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Stonehenge Metals: Gwesan Project Drill Results show continued Vanadium mineralisation

Stonehenge Metals Limited (ASX: SHE) (**Stonehenge** or the **Company**), a uranium and vanadium exploration and development company with projects in South Korea, today announces chemical assay results from 3 recent diamond drill holes conducted by KORES at the Gwesan Project (**Figure 1**). A total of 300m of drill core was recovered to test the black shale mineralisation at Gwesan. The results confirm good and continued mineralisation of vanadium.

Highlights:

- Outstanding intercept of 8m of mineralised zone averaging 3,500 ppm V₂O₅ including 1m at 6,000 ppm V₂O₅.
- Several ore zones have been intercepted in each drill hole, showing high vanadium mineralisation in the area.
- Gwesan geology and previously encountered mineralised system is confirmed with vanadium mineralisation throughout the black shales.
- Further drilling is required to determine continuity and distribution of high grade mineralised zones in the area.
- Assay results include:

Hole ID	From (m)	To (m)	Mineralised Zones Average ppm V ₂ O ₅	
13-01	30	38	8m @	3,500
	<i>including</i>		1m @	6,000
13-02	30	36	6m @	1,400
	<i>including</i>		1m @	2,500
13-03	18	25	7m @	1,500
	<i>including</i>		1m @	2,300

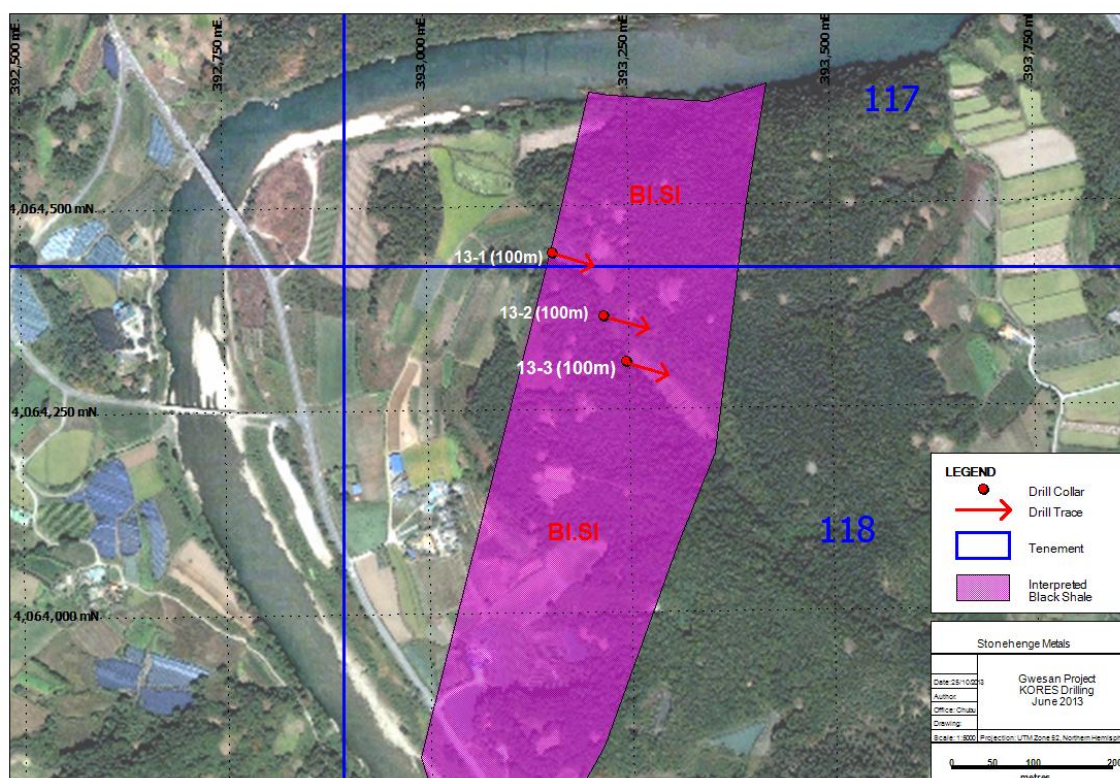


Figure 1: Location of drill holes undertaken by KORES

Exploration Update – Overview and future exploration

The Geology in the Okcheon belt consists of a meta-sedimentary sequence that is composed of three formations including the Wunkyori, Hwajeonri and Guryongsan. The stratigraphical sequence within the belt at the Gwesan project comprises a dark grey Phyllite, followed by the black shale (ore zone) and a fine grained sandstone. The historical drilling at the Gwesan project has intercepted black shale along a 10km strike.

