



Directors:

TONY KING
Managing Director

STEPHEN BROCKHURST
Non-Executive Director

JASON BONTEMPO
Non-Executive Director

Company Secretary:

Rebecca Sandford

Share Information:

ASX Code: SMZ

Issued Shares: 58,500,001

Listed Options- SMZOA 36,222,504

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20 December 2010

Manager of Company Announcements
ASX Limited
Level 6, 20 Bridge Street
Sydney NSW 2000

By E-Lodgement

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Shareholders Approve Acquisition and strong support for Placement received

Key Points:

- **Shareholders approved acquisition of DMC Mining Limited ("DMC Mining") at General Meeting;**
- **Prospectus for \$96 million lodged on 17 December 2010 ("Prospectus");**
- **Global bookbuild heavily oversubscribed; and**
- **Anticipated re-quotation of the Company under its new name African Iron Limited on ASX by mid-January 2011.**

Stirling Minerals Limited (ASX: SMZ) ("Stirling" or the "Company") is pleased to announce that it has received shareholder approval to proceed with the acquisition of DMC Mining.

As announced on 5 November 2010, the Company entered into an agreement to acquire DMC Mining from Cape Lambert Resources Limited (ASX: CFE) ("**Acquisition**") subject to satisfaction of a number of conditions precedent including the Company completing a placement of shares to raise not less than \$96,000,000 ("**Placement**"). Shareholders approved the Acquisition and the issue of the shares pursuant to the Placement at today's general meeting of shareholders ("**General Meeting**").

In regard to the Placement, the Company in conjunction with the joint lead managers (Patersons Securities Limited and Renaissance Securities (Cyprus) Limited) has completed an international (London, New York and Hong Kong) and domestic (Sydney, Melbourne and Perth) road show. Support for the Placement has been strong with firm commitments having been received from prominent international funds and institutions. The offer in respect of the Placement is scheduled to close on 6 January 2011.



As detailed in the Prospectus, DMC Mining's principal asset is its current 80% interest in the Mayoko Iron Ore Project ("**Mayoko**" or "**Mayoko Project**"). The Mayoko Project represents a near term development opportunity in an emerging iron ore province in West Africa. Unlike other iron ore projects in the region, it has excellent infrastructure endowment with a nearby underutilised, heavy haulage mineral railway passing within 2km of the main prospect at Mt Lekoumou and terminating at the port of Pointe Noire on the Atlantic Ocean.

Upon completion of the Acquisition and prior to re-quotation, the Company will change its name to "African Iron Limited" (ASX: AKI) and all members of the current Board will resign and the new Board appointments set out in the Prospectus will oversee exploration activities at the Mayoko Project.

Shares in the Company were suspended from trading today and will remain in suspension until the Company re-complies with Chapters 1 and 2 of the ASX Listing Rules, which includes a consolidation of the Company's capital on a 6.75 for 10 basis. Shareholders will receive a holding statement showing their consolidated shareholding in the Company in the early January 2011. The Company anticipates being re-quoted on ASX by mid-January 2011.

Yours faithfully
Stirling Minerals Limited

A handwritten signature in black ink, appearing to read 'Tony King'.

Tony King
Managing Director

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