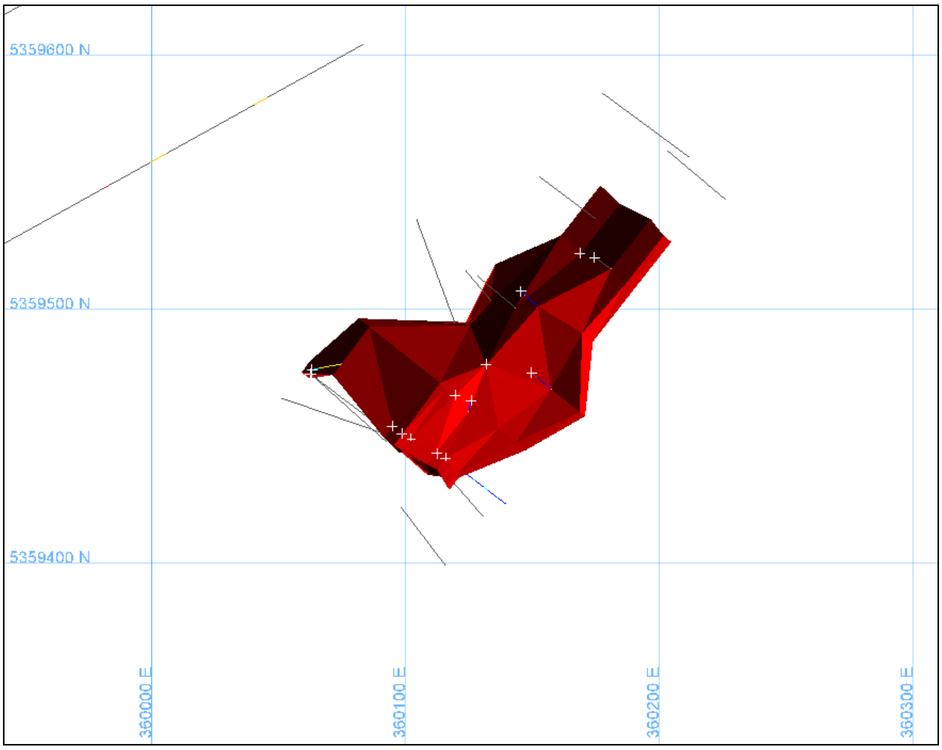
STONEHENGE METALS
LIMITED

Zeehan Field Operations

Resource Report
Sunshine lead-zinc-silver deposit



Aerial view of the sunshine mineralized system

May 2008

Compiled T J Hibberd

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Statement of Competency

All information in this report is based on, and accurately reflects, information compiled by Stonehenge Metals Operations staff under the supervision of Todd Hibberd (Managing Director) who is a competent Person as defined in the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves (the *JORC* Code).

Signature

Name	Todd Hibberd
Position	Managing Director

Contributing Staff

Signature

Name	Todd Hibberd
Position	Managing Director
Responsibility	Geological review, Data validation and Estimation

1 Executive Summary

The Sunshine Prospect is located approximately 3km South of Zeehan near the base of Mt Zeehan in North West Tasmania. The prospect is contained within the exploration license EL17/2003 and Mining lease M21/2003 (held 100% by Stonehenge Metals).

The Sunshine lead-zinc-silver deposit is located near the middle of the lease and consists of a series of folded metamorphosed sediments including siltstones, sandstones, dolomites and quartzites. Local faulting at Sunshine is oriented NNE-SSW in a conjugate orientation with the larger NNW-SSE faults. One interpretation is that the sunshine fault is a linking faults or dilational jog within a sinistral wrench system dominated by the NNW-SSE faults

The lead–zinc-silver mineralisation is predominantly hosted in extensional shear veins and faults in-filled with sulphide rich fault pug and massive sulphides. Mineralisation also occurs as a subtle alteration halo particularly in the adjacent sandstones where sphalerite and galena have replaced carbonate rich layers. Mineralisation at Sunshine occurs over and area of 125 metres along strike and 60 metres down dip and is approximately 10 metres wide.

The sunshine resource was calculated using two methods, inverse distance squared and ordinary kriging both produced similar results. Ore bulk densities of 2.1 for oxide and 2.7 for fresh were assigned based on bulk density sampling. Average core recovery through the mineralised zones was 61 percent, however grade continuity either side of the low recovery area's and good down-hole variography indicated that the low recovery areas were probably mineralised thus core recovery was not considered in the estimate.

Due to low core recoveries the Sunshine resource is classified as Inferred and contains 289,000 tonnes at 2.8% zinc, 1.5% lead and 31 g/t of silver. The resource was calculated using a 0.5% zinc cut-off grade.

Tonnes	Pb (%)	Zn (%)	Ag (g/t)	Lead Metal (tonnes)	Zinc Metal (tonnes)	Silver Metal (oz)
287,000	1.5	2.8	31	2,869	8,000	657,000

Based on existing results the further work should focus on drilling methods that provide better recoveries. There is significant potential to increase the deposit both along strike and to the west where there are several mineralized intersections in drilling.

The Sunshine resource has a number of positive attributes that bode well for its potential commercial development:

- Mineralisation starts at the surface and is open in all directions
- The bulk of the resource is shallow and is potentially amenable to open pit mining
- Potential to expand the resource and add additional resources from the adjacent tramway deposit
- The deposit is located adjacent to Zeehan and is within 3km of milling infrastructure

Metallurgical test work will be required to establish if the lead-zinc silver can be separated economically.

2 Geology

2.1 Introduction

EL 17/2003 covers an area of seven square kilometres and is located approximately three kilometres southwest of Zeehan on the west coast of Tasmanian. The lease was transferred to Stonehenge Metals Limited in 2006 subject to Stonehenge's subsequent listing on the Australian Stock Exchange on 20th December 2006.

Stonehenge Metals Limited ("SHE") began active exploration of the tenement in January 2007. Its principal targets of interest are Proterozoic shear hosted lead-zinc-silver deposits, carbonate-hosted lead, zinc, silver deposits and ultramafic hosted nickel sulphide deposits.

