



ASX / MEDIA RELEASE

1 JULY 2009

MONARCH CREDITORS ACCEPT STIRLING PROPOSAL

Australian resources developer, Stirling Resources Limited (ASX: SRE), today announced that at a meeting of the creditors of the various Monarch companies yesterday, creditors approved the resolutions necessary to vary the Deeds of Company Arrangement to accept the Recapitalisation proposal offered by Stirling Resources Ltd.

Managing Director Michael Kiernan said Stirling will now be working closely with the Administrators Pitcher Partners to ensure a shareholders' meeting can now be convened in the shortest possible time for Monarch's shareholders to also consider approving the Stirling Recapitalisation proposal.

Mr Kiernan said this is a very positive first step on the road to recovery for the Monarch Group which is planned to recommence the operations at the Davyhurst and Mt Ida gold projects located in the Western Australian Goldfields.

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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.

The Company's website is www.stirlingresources.com.au