The mineralised black shale has been under-targeted in the past and the recent drilling (June 2013) has shown and confirmed the potential for Vanadium mineralisation hosted by the black shale.

KORES completed three drill holes targeting the mineralised black shale at Gwesan in order to verify the mineralisation zone in the area (**Figure 1**). The three drill holes were completed to a down hole depth of 100m each and several ore zones were intercepted from 3m to up to 11m wide in each drill hole. The best intercept of 0.35% V_2O_5 in the first hole provides encouraging results. The drill holes were drilled near normal to the mineralisation, so that the intercepts are close to true thickness.

The project is in its exploration stage and more drilling will be required to define the mineralisation zones in the area. The mineralisation remains open at depth and along the 10km strike.

Energy World Congress

The 22nd World Energy Congress was held in Daegu, Korea during 13-17 October 2013. Korea hosted this event representing Asia as the World's most dynamic energy market today.

During the congress, it was acknowledged that the regional centre of gravity was moving from the West to Asia, highlighting the role of the region in overcoming global energy challenges. Many energy leaders stated that Nuclear power is still indispensable despite the recent Fukushima disaster. Most participants spoke of the economic, technical and environmental benefits of nuclear-generated energy.

President Park of Korea in her remarks on the last day of the congress stated that "We will actively cooperate in creating energy which is clean, safe and accessible for all".

A joint working group consisting of some 60 experts from the public and private sectors has recommended a new energy vision for the Korean government, updating the National Energy Basic Plan for 2008-2030. The updated recommendation covers 2013-2035 and recommends the share of nuclear power in the nation's electricity production capacity be maintained in the 22-29 percent range.

As such, nuclear power will continue to play a significant role in the economic development of Korea as a source of affordable and clean power. Stonehenge will continue to work to develop our uranium & vanadium operations to meet significant Korean uranium demand in the future. The company's aim is still to provide 25% of Korean present uranium demand and we will assess the best entry point for vanadium as 'new technology' demand for redox battery storage begins to challenge the traditional steel industry customer for market share.

For further information visit www.stonehengemetals.com.au or contact:-

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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 **66.7Mlbs** (1.8Mlbs Indicated and 64.9Mlbs Inferred) grading **329ppm U₃O₈** at a cut-off of **200ppm U₃O₈** (in accordance with JORC guidelines). Presently, the company is drilling to establish a maiden vanadium resource.

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.

Appendix 1 –Drill Collar Information

Hole ID	Depth (m)	Direction	Angle	Northing (UTM)	Easting (UTM)
13-01	100	S70E	60	4,064,436	393,117
13-02	100	S60E	50	4,064,367	393,202
13-03	100	S55E	50	4,064,305	393,258

Gwesan Drilling intersection

Hole ID	From (m)	To (m)	Thickness (m)	Mineralised zones average			
				ppm V ₂ O ₅	% V ₂ O ₅	ppm U ₃ O ₈	% U ₃ O ₈
13-01							
	29	40	11m@	2,800	0.28	54.9	<0.01
	30	38	8m@	3,500	0.35	67.4	<0.01
		<i>Including</i>	1m@	6,000	0.6	160	0.016
	64	66	2m@	1,800	0.18	11.1	<0.01
	69	74	5m@	1,100	0.11	13.8	<0.01
	79	81	2m@	1,100	0.11	14.8	<0.01
	83	85	2m@	1,400	0.14	5.6	<0.01
13-02							
	30	36	6m@	1,400	0.14	16.1	<0.01
		<i>Including</i>	1m@	2,500	0.25	16.9	<0.01
	40	43	3m@	1,900	0.19	9.6	<0.01
	63	71	8m@	1,200	0.12	13.2	<0.01
13-03							
	18	25	7m@	1,500	0.15	15.4	<0.01
		<i>Including</i>	1m@	2,300	0.23	12.6	<0.01
		<i>Including</i>	1m@	2,100	0.21	18.8	<0.01
	28	37	8m@	1,200	0.12	12.5	<0.01
	56	60	4m@	1,600	0.16	22.7	<0.01
	87	90	3m@	1,400	0.14	15.7	<0.01
	97	100	3m@	1,100	0.11	11.1	<0.01

