



ASX / MEDIA RELEASE

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STIRLING COMPLETES PAYMENT FOR MATILDA ASSETS

Australian Resources developer Stirling Resources (ASX: SRE) announced today it has finalized payment for the acquisition of the high grade zircon assets previously owned by Matilda Minerals (ASX: MAL).

The final settlement for the transaction will occur immediately after the reconvened shareholder meeting approves the transaction. In anticipation of settlement, Stirling has today paid the balance of the \$4.525 million purchase price into trust pending completion and the shareholder meeting will be convened via a separate notice to be sent next week.

Stirling announced in February it had agreed to purchase the mineral sands assets via Administrators Ferrier Hodgson for \$4.8 million, following Matilda's entry into voluntary administration in October 2008.

The assets include previously producing projects located on the Tiwi Islands in the Northern Territory, and the zircon tenements at the Cape York Peninsula in Queensland which include more than 300 kilometres of highly prospective coastline.

"To show our willingness to complete this transaction we have placed the funds in our solicitor's, Pullinger Readhead Lucas, trust account pending the required approvals. There are no foreseeable issues to affect the transfer of tenements and we look forward to settlement occurring shortly," Mr Kiernan said.

"Once the transaction is complete, we intend to recommence mining at the Tiwi Islands zircon project and commence a significant exploration programme on the Cape York tenements as soon as practicable.

"The Cape York Peninsula and Urquhart Point area potentially encompasses what is arguably the largest unexplored prospective mineral sands terrain in the world," Mr Kiernan said.

A General Meeting convened by Stirling in April which was postponed as a result of the delay in obtaining the necessary approvals will be reconvened shortly and further details will be announced in the next few days.

As announced this week, Stirling has reached an agreement to transfer its zircon assets to Olympia Resources (ASX:OLY), as part of Stirling's mineral sands initiative.

The arrangement will bring together Stirling's zircon projects on the Tiwi Islands and Cape York, with the Olympia mineral sands assets in WA, NT and Indonesia. Following the transaction, Stirling will hold 285m Olympia shares, or 82% of Olympia.

"This is in line with the strategy announced when we acquired the Matilda projects – to transfer these assets into a listed vehicle in which Stirling Resources retains a substantial investment," Mr Kiernan said.

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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 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 substantial urbanisation movement, 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.

For more information, visit www.stirlingresources.com.au