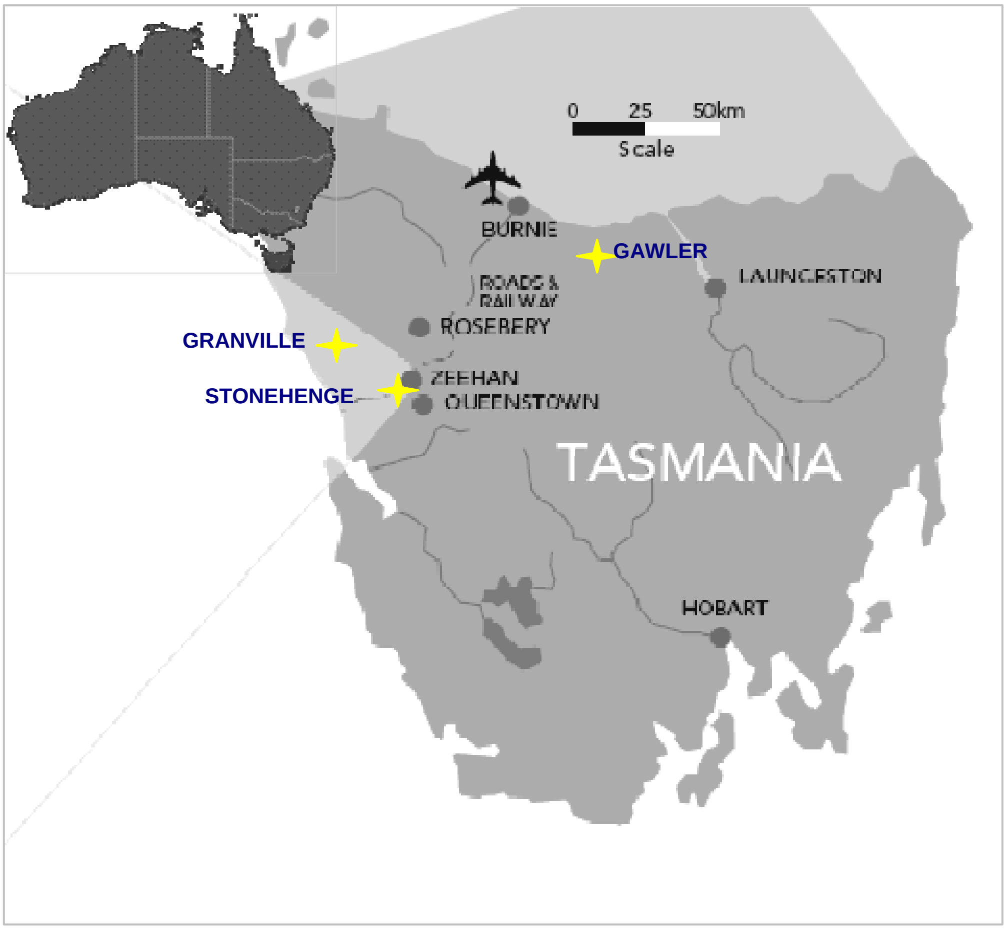


Figure 1 Map showing location of the Stonehenge Creek lease.

2.2 Location, Access and Tenure

EL 17/2003 is located approximately three kilometres southwest of the west coast mining township of Zeehan. Access to the initial prospects of interest is from the northeast via the Spray Tunnel and tramway, or from the north, southwards from the Trail Harbour road in and thence via the Britannia or Swansea Tramways. The tramways have a generally well-compacted surface suitable for 4WD during the wet winter months or two-wheel drive during drier periods.

The topography provides varied foot access, ranging from gently to moderately sloping, fairly open, button grass covered ground to, heavily forested gullies and incised steep hill slopes (inaccessible by foot) with relief of three to five hundred metres. The annual rainfall in the area is usually heavy ~ up to two and a half metres, with most falling in the winter months. Outcrop over both open ground and hill slopes is generally sparse; however tramway cuttings provide excellent rock exposures.

2.3 Regional Geology

The main features of the regional geology are a large granite dome which intruded a sequence of Proterozoic sedimentary rocks (older than 600 My) during Late Devonian times (c.390 My ago). The granite is known as the Mt Heemskirk granite with the mountain of that name being located in the north east of the granite outcrop and rising to 742m. Mt Agnew, another significant topographic feature, is located in the south eastern area of the granite outcrop, rises to 848m, and lies 9km due west of the township of Zeehan.

The broad regional geology is presented in Figure 2 with tenements owned by Stonehenge outline in black. The tenements are close to the main roads providing good access to the tenements but due to topography and marshy areas access to some areas within the tenements is more difficult.

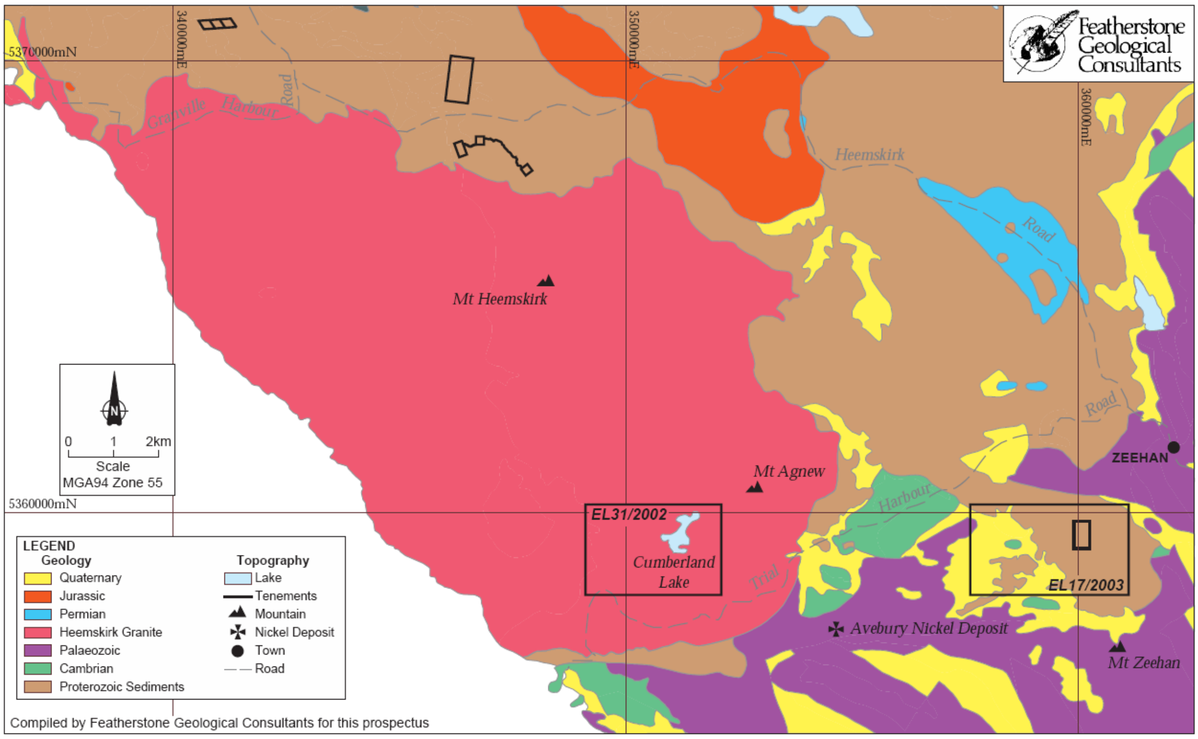


Figure 2. Regional geology of the Zeehan area.

