



**ASX / MEDIA RELEASE**

**24 FEBRUARY 2009**

## **Stirling partners with India's Iron Ore Producer NMDC**

West Australian resources developer, Stirling Resources Limited (ASX : SRE), announced today it has forged a working partnership with major Indian resources enterprise NMDC Limited to jointly develop mineral opportunities in Australia and New Zealand.

The move is another step forward for Stirling as part of its strategy to develop a diversified resources organisation. It follows Stirling's announcements this week that it had acquired high grade zircon assets in northern Australia, and issued a \$2.2 million share placement to global commodity marketing group DCM DECOMetal

The partnership between NMDC and Stirling Resources has been formed to identify, acquire and develop coking coal and iron ore investments in Australia and New Zealand.

NMDC is a Government of India enterprise and India's largest iron ore producer (approximately 30mtpa), with interests in the exploration, production, processing and marketing of a wide range of minerals.

Under the agreement, Stirling and NMDC will jointly evaluate and pursue resource development opportunities, with NMDC also having rights for off-take arrangements for potential projects.

Stirling Resources Managing Director, Michael Kiernan, said the two organisations were natural partners.

"For Stirling and our shareholders, this is natural fit in our strategy to grow as a diversified resource developer focussing on copper, zircon, coking coal, gold and iron ore prospects. It also formalises a relationship with a major resources enterprise based in one of the world largest economies, and a key growth market for Australian commodities," Mr Kiernan said.

"For NMDC, the partnership opens the door to Australia's well-known resource potential, and taps into the project experience within Stirling," Mr Kiernan said.

Captain S.P. Singh, CEO of Indian Minerals Pty Ltd a subsidiary of Stirling, said NMDC was interested in iron ore, coking coal and potentially other mineral projects in Australia, and they were pleased to reach an agreement with Stirling to advance this initiative.

"NMDC believes there are significant and long term investment opportunities in Australia, and that Stirling has the resources and expertise through which NMDC can identify, and if agreed, jointly advance these for the benefit of both organisations," he said.

Mr Kiernan said India and Australia had a strong resources trading relationship, particularly with commodities such as gold, coal and copper. He said long term consumer trends in both China and India would continue to support demand for these products, as well as zircon and iron ore.

### **For more information:**

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## Stirling Resources Overview

Stirling Resources Limited is a West Australian resources developer focusing on investment and development of copper, zircon, coking coal, gold and iron ore projects. The Company consists of highly experienced resource development and mining personnel with track records of creating shareholder value.

Previously the group took control of a financially distressed manganese producer and developed it into a diverse mineral commodity producer to become included in the ASX 200 and was ultimately taken over by an international conglomerate for \$1.25b. The Company grew from being a small unreliable manganese producer to ultimately supplying 10% of the world's high grade manganese to global customers and developed significant projects in chromite, nickel, copper, zinc and iron ore.

The Company's strategy for creating shareholder value is to identify projects that comprise either commodities that are considered to have strong future demand or geological characteristics that have potential and yet for various reasons have not achieved their possibilities. The focus is on brown fields projects close to development or production.

Driven by the underlying fundamentals of the Chinese economy and the continued massive urbanisation process commodities such as copper, zircon, gold and iron ore will continue to be in strong future demand. The Chinese growth is augmented by the Indian economic growth particularly in the steel industry leading to increasing demands of coking coal.

The Company's website is [www.stirlingresources.com.au](http://www.stirlingresources.com.au).



## About NMDC

NMDC Limited is a Government of India public enterprise. Incorporated in 1958 and operates under the administrative control of the Indian Ministry of Steel. The organisation has made a substantial contribution to Indian national efforts in the mineral sector, and it has been accorded the prestigious status of schedule-A Public Sector Company.

NMDC is India's largest iron ore miner, producing approximately 30mtpa from its three operating mines. The company is expanding to meet expected demand growth by opening new mines, and is aiming to increase production capability to around 50mtpa by 2014-15.

Since inception it has been involved in the exploration of wide range of other minerals including copper, rock phosphate, lime stone, tin, tungsten, dolomite, gypsum, graphite and silica sands. It operates the only mechanised diamond mine in India, and is also involved in the development of high value minerals like gold and diamonds through joint ventures in Africa. NMDC's operations are supported by a research and development "Centre of Excellence" for mineral processing.

For the 2007-08 financial year, NMDC's turnover was AUD\$1.8 billion (Rs 57,113 million), and the Company is currently capitalized at AUD\$21 billion (Rs 666,069 million) and has 5600 employees.

The Company's website is [www.nmdc.co.in](http://www.nmdc.co.in).

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