



ASX / MEDIA RELEASE

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## STIRLING TO FINALISE MONARCH GOLD TRANSACTION

Australian resources developer Stirling Resources (ASX: SRE) will issue a new share entitlement issue Prospectus to raise approximately \$9.8 million to complete the recapitalisation of Monarch Gold.

The Company had previously issued a Prospectus dated 13<sup>th</sup> October to raise funds however the Australian Securities and Investments Commission requested additional information to be included.

In order to resolve this issue and to enable Stirling to move forward the company agreed to the Australian Securities and Investments Commission placing a final stop order on the Prospectus dated 13<sup>th</sup> October and will today be issuing a new Prospectus.

The new Offer is being made as a Renounceable Entitlement issue of one new share for every share currently held, with an issue price of \$0.15 per share. It will also include one free attaching option for every new share issued, with a strike price of \$0.15.

The Prospectus outlining the entitlement issue will be dispatched to shareholders shortly. The Offer is expected to close on 22 January 2010.

Any shareholders who subscribed for shares under the original Prospectus dated 13<sup>th</sup> October will be given the option of either placing the funds into the new Prospectus or receive a refund. Any investors who acquired rights under the original Prospectus will be given the option of acquiring shares in any shortfall under the new Prospectus.

Stirling's major shareholders Crawley Investments and DCM DECOMetal, which combined account for 35% of Stirling's equity, propose to take up their allocations under the entitlement. When fully subscribed, Stirling will have about 131 million shares on issue.

Stirling has already paid \$6.5m of the \$15.0m required for the Monarch Recapitalisation and the balance of \$8.5m will be paid on or before 29<sup>th</sup> January 2010 from the proceeds of the Prospectus.

Monarch shareholders have previously approved the change of name to Swan Gold Mining Limited once the Recapitalisation process is completed.

Managing Director Michael Kiernan commented that Swan Gold will be focused, upon settlement of the Recapitalisation Deed, on commencing the Carnegie open pit operations during February and the Mt Ida underground operations in July 2010.

For a corporate overview on Swan Gold, please visit [www.stirlingresources.com.au](http://www.stirlingresources.com.au) or [www.swangoldmining.com.au](http://www.swangoldmining.com.au)

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## Stirling Resources Overview

Stirling Resources Limited is an Australian resources developer focusing on investment and development of copper, zircon, coking coal, gold and iron ore projects. It has significant investments in zircon and copper projects through major shareholdings in Matilda Zircon (ASX: MZI) and Redbank Copper (ASX: RCP).

The Company consists of highly experienced resource development and mining personnel with track records of creating shareholder value.

Stirling's strategy for creating shareholder value is to identify projects that comprise commodities that are considered to have strong future demand, and favourable geological characteristics. 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)