The tourmaline rich muscovite granite outcrops in a roughly oval shape, elongated E-W, with the western portions extending to the west under the sea. The outcrop is 10km north to south and the granite is not homogeneous with several different variations able to be mapped. The intrusion shows chilled margins within 2m to 3m of the contact where it is fine grained, white, aplitic granite. The main body of the intrusion is formed of red granite but in some areas white granite is present and tin mineralization may be associated with the white granite.

The Proterozoic rocks are mainly quartzite, micaceous quartzite, and black shale of the Oonah Formation. Carbonate rich beds are also present. These rocks have undergone medium grade regional metamorphism and may also have been subjected to contact metamorphic effects close to the granite where they were heated by the granite magma. In the south east and the south rocks of Cambrian age are present and these are also intruded by the granite. These are mostly sedimentary but also include some ultramafic bodies which are attracting attention as part of a new geological model for economic nickel deposits such as that being currently developed at Avebury.

The late stages in the crystallization of the granite resulted in the production of hot saline solutions containing various metallic elements. Stresses produced by the intrusion resulted in faults and fractures in the country rocks and also fractures in the granite itself in some places. The solutions carrying the metallic ions were able to enter some of the fissures and as the solutions travelled along them they began to cool and precipitate minerals which crystallised on the walls of the fissure and formed a vein. Such fissures are called lodes and such mineralization is referred to as hydrothermal mineralization. Since different metallic minerals crystallize at different temperatures those that crystallize at higher temperatures are deposited first and the others further along, or up, the lode. This results in a zonation of the mineralization with high temperature minerals near the granite and lower temperature minerals further away.

2.4 Local Geology

The geology of EL 17/2003 was mapped at 1:5000 scale by Upton (1997) as part of an honours thesis. Initial reconnaissance work on the tenement has shown it to be characterized by generally good outcrop and sub crop with best exposures to be found in tramway cuttings and along creek water courses. The geology of the tenement is comprised of various units of the Precambrian Oonah Formation overlying at a low angle (thrust) the Cambrian sediments and volcanic rocks.

The geology of the area covering the tenement is complex and is comprised principally of the Oonah and the Crimson Creek Formations. The Oonah Formation is of Precambrian age (quartzites, micaceous quartzites, sandstones, siltstones (phylites), shales, graphitic shales and dolomitic units) and has been thrust over the younger Cambrian sediments of the Crimson Creek Formation (interbedded volcaniclastics, basalts, mudstones and shales) by the low angle Tenth Legion Thrust.

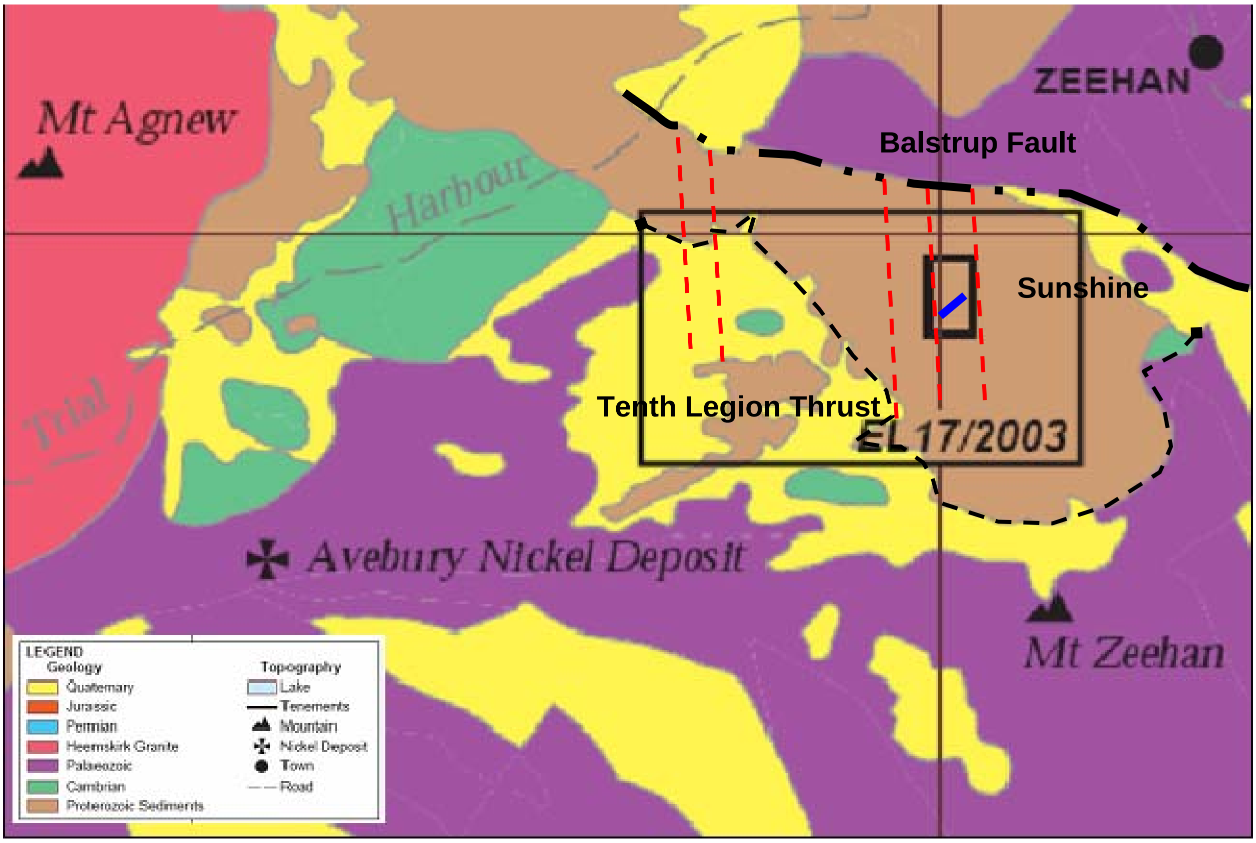


Figure 3. Geology of tenement EL17/2003. Note the steeply dipping E-W Balstrup fault to the North with N-S mineralised faults (in red) running South through the Stonehenge Lease. The tenth legion thrust (black) separates the older unconformably overlying Proterozoic sediments for the underlying Cambrian sediments.

Five sets of folds have been identified in the area. (Upton 1997). The axes of the folds trend north-west with an inferred wavelength of approximately two kilometres. North trending and east trending faults transect the tenement, crenulation cleavage, with variable orientation, is visible in outcrops of phyllite and slate along several of the track cuttings. Fault trends (Devonian?) are generally west-northwest and north-northwest to north-northeast. The Devonian aged Heemskirk Granite lies about three to four kilometres to the northwest of the EL and gravity modelling suggests that it underlies the project area at a depth of 1-2 kilometres.

The dominant local structures consists of kilometre scale NNW-SSE faults extending South from the WNW-ESE trending ten kilometre scale Balstrup fault. Local faulting at Sunshine is oriented NNE-SSW in a conjugate orientation with the larger NNW-SSE faults. One interpretation is that the mineralised structures are linking faults or dilational jogs within a sinistral wrench system dominated by the NNW-SSE faults.

