

South Korean Project Locations



Competent Persons Statement

The information contained in this ASX release relating to exploration results, exploration targets and Mineral Resources has been compiled by Mr. Michael Andrew of Optiro 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.

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Appendix 1: Stonehenge Tenement Details.

Table 3: Granted Korean Mining Right Licenses (held directly by Stonehenge Korea)

Registration Number	Land Register	Number	Area (ha)	Minerals	Registration Date	Registrant	Property
76967	Gwesan	114	275	Uranium	28/05/2008	Sim Jae Youl	Gwesan
76942	Gwesan	115	275	Uranium	14/05/2008	Sim Jae Youl	
76965	Gwesan	117	275	Uranium	28/05/2008	Sim Jae Youl	
76966	Gwesan	118	275	Uranium	28/05/2008	Sim Jae Youl	
76964	Gwesan	124	275	Uranium	28/05/2008	Sim Jae Youl	
76941	Gwesan	125	275	Uranium	14/05/2008	Sim Jae Youl	
76968	Gwesan	126	275	Uranium	28/05/2008	Sim Jae Youl	
76969	Gwesan	128	275	Uranium	28/05/2008	Sim Jae Youl	
79161	Gwesan	137	275	Uranium, Vanadium	11/01/2011	Stonehenge Korea	
77018	Miwon	36	276	Uranium	11/06/2008	Sim Jae Youl	Miwon
77019	Miwon	46	276	Uranium	11/06/2008	Sim Jae Youl	
77020	Miwon	58	276	Uranium	11/06/2008	Sim Jae Youl	
77225	Miwon	37	276	Uranium	21/08/2008	Sim Jae Youl	
77291	Miwon	47	276	Uranium	23/09/2009	Sim Jae Youl	
77292	Miwon	57	276	Uranium	23/09/2009	Sim Jae Youl	
77010	Okcheon	136	138	Uranium	10/06/2008	Sim Jae Youl, Sim Jun Bo	Daejon
77011	Daejon	18	277	Uranium	10/06/2008	Sim Jae Youl, Sim Jun Bo	
77012	Daejon	28	259	Uranium	10/06/2008	Sim Jae Youl, Sim Jun Bo	
77013	Daejon	38	277	Uranium	10/06/2008	Sim Jae Youl, Sim Jun Bo	
77014	Daejon	48	277	Uranium	10/06/2008	Sim Jae Youl, Sim Jun Bo	
77038	Okcheon	147	277	Uranium	19/06/2008	Sim Jae Youl, Sim Jun Bo	
77039	Daejon	17	103	Uranium	19/06/2008	Sim Jae Youl, Sim Jun Bo	
77114	Daejon	7	190	Uranium	3/07/2008	Sim Jae Youl, Sim Jun Bo	
77115	Daejon	27	56	Uranium	3/07/2008	Sim Jae Youl, Sim Jun Bo	
77363	Daejon	47	242	Uranium	16/10/2008	Sim Jae Youl	
77364	Daejon	57	186	Uranium	16/10/2008	Sim Jae Youl	

Technical Note: All Mining Rights & Applications (above) have been pegged as standard 1 minute latitude X 1 minute longitude graticules and are approximately 277- 275 ha in size.

Table 4: Korean Exploration Right Applications.

Registration Number	Land Register Name	Number	Area (ha)	Minerals	Registration Date	Registrant	Property Location
70006	Daejon	7-1	207	Vanadium, Molybdenum	20 Apr 2012	Stonehenge Korea	Daejon
70009	Daejon	18	277	Vanadium, Molybdenum	20 Apr 2012	Stonehenge Korea	
70008	Daejon	27	60	Vanadium, Molybdenum	20 Apr 2012	Stonehenge Korea	
1003	Daejon	27-1	172	Uranium, Vanadium, Molybdenum	17 May 2012	Stonehenge Korea	
70007	Daejon	28	266	Vanadium, Molybdenum	20 Apr 2012	Stonehenge Korea	
135	Daejon	59	277	Uranium, Vanadium, Molybdenum	19 Jan 2012	Stonehenge Korea	
132	Daejon	70	277	Uranium, Vanadium, Molybdenum	19 Jan 2012	Stonehenge Korea	

Table 5: Korean Exploration Permits.

Registration Number	Land Register Name	Number	Area (ha)	Minerals	Registration Date	Expiry Date of Application	Registrant	Property Location	
1012	Daejon	15	277	Uranium, Vanadium, Molybdenum	17 May 2012	16 Nov 2012	ChongMa	Daejon	
1011	Daejon	16	277	Uranium, Vanadium, Molybdenum	17 May 2012	16 Nov 2012	ChongMa		
1005	Daejon	17-1	124	Uranium, Vanadium, Molybdenum	17 May 2012	16 Nov 2012	ChongMa		
1010	Daejon	36	277	Uranium, Vanadium, Molybdenum	17 May 2012	16 Nov 2012	ChongMa		
1006	Daejon	49	61	Uranium, Vanadium, Molybdenum	17 May 2012	16 Nov 2012	ChongMa		
1009	Daejon	50	277	Uranium, Vanadium, Molybdenum	17 May 2012	16 Nov 2012	ChongMa		
136	Daejon	58	277	Uranium, Vanadium, Molybdenum	20 Jul 2012	19 Jan 2013	Stonehenge Korea		
134	Daejon	68	277	Uranium, Vanadium, Molybdenum	20 Jul 2012	19 Jan 2013	Stonehenge Korea		
133	Daejon	69	277	Uranium, Vanadium, Molybdenum	20 Jul 2012	19 Jan 2013	Stonehenge Korea		
1004	Daejon	80	64	Uranium, Vanadium, Molybdenum	17 May 2012	16 Nov 2012	ChongMa		
130	Daejon	90	277	Uranium, Vanadium, Molybdenum	20 Jul 2012	19 Jan 2013	Stonehenge Korea		
129	Geumsan	72	277	Uranium, Vanadium, Molybdenum	20 Jul 2012	19 Jan 2013	Stonehenge Korea		
1008	Okcheon	126	277	Uranium, Vanadium, Molybdenum	17 May 2012	16 Nov 2012	ChongMa		
540	Okcheon	136-1	148	Uranium, Vanadium, Molybdenum	9 Mar 2012	8 Sep 2012	ChongMa		
541	Okcheon	146	277	Uranium, Vanadium, Molybdenum	9 Mar 2012	8 Sep 2012	ChongMa		
128	Miwon	69	277	Uranium, Vanadium, Molybdenum	20 Jul 2012	19 Jan 2013	Stonehenge Korea		Miwon