



# STONE RESOURCES AUSTRALIA LIMITED

9<sup>th</sup> November 2012

## SEPTEMBER QUARTER ACTIVITIES REPORT

### Quarterly Highlights

- Toll Treatment operations of NEX ore stopped
- A total of 10,023 tonnes were toll treated
- Exploration Programme in Northern Tenements completed
- MMI Programme on selected tenements completed
- Results of drilling yet to be received

#### Overview of operations

Since NEX accumulated its debt to the company over \$1.7 million, the board decided to discontinue the toll treatment operations of NEX ore on 29 August 2012. During the quarter, a total of 10,023 dry tonnes of ore were milled under the Toll Treating agreement. The Treatment Facility was put into care and maintenance mode since 15 September 2012.

#### Exploration

Exploration programme in Northern tenement has been completed. 12,565 metres had been drilled at Cork Tree Well (Delta Resources) and 19,553 metres at Ben Hur.

#### Corporate

During the period, a third party investor has entered into a \$1.5 million secured convertible loan agreement with the company. Funds from the converting loan are to be used for continuing the first phase exploration drilling programme commenced in the June quarter.

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Statutory demand was received from our former employee, Mr. William Hobba, on 11<sup>th</sup> July 2012 and it was resolved subsequently through friendly negotiation. Mr. Hobba was then invited to join the board on 31<sup>st</sup> August 2012.

Mr. Ross Louthean resigned as Independent Non-Executive Director of the Company on 15 August 2012.

Statutory demands were received from two entities, Hawker Geological Services Pty Ltd and VM Drilling Pty Ltd on 18 September 2012 for a total amount around \$2,500,000. The Company has lodged an application at the Supreme Court of Western Australia to set aside the statutory demands from these two parties.

For further information, please see other ASX announcements or email the CEO at [kaiyes@stoneral.com.au](mailto:kaiyes@stoneral.com.au) or Joint Company Secretary at [shengl@stoneral.com.au](mailto:shengl@stoneral.com.au)

Yours sincerely,



Mr. Kaiye Shuai

Chief Executive Officer – Stone Resources Australia Limited

The information in this Report that relates to exploration results, mineral resources or ore reserve is based on the information compiled by Dr Shuang Kui Ren who is a Member of the Australian Institute of Geosciences, a Corporate Member of the Australian Institute of Mining & Metallurgy and independent consultant to the Company. Dr Shuang Kui Ren has over 30 years of exploration and mining experience in a variety of mineral deposit styles. Dr Shuang Kui Ren has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australian Code for reporting of Exploration Results, Mineral Resource and Ore Reserves." Dr Shuang Kui Ren consents to inclusion in the report of the matters based on his information in the form and context in which it appears.

For more information of the Company, please visit the Company's website: [www.stonerresourcesaustralia.com](http://www.stonerresourcesaustralia.com) or ASX's website by searching our ASX code: SHK