2.5 Mineralisation and Structure

The focus of exploration is the Sunshine lead-zinc-silver deposit which is located near the middle of the lease and consists of a series of folded metamorphosed sediments including siltstones, sandstones, dolomites and quartzites. Local faulting at Sunshine is oriented NNE-SSW in a conjugate orientation with the larger NNW-SSE faults. One interpretation is that the sunshine fault is a linking faults or dilational jog within a sinistral wrench system dominated by the NNW-SSE faults.

The Sunshine mineralisation strikes NE-SW and is open to the north-east and at depth to the north-west. The shear zone consists of fault gouge and black sulphidic pug up to ten metres true width containing quartz vein and massive sulphide fragments up to one metre in size. The mineralised fragments within the mineralised black pug indicate that shearing was contemporaneous and overlapping with mineralisation. In addition to the highly mineralised fault zone there is a mineralised halo within the surrounding psammites and phillites where the sphalerite (in particular) has replaced carbonates in the dolomitic parts of the sandstones.

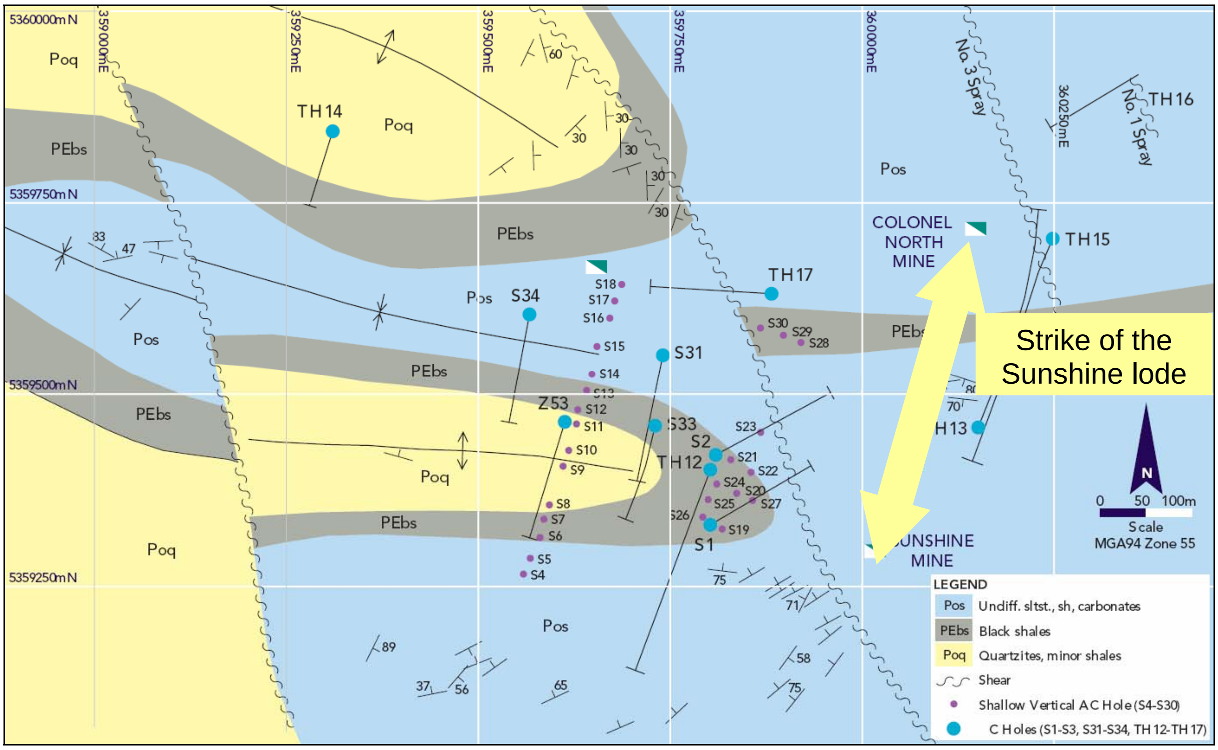


Figure 4. Sunshine mineralisation with surrounding drilling

3 Data Quality and Sampling Procedures

3.1 Data Locations

All data relating to this resource report is located on the Stonehenge Server in the following directory: S:\Projects\EL17-2003-Stonehenge\04-Mapping\VulcanStonehenge

Specific files are detailed in the following table:

File Type	Name	Description
Access drilling database	she.mdb	S:\Projects\Databases\She.mdb
Composited assay data	tassun.cmp.isis	Vulcan composite assay drill hole data
Ore triangulation/model	sun_ore08b.00t sun_tofr.00t sun_topo_sm.00t	3D ore volume model Top of fresh rock model Topography surface model
Assay data set for stats	sun_data.csv	Assay data within ore triangulation
Recovery data for statistics	Sunshine_recoveries2.xls	Core recovery dataset
Variography file	sunshine.spv	Supervisor variography file
Block model definition file	tassun0508.bdf	
Block estimation file	tassun0508.bef	
Block model file	tassun0508.bmf	
Resource documentation	Resource_sun_0508.doc	

3.2 Drilling Type and Orientation

The Sunshine resource evaluation consisted of 21 diamond core and reverse circulation drill holes. The following table is a summary of the drill holes.

Hole ID	Hole Type	Orig Grid	Orig East	Orig North	Orig RL	Dip	Orig Azimuth	Max Depth
SUN001	DD	GDA94_55	360099	5359451	252.8	-70	134	20
SUN002	DD	GDA94_55	360102	5359449	252.7	-45	134	60
SUN003	DD	GDA94_55	360126	5359464	255.2	-60	193	29
SUN005	DD	GDA94_55	360128.7	5359513	252.8	-45	130	81.95
SUN007	DD	GDA94_55	360112.6	5359443	254.3	-50	293	104
SUN008	DD	GDA94_55	360174.7	5359520	255.4	-45.1	124.3	28.5
SUN009	DD	GDA94_55	360149.9	5359475	255.2	-45	130	29
SUN010	RC	GDA94_55	360095	5359436	252.268	-90	0	60
SUN011	DD	GDA94_55	360063	5359474	251.7	-52.6	127	81
SUN012	DD	GDA94_55	360063.3	5359476	251.735	-70	132	69
SUN013	RC	GDA94_55	360095	5359454	252.545	-90	0	41
SUN014	DD	GDA94_55	360062.8	5359475	251.7	-64.2	131.8	93
SUN015	RC	GDA94_55	360132.1	5359478	252.8	-90	0	41
SUN016	DD	GDA94_55	360104.4	5359536	252.959	-42	159.7	59
SUN017	RC	GDA94_55	360169.1	5359522	255.5	-90	0	38
SUN018	DD	GDA94_55	360123.5	5359516	252.5	-66.7	139.9	82.5
SUN019	RC	GDA94_55	360145.6	5359507	253	-50	131	31
SUN020	DD	GDA94_55	360152.6	5359553	254.5	-49.4	126.9	54
SUN021	DD	GDA94_55	360203.5	5359562	261.6	-48.3	130	45
SUN022	DD	GDA94_55	360178	5359585	260	-50	126.4	66
SUN026	RC	GDA94_55	360116	5359441	254.465	-59.7	127.3	60
SUN027	RC	GDA94_55	360119.8	5359466	252.976	-90	0	26
SUN028	DD	GDA94_55	360097.8	5359423	252.241	-60.2	142.7	60

Table 1 Sunshine Drilling

3.3 Ground Conditions

Difficulties were experienced in recovering core from the very soft clay/pug target zone. An attempt was made to overcome this by slowing the drilling penetration rate and increasing the core diameter to PQ, however core recoveries remained problematic. The drilling size was then switched to HQ with chrome sleeve. This marginally increased recovery levels.