Gwesan Drilling Assay Results

Assay ID	From (m)	To (m)	Width (m)	U ₃ O ₈ (ppm)	V ₂ O ₅ (%)
MK1301 -1	24	25	1	8.7	0.03
MK1301 -2	25	26	1	8.4	0.02
MK1301 -3	26	27.4	1.4	9.4	0.02
MK1301 -4	27.4	28	0.6	20.9	0.03
MK1301 -5	28	29	1	33.6	0.03
MK1301 -6	29	30	1	36.2	0.09
MK1301 -7	30	31	1	45.2	0.30
MK1301 -8	31	32	1	60.6	0.33
MK1301 -9	32	33	1	37.9	0.35
MK1301 -10	33	34	1	22.9	0.34
MK1301 -11	34	35	1	51.9	0.38
MK1301 -12	35	36	1	45.4	0.24
MK1301 -13	36	36.7	0.7	160	0.60
MK1301 -14	37	38	1	116	0.30
MK1301 -15	38	39	1	21.8	0.09
MK1301 -16	39	40	1	6.1	0.13
MK1301 -17	64	65	1	8.7	0.12
MK1301 -18	65	66	1	13.6	0.24
MK1301 -19	66	67	1	14.4	0.06
MK1301 -20	67	68	1	2.7	0.05
MK1301 -21	68	69	1	6.9	0.10
MK1301 -22	69	70	1	16.3	0.13
MK1301 -23	70.3	71	0.7	13.3	0.13
MK1301 -24	71	72	1	14.3	0.10
MK1301 -25	72	73	1	12.5	0.13
MK1301 -26	73	74	1	13	0.10
MK1301 -27	74	75	1	4.2	0.04
MK1301 -28	75	76	1	8.3	0.07
MK1301 -29	76	77	1	3.9	0.04
MK1301 -30	77	78	1	2.8	0.06
MK1301 -31	78	79	1	12.2	0.06
MK1301 -32	79	80	1	16.7	0.12
MK1301 -33	80	81	1	12.9	0.11
MK1301 -34	81	82	1	1.6	0.08
MK1301 -35	82	83	1	4	0.07
MK1301 -36	83	84	1	5.8	0.13
MK1301 -37	84	85	1	5.4	0.15
MK1301 -38	88	89	1	2.2	0.04
MK1301 -39	89	90	1	3.8	0.08
MK1301 -40	90	91	1	1.9	0.06
MK1301 -41	91	92	1	3.3	0.06
MK1301 -42	92	93	1	2.8	0.05

Assay ID	From (m)	To (m)	Width (m)	U ₃ O ₈ (ppm)	V ₂ O ₅ (%)
MK1302 - 1	30	31	1	14.9	0.13
MK1302 - 2	31	32	1	18.9	0.13
MK1302 - 3	32	33	1	17.7	0.09
MK1302 - 4	33	34	1	12.7	0.13
MK1302 - 5	34	35	1	15.9	0.14
MK1302 - 6	35	36	1	16.9	0.25
MK1302 - 7	36	37	1	15.1	0.09
MK1302 - 8	37	38	1	13.9	0.07
MK1302 - 9	38	39.3	1.3	7.4	0.07
MK1302 - 10	39.7	40	0.3	7.3	0.07
MK1302 - 11	40	41	1	9.2	0.17
MK1302 - 12	41	42	1	8.0	0.25
MK1302 - 13	42	43	1	11.7	0.15
MK1302 - 14	60	61	1	3.5	0.05
MK1302 - 15	61	62	1	2.4	0.12
MK1302 - 16	62	63	1	4.3	0.04
MK1302 - 17	63	64	1	11.7	0.11
MK1302 - 18	64	65	1	15.1	0.13
MK1302 - 19	65	66	1	15.0	0.13
MK1302 - 20	66	67	1	12.1	0.13
MK1302 - 21	67	68	1	6.7	0.09
MK1302 - 22	68	68.8	0.8	21.5	0.15
MK1302 - 23	69.1	70	0.9	11.5	0.13
MK1302 - 24	70	71	1	12.3	0.12
MK1302 - 25	71	72	1	2.0	0.04
MK1302 - 26	72	73	1	2.4	0.04
MK1302 - 27	73	74	1	2.7	0.05
MK1302 - 28	74	75.1	1.1	3.4	0.05
MK1302 - 29	75.9	77	1.1	2.4	0.05
MK1302 - 30	77	78	1	3.3	0.06
MK1302 - 31	78	79	1	3.3	0.04
MK1302 - 32	79	80	1	3.3	0.05
MK1302 - 33	80	81	1	2.7	0.05
MK1302 - 34	81	82	1	3.3	0.04
MK1302 - 35	82	83	1	3.5	0.05

