

31 October 2017

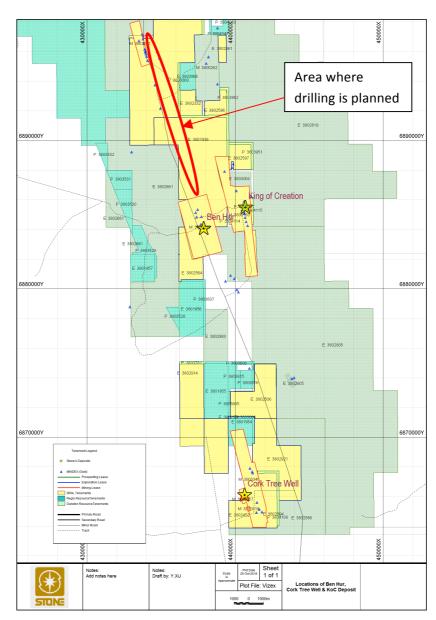
SEPTEMBER QUARTER ACTIVITY REPORT

1. Drilling planned for Brightstar North project

Stone Resources Australia Limited ("SRAL" or the "Company") (ASX: SHK) is finalising plans to conduct a drilling program at the Brightstar North project (between Erlistoun and Ben Hur deposit). The drilling program is to further test potential mineralisation targets near Ben Hur gold deposit.

The goal of the drilling is to expand the Mineral Resources in the Brightstar North Tenement package (Ben Hur 289 KOz, Cork Tree Well 237 KOz, as referred to in year 2017 Annual Report to Shareholders and announced on 28 October 2016).





Figure, BrightStar Northern Leases & area of proposed drilling program



2. Ben Hur Project Update

SRAL continues the development of the Ben Hur Project as its main focus.

The Company has asked CPC Engineering to provide quotes on a new 1 million tonne per annum processing facility and a quote to relocate and upgrade its Brightsar Treatment plant to 1 million tonnes per annum. SRAL expects these quotes to be provided within a 4-week period.

SRAL will update the market when all studies have been received and finalised.

3. Corporate

The Company received continuous funding from the parent entity, Stone Resources Limited, for exploration and working capital requirements. During the quarter the Company received approximately \$147,000 from the parent entity.

4. Tenement Schedule

The mining tenements held by the Company at the end of the quarter and their location can refer to the addendum to this report.

For further information, please see other ASX announcements or email the Joint Company Secretary at shengl@stoneral.com.au.

Yours sincerely

Zu Guo Fu

Chief Executive Officer



TENEMENT SCHEDULE AS AT 30 SEPTEMBER 2017

GRANTED TENEMENTS BRIGHTSTAR (SOUTH LAVERTON)

LEASE	PROJECT	STATUS	LEASE MANAGER	TOTAL SHARES
M38/968	Alpha	Granted	Desert Exploration Pty Ltd	100
M38/1056	Alpha	Granted	Stone Resources Australia Limited	100
M38/1057	Alpha	Granted	Stone Resources Australia Limited	100
M38/1058	Alpha	Granted	Stone Resources Australia Limited	100
M38/9	Beta	Granted	Stone Resources Australia Limited	100
P38/3855	Beta	Granted	Stone Resources Australia Limited	100
P38/3856	Beta	Granted	Stone Resources Australia Limited	100
P38/3911	Beta	Granted	Stone Resources Australia Limited	100
L38/100	Beta	Granted	Stone Resources Australia Limited	100
L38/123	Beta	Granted	Stone Resources Australia Limited	100
L38/168	Beta	Granted	Stone Resources Australia Limited	100
L38/169	Beta	Granted	Stone Resources Australia Limited	100
L38/171	Beta	Granted	Stone Resources Australia Limited	100
L38/185	Beta	Granted	Stone Resources Australia Limited	100
L38/188	Beta	Granted	Stone Resources Australia Limited	100
E38/1958	Gamma	Granted	Stone Resources Australia Limited	100
E38/2316	Gamma	Granted	Stone Resources Australia Limited	100
E38/2364	Gamma	Granted	Stone Resources Australia Limited	100
E38/2365	Gamma	Granted	Stone Resources Australia Limited	100
E38/2411	Gamma	Granted	Stone Resources Australia Limited	100
E38/2668	Gamma	Granted	Stone Resources Australia Limited	100
E38/3034	Gamma	Granted	Stone Resources Australia Limited	100
E38/3108	Gamma	Granted	Stone Resources Australia Limited	100
M38/241	Gamma	Granted	Stone Resources Australia Limited	100
M38/549	Gamma	Granted	Stone Resources Australia Limited	100
M38/984	Gamma	Granted	Stone Resources Australia Limited	100
P38/3817	Gamma	Granted	Stone Resources Australia Limited	100
P38/3825	Gamma	Granted	Stone Resources Australia Limited	100
P38/3826	Gamma	Granted	Stone Resources Australia Limited	100
P38/3827	Gamma	Granted	Stone Resources Australia Limited	100
P38/3857	Gamma	Granted	Stone Resources Australia Limited	100
P38/3858	Gamma	Granted	Stone Resources Australia Limited	100
P38/3859	Gamma	Granted	Stone Resources Australia Limited	100
P38/3860	Gamma	Granted	Stone Resources Australia Limited	100
P38/3861	Gamma	Granted	Stone Resources Australia Limited	100
P38/3905	Gamma	Granted	Stone Resources Australia Limited	100