3.4 Surveying

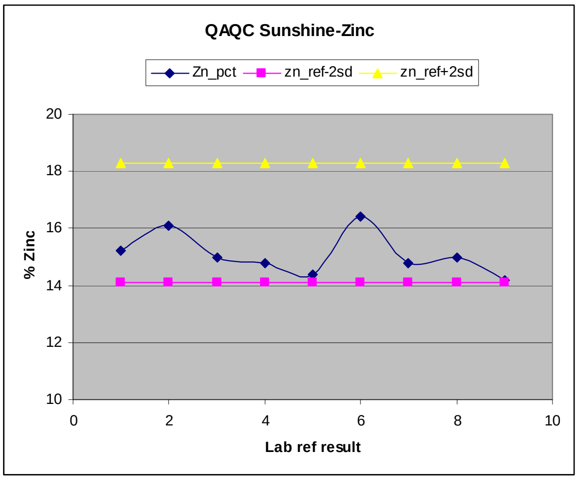
Drill collar locations were surveyed by Trig point surveying using differential GPS accurate to 2cm using the Australian GDA94 grid zone 55 datum. Down-hole orientation was measured using camera shots were taken every thirty metres using a Kodak Eastman camera.

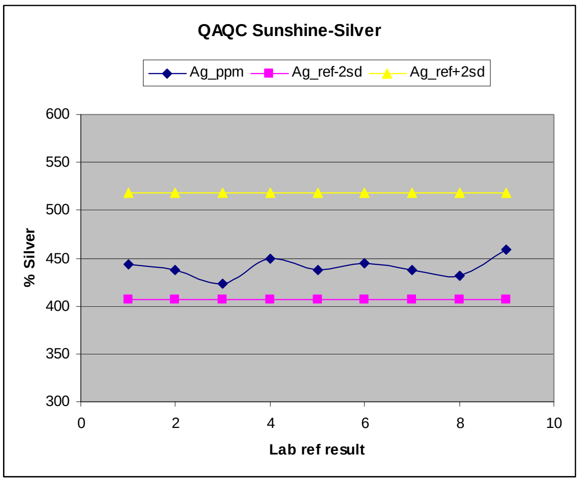
3.5 Sampling and Logging Procedures

Geology was logged every metre down hole and summarised by lithology. Recovery was measured and samples taken using geological boundaries taking recovery issues into account. The drill core from the zone of interest was split and 1-3kg samples (depending on section recoveries) were sent to the Burnie Research Laboratory for analysis of lead, zinc, silver, copper and gold.

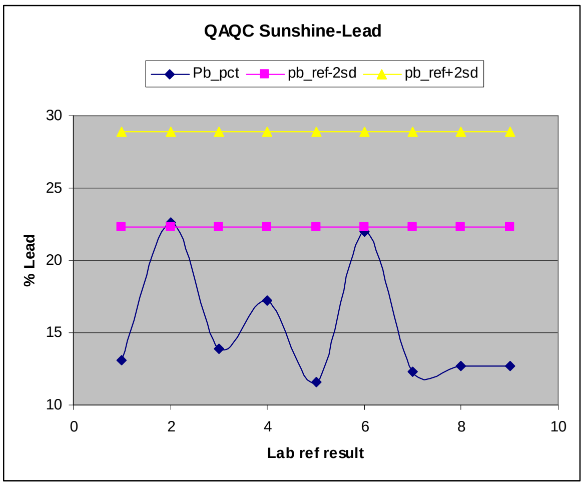
3.6 Assay quality control checks

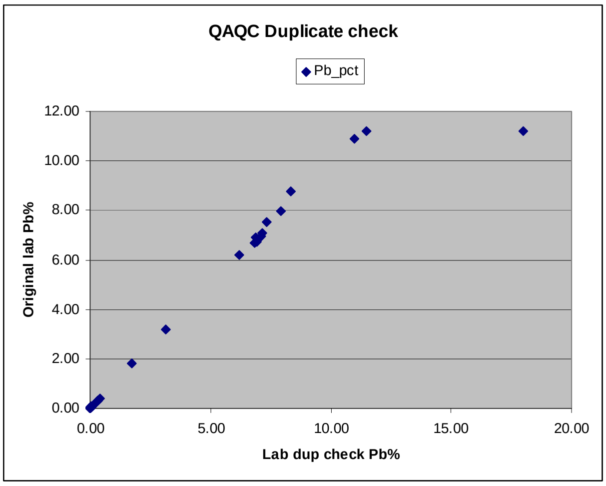
Stonehenge Metals (SHE) assay quality control checks consist of blank and standard samples being submitted to the Burnie Research laboratory (BRL) on a regular basis and the returned results monitored. SHE monitor standards daily prior to downloading results and graph data monthly to analyse trends. The following graphs show a comparison of reference and laboratory analysis values for standards. Both the zinc and silver standards are within two standard deviations of the reference result.





Lead standards (see graph below) were well below the reference result. Investigations identified that the Burnie Research Laboratory had used a three acid digest for the lead assay that was insufficient for samples with lead contents above 10%. The laboratory was required to re-analyse all sunshine samples where the lead assay value was significant (>6%). The results were compared to the original assay values from the laboratory and indicate that the Sunshine lead assay values are accurate and can be estimated (with one outlier).





4 Resource Statistics

4.1 Geological Modelling methodology

Mineralisation boundaries were identified from mapping and drilling intersections. The mineralisation was modelled in three dimensions. Density sampling for drill hole core assisted in identifying depth at which the material changed from oxide to fresh rock. Mineralised intersections were wire framed on 25m sections normal to the interpreted strike of mineralisation. Wire frames were constructed using an edge cut off grade of 0.5% zinc and maximum 2m of internal dilution. Intersections below the 0.5% were included in wire frames where lithological or structural information indicated continuity. Wire frame boundaries were extended halfway to the next non-mineralised hole or extended 20m past the last intersection and tapered to restrict tonnage.