Assay ID	From (m)	To (m)	Width (m)	U ₃ O ₈ (ppm)	V ₂ O ₅ (%)
MK1303 - 1	12	13	1	2.1	0.02
MK1303 - 2	13	14	1	3.6	0.04
MK1303 - 3	14	15	1	14.4	0.15
MK1303 - 4	15	16	1	15.3	0.03
MK1303 - 5	16	17	1	14.6	0.04
MK1303 - 6	17	18	1	17.4	0.05
MK1303 - 7	18	19	1	17.4	0.08
MK1303 - 8	19	20	1	12.6	0.23
MK1303 - 9	20	21	1	17.0	0.11
MK1303 - 10	21	22	1	13.5	0.10
MK1303 - 11	22	23	1	16.6	0.17
MK1303 - 12	23	24	1	12.4	0.19
MK1303 - 13	24	25	1	18.8	0.21
MK1303 - 14	25	26	1	14.1	0.06
MK1303 - 15	26	27	1	8.6	0.06
MK1303 - 16	27	28	1	11.3	0.06
MK1303 - 17	28	29.2	1.2	15.1	0.17
MK1303 - 18	29.5	30.1	0.6	20.2	0.10
MK1303 - 19	30.4	31	0.6	23.1	0.16
MK1303 - 20	31	32.2	1.2	11.1	0.05
MK1303 - 22	33	34	1	9.8	0.15
MK1303 - 23	34	34.6	0.6	8.4	0.14
MK1303 - 24	35	36	1	6.4	0.11
MK1303 - 25	36	37	1	6.1	0.13
MK1303 - 26	47	48	1	3.6	0.08
MK1303 - 27	48	49	1	4.9	0.07
MK1303 - 28	49	50	1	2.9	0.04
MK1303 - 29	50	51	1	7.9	0.07
MK1303 - 30	51	52	1	4.3	0.08
MK1303 - 31	52	53	1	3.5	0.05
MK1303 - 32	53	54	1	4.0	0.05
MK1303 - 33	54	55	1	3.2	0.06
MK1303 - 34	55	56	1	5.7	0.08
MK1303 - 35	56	57	1	18.1	0.17
MK1303 - 36	57	58	1	21.4	0.16
MK1303 - 37	58	59	1	26.9	0.18
MK1303 - 38	59	60	1	24.7	0.16
MK1303 - 39	85	86	1	4.0	0.07
MK1303 - 40	86	87	1	5.1	0.05
MK1303 - 41	87	88	1	16.6	0.16
MK1303 - 42	88	89	1	21.5	0.15
MK1303 - 43	89	90	1	9.2	0.12
MK1303 - 44	90	91	1	4.5	0.07
MK1303 - 45	91	92	1	2.5	0.06
MK1303 - 46	92	93	1	3.6	0.05
MK1303 - 47	93	94	1	3.8	0.05

Assay ID	From (m)	To (m)	Width (m)	U ₃ O ₈ (ppm)	V ₂ O ₅ (%)
MK1303 - 48	94	95	1	4.1	0.08
MK1303 - 49	95	96	1	4.5	0.08
MK1303 - 50	96	97	1	8.0	0.07
MK1303 - 51	97	98	1	9.7	0.10
MK1303 - 52	98	99	1	11.5	0.12
MK1303 - 53	99	100	1	12.1	0.13