GRANTED TENEMENTS BRIGHTSTAR NORTH (NORTH LAVERTON)

LEASE	PROJECT	STATUS	LEASE MANAGER	TOTAL SHARES
F20/24F2	Dolto	Crantad	Stone Resources Australia Limited	100
E38/2452	Delta	Granted		100
E38/2894	Delta	Granted	Stone Resources Australia Limited	100
E38/2914	Delta	Granted	Stone Resources Australia Limited	100
E38/2921	Delta	Granted	Stone Resources Australia Limited	100
L38/154	Delta	Granted	Stone Resources Australia Limited	100
M38/346	Delta	Granted	Stone Resources Australia Limited	100
M38/917	Delta	Granted	Stone Resources Australia Limited	100
M38/918	Delta	Granted	Stone Resources Australia Limited	100
P38/4108	Delta	Granted	Stone Resources Australia Limited	100
E38/1936	Epsilon	Granted	Stone Resources Australia Limited	100
E38/1937	Epsilon	Granted	Stone Resources Australia Limited	100
L38/205	Epsilon	Granted	Stone Resources Australia Limited	100
L38/206	Epsilon	Granted	Stone Resources Australia Limited	100
P38/3937	Epsilon	Granted	Stone Resources Australia Limited	100
P38/3951	Epsilon	Granted	Stone Resources Australia Limited	100
P38/4114	Epsilon	Granted	Stone Resources Australia Limited	100
P38/4115	Epsilon	Granted	Stone Resources Australia Limited	100
M38/160	Epsilon	Granted	Stone Resources Australia Limited	100
M38/339	Epsilon	Granted	Stone Resources Australia Limited	100
E38/2234	Eta	Granted	Stone Resources Australia Limited	100
E38/2332	Eta	Granted	Stone Resources Australia Limited	100
E38/2361	Eta	Granted	Stone Resources Australia Limited	100
M38/1241	Eta	Granted	Stone Resources Australia Limited	100
P38/3952	Eta	Granted	Stone Resources Australia Limited	100

GRANTED TENEMENTS BRIGHTSTAR (LAVERTON)

LEASE	PROJECT	STATUS	LEASE MANAGER	TOTAL SHARES
E38/2233	Stand-alone	Granted	Stone Resources Australia Limited	100

GRANTED TENEMENTS BRIGHTSTAR NORTH (NORTH LAVERTON)

LEASE	PROJECT	STATUS	LEASE MANAGER	TOTAL SHARES
M38/94	Hawkes Nest	Granted	Stone Resources Australia Limited	100
M38/95	Hawkes Nest	Granted	Stone Resources Australia Limited	100
M38/314	Hawkes Nest	Granted	Stone Resources Australia Limited	100
M38/381	Hawkes Nest	Granted	Stone Resources Australia Limited	100

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