4.2 Assay Statistics

Samples were composited on a variable length basis using the straight option in Envisage and flagged if within an ore triangulation. The map file was stripped of assays that fell outside the ore triangulations. Note that the majority of results were sampled in variable length intervals and statistical analysis was carried out on a length weighted basis to eliminate bias in the grade variability

Sample statistics within the ore wire frame indicate a near lognormal to beta grade distribution. Note that the sample statistics have not been de-clustered so may have some bias however drilling was carried out on a grid basis so any bias will be minimised.

Statistics	Zn	Pb	Ag
Samples	211	211	207
Minimum	0	0	0
Maximum	34.6	11.2	426
Mean	3.52379	1.35406	30.5748
Standard deviation	5.49007	2.00924	47.8986
CV	1.558	1.48387	1.5666
Variance	30.1409	4.03706	2294.28
Skewness	3.15108	2.52193	3.71858
Log samples	208	208	204
Log mean	0.551482	-0.51009	2.70123
Log variance	1.65622	1.95324	1.61208

Assay Percentiles	Zn	Pb	Ag
10%	0.16	0.04	2
20%	0.45	0.15	4
30%	0.78	0.23	6
40%	1.3	0.35	8
50%	1.59	0.47	12
60%	2.16	0.64	17
70%	3.1	1.23	26
80%	4.58	2.26	48
90%	9.12	3.93	80
95%	13.7	5.28	143
97.50%	20.8	7.09	163

Geometric mean	1.73582	0.600441	14.8981	99%	25.5	8.77	184
Top Cuts					30	9	200

Based on log histogram plots and log probability plots, top cuts of 30% zinc, 9% lead and 200 g/t silver were applied. The top cuts represent 99.5% of the assay percentile. The coefficient of variance (CV) is greater than one suggesting some nugget effect, possibly due to difficult drilling conditions, poor sample recovery or sampling bias. The sample distribution is moderately skewed for all metals indicating that the majority of metal will be in the estimate will result for a small number of samples. Based on the above statistics it will be difficult to produce a good local estimate however a global estimate is adequate to calculate an inferred resource.

5 Resource Variography

Variography was carried out on zinc, lead and silver based on their length weighted assay results (appendix 1). Variography was performed using Indicator variograms at the 50th percentile. The following kriging parameters were identified and used to assist in resource estimation. Variograms could not be developed for lead and silver. This may be due to the more erratic distribution of these metals. The three metals have been estimated using the variogram for zinc. There may be some bias in the kriging parameters due to low sample recoveries, poor sampling methods and assaying procedures.

Zinc	Z	X	Y
Axis rotation	160	50	180
Range 1	10	20	5
Range 2	45	65	15

The variogram defined search ellipses compared well with the orientation and dip of the ore body which had strike of 40 degrees and a dip of 50 degrees to the northwest. The search ellipse orientation has been set to the strike and dip of the wire frame (transformed into ZYX axes rotations).

Zinc	Strike	Plunge	Dip
Orientation	40	0	50
Search Ellipse	70	50	20

6 Resource Modelling

6.1 Estimation Methodology

The resource estimate is based on 21 diamond core and reverse circulation drill holes designed to intersect the mineralisation on a nominal 25m by 25m spacing. The deposit was been modelled in three dimensions using cross sectional interpretations of the mineralisation. The deposit boundary was defined by a cut-off grade of 0.5% zinc (Zn) which coincides with the geological boundary of the shear zone.

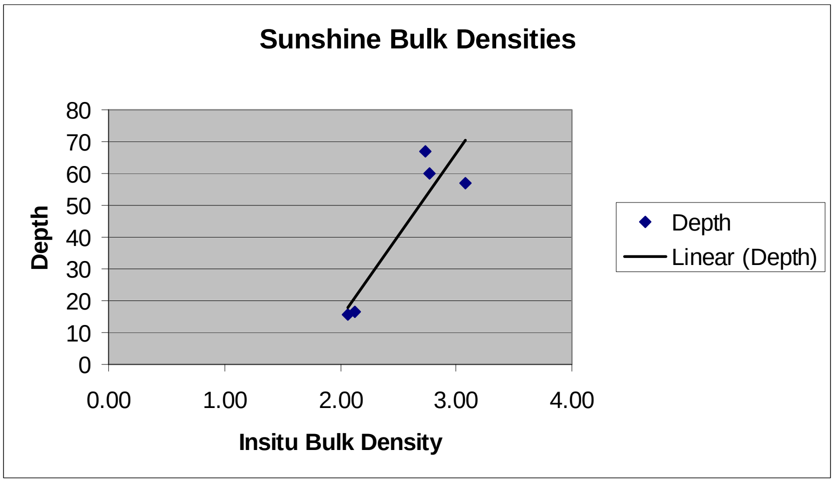
Individual blocks were defined around drill hole intersections with block boundaries on and between cross sections were defined by the midpoints between adjacent holes and by geological constraints. Based on statistical analysis, maximum sample assays were reduced to 30% zinc, 9% lead and 200gpt silver (top cuts) and all grades were length weighted. Block densities were assigned based on density analysis of samples collected from diamond core drilling samples. Estimation methodologies included inverse distance squared and ordinary kriging.

6.2 Bulk Density

Densities for the Sunshine mineralized zone ranged are based on 5 samples taken from diamond drill core. The samples were analysed for bulk density using the wax encapsulation method at the Burnie

Research Laboratory. Sample results are stored in the Stonehenge Microsoft SQL server database. The surrounding barren material is predominantly weakly metamorphosed phylitic and psammitic shales and sandstones which have bulk densities ranging between 2 and 3 tonnes per cubic metre. Insufficient samples have been collected to confirm a linear increase in density with depth so for modeling purposes material above 225m above sea level (ASL) were assigned a density of 2.1 and material below 225m ASL was assigned a density of 2.7. Additional density measurements will be needed to convert the inferred resource to indicated status.

Rock Type	Depth	Density
SUN 9	15.5	2.07
SUN 9	16.4	2.13
SUN 18	56.9	3.08
SUN 18	60	2.77
SUN 18	66.8	2.73



6.3 Sample Recovery

Sample recoveries through the ore zones ranged from 100 percent to zero percent. The mineralised zone consisted of 232 metres of drilling with 304 samples for 144 metres of core representing 61% recovery. While this appears to be a low average recovery, assay values either side of the area's of low recovery appear to be quite consistent indicating that the missing intervals may have contained mineralised material. There are several methods of dealing with low core recovery when completing a resource estimate:

1. The grade can be calculated as a percentage of the assayed grade based on the percentage of core recovered (e.g. 2.6% zn * 50% recovery = 1.3% zn grade). This method does not apply any grade to the lost core. Given that the poor recoveries are usually due to friable clay and mud there is a probability that some mineralised material has been washed away with the circulating fluids, hence this method will produce a grade lower than the true grade.

