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The Manager
Market Announcements Platform
ASX Limited,
Exchange Centre
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Protean Acquisition - Satisfaction of Capital Raising Condition

Stonehenge Metals Ltd (**Stonehenge** or the **Company**) is pleased to advise that it has now reached shortfall acceptances for well in excess of the minimum \$1.2m required to settle the transaction with Protean Energy Limited (**PEL**).

CPS Capital, acting as Lead Manager to the recently closed Rights Issue, has successfully placed 136,843,400 Shortfall Shares at 0.5¢ to raise a further \$684,217. The placement of Shortfall Shares brings the total raised to date under the Rights Issue to \$1,333,643.

The placement of the Shortfall Shares satisfies a key condition precedent to settlement of the agreement with PEL under which Stonehenge is granted an exclusive 24 month unrestricted licence and an option to acquire 100% of the equity of Protean Energy Australia Pty Ltd (**PEA**) (the **Option**). PEA holds the intellectual property titles, rights and licenses to the Protean Wave Energy Converter Technology (together the **Protean WEC**).

Stonehenge and PEL are currently finalising due diligence and the formal documentation prior to settlement of the Option.

The Lead Manager is in discussions with potential strategic investors to place the balance of the shortfall and expects to issue the remaining 33,999,968 Shortfall Shares for \$169,999 in due course.

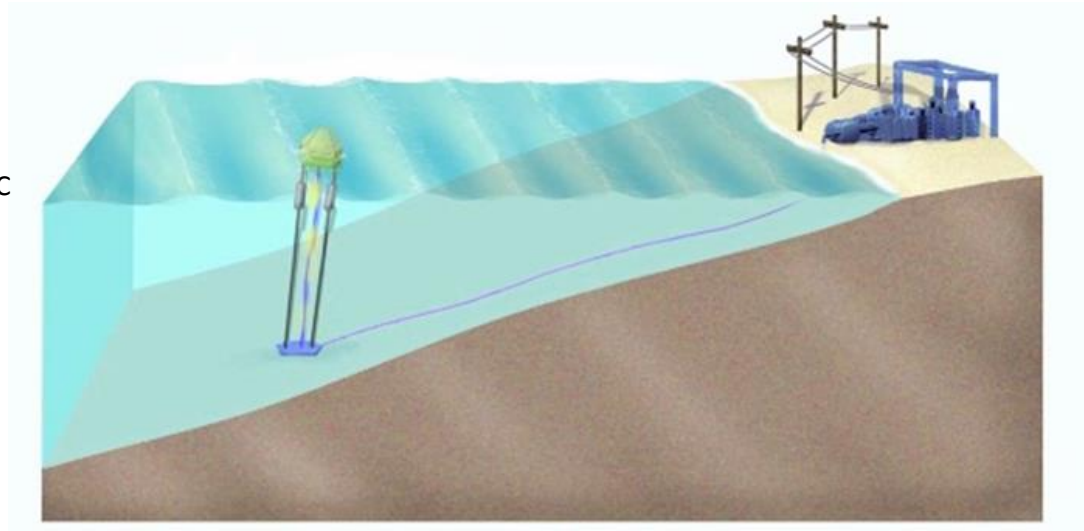
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ABOUT THE PROTEAN WAVE ENERGY CONVERTER (WEC) TECHNOLOGY

The Protean WEC system is based upon a point-absorber wave energy converter buoy device which floats at the water surface and extracts energy from the waves by the extension and retraction of a tether to its anchoring weight on the sea bed. The device is unique in that it optimises the conversion of energy from waves at the surface through **all six degrees of wave movement**.

Figure 1:
Protean WEC
technology



The Protean WEC has been developed to use compact architecture to produce power very efficiently from a small, low cost design targeted at keeping the projected levelised cost of energy (**LCOE**)¹ down.

The future plans for the Protean WEC include the modularisation of the proven size for the purpose of creating a dynamic, configurable and scalable power array prior to moving the technology into early commercialisation.

During the Option period the Stonehenge assessment program aims to:

1. **Refine** the tried and proven scale device to produce a suitable pre-commercial model;
2. **Create** a scalable power array so as to provide the power requirements of a prospective customer;
3. **Test** the scalable power array for its potential to delivery cost effective power,
4. **Verify** the results, including commissioning an independent expert to qualify the testing results; and
5. **Commence** commercialisation of the scalable array for small to medium customers.

For further information visit: www.proteanwaveenergy.com.au or www.stonehengemetals.com.au

¹Levelised cost of energy is one of the industry's main metrics for the cost of electricity produced. It accounts for all of a system's expected lifetime costs (incl. construction, finance, fuel, maintenance, tax, insurance & incentives), which are then divided by the system's lifetime expected power output (kWh) & discounted for inflation & time cost of money.