2. The assayed grade can be used directly in the estimate without adjusting for any core loss. This method assumes that the grade of the missing core is the same as the recovered core. Spatial analysis of the variation in assayed grade down each hole through the mineralised zone can indicate if grades are likely to be similar across the mineralised interval. In the case of the Sunshine deposit, the down-hole variation is low with a nugget effect of 30% at one metre rising to 70% at 5 metres.

3. The grade can be calculated by applying a background grade to the area's of core loss based on the average grade of the assayed grade through that holes mineralised interval. This method will produce an average grade lower than method two but higher than method one.

The main problem with this method is deciding how to calculate the average grade. The grade can be calculated prior or post a top cut being applied.

The second method has been chosen for the initial estimation and this will restrict the quality of the estimation to Inferred. It is recommended that future drilling programs focus on identifying methods that produce better core recovery.

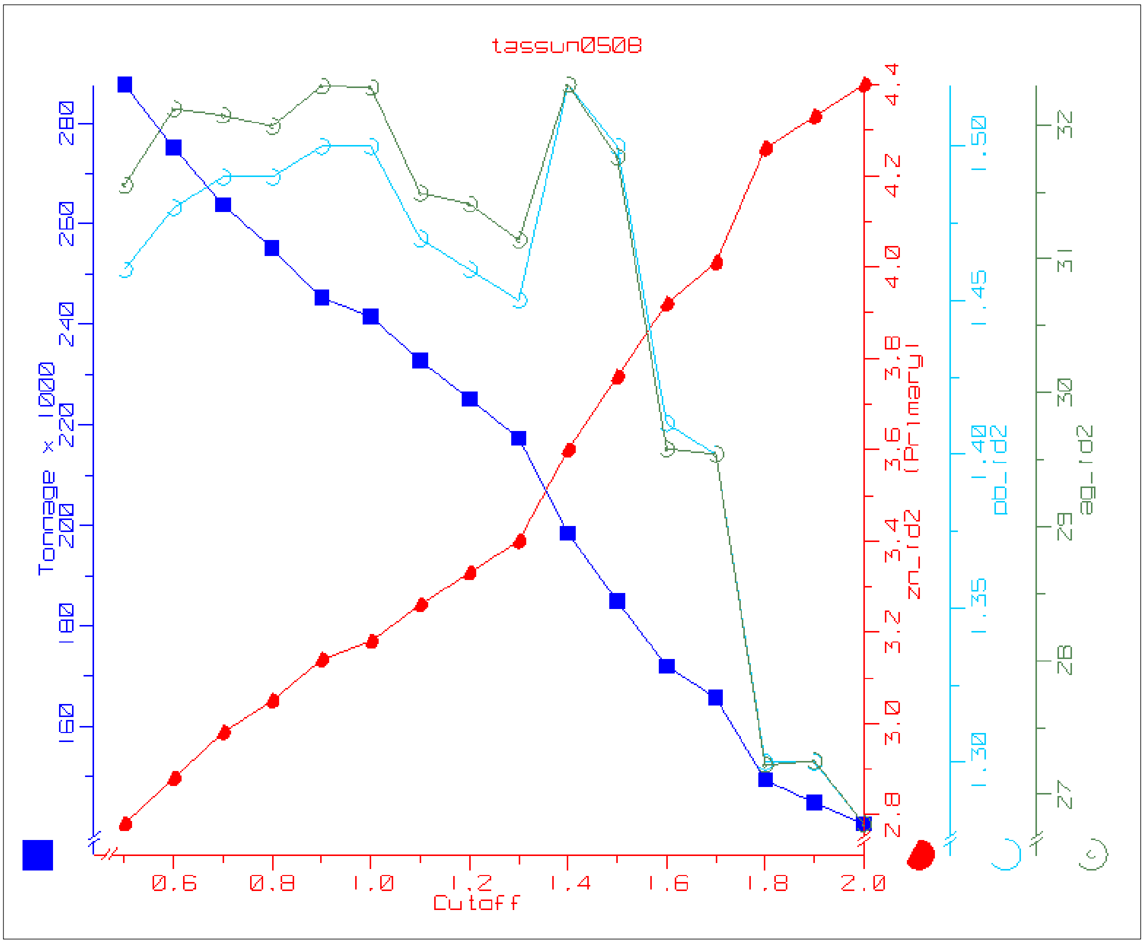
6.4 Resource Estimate

The Sunshine resource is classified as Inferred based on 21 diamond core and reverse circulation drill holes. The inferred resources, using a 0.5% zinc cut-off grade is summarised below.

Tonnes	Zn (%)	Pb (%)	Ag (g/t)	Zinc Metal (tonnes)	Lead Metal (tonnes)	Silver Metal (oz)
287,600	2.8	1.5	31	8,000	4,200	291,000

6.5 Grade Tonnage Curves

Grade tonnage curves were calculated to show the distribution of grade and tonnage with changing cut off grade. The block model contains estimated grades down to zero so that the lower cut can be optimised using specific mining costs relevant to the 3km distance between the Sunshine resource and the Zeehan Zinc Mill.



			Sunshine				
Cut Off (Zn)	Tonnage	Zn %	Zn (t)	Pb %	Pb (t)	Ag (g/t)	Ag (Oz)
0.5	287,678	2.78	7,997	1.46	4,200	31.55	291,808
0.6	275,151	2.88	7,924	1.48	4,072	32.12	284,143
0.7	263,783	2.98	7,861	1.49	3,930	32.07	271,980
0.8	255,132	3.05	7,782	1.49	3,801	31.99	262,404
0.9	245,332	3.14	7,703	1.5	3,680	32.29	254,691
1.0	241,485	3.18	7,679	1.5	3,622	32.28	250,619
1.1	232,828	3.26	7,590	1.47	3,423	31.49	235,721
1.2	225,149	3.33	7,497	1.46	3,287	31.41	227,368
1.3	217,350	3.4	7,390	1.45	3,152	31.14	217,605
1.4	198,478	3.6	7,145	1.52	3,017	32.3	206,113
1.5	184,889	3.76	6,952	1.5	2,773	31.76	188,792
1.6	172,023	3.92	6,743	1.41	2,426	29.58	163,597
1.7	165,753	4.01	6,647	1.4	2,321	29.54	157,421
1.8	149,334	4.26	6,362	1.3	1,941	27.22	130,689
1.9	144,838	4.33	6,271	1.3	1,883	27.25	126,894
2.0	140,644	4.4	6,188	1.28	1,800	26.78	121,094

7 Discussion and Recommendations

The initial inferred resource has the potential to be converted into an indicated resource provided further bulk density samples are collected and initial metallurgical test work is completed. The low core recoveries are concerning and further work should focus of identifying drilling methods and companies that can deliver better core recoveries.

The resource is open at depth and along strike. There is considerable potential to increase the size of the resource Further drilling should be targeted down dip to the West. A series of holes along the road would identify if the deposit is related to the intersections two hundred metres to the west.

8 Appendix 1 - Statistical histograms and log probability plots

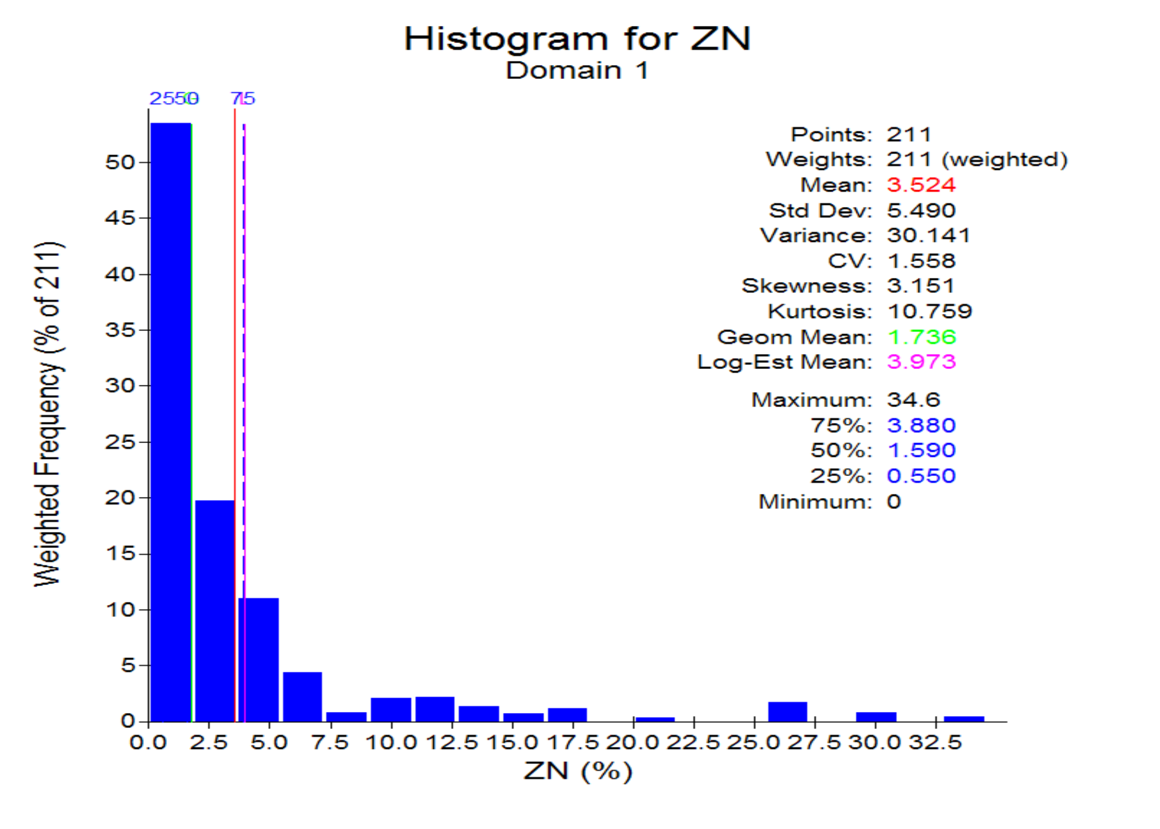
8.1 Sample Statistics and sample assays top cuts

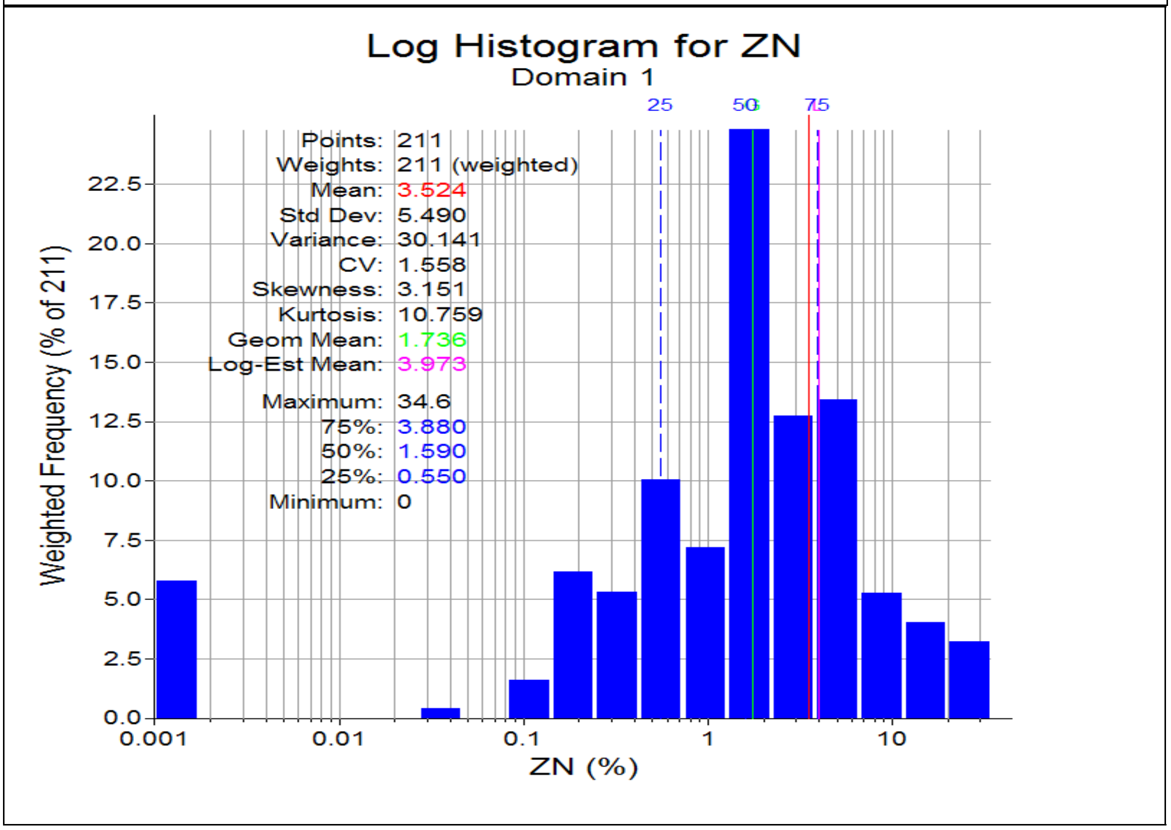
Statistics	Zn	Pb	Ag
Samples	211	211	207
Minimum	0	0	0
Maximum	34.6	11.2	426
Mean	3.52379	1.35406	30.5748
Standard deviation	5.49007	2.00924	47.8986
CV	1.558	1.48387	1.5666
Variance	30.1409	4.03706	2294.28
Skewness	3.15108	2.52193	3.71858
Log samples	208	208	204
Log mean	0.551482	-0.51009	2.70123
Log variance	1.65622	1.95324	1.61208
Geometric mean	1.73582	0.600441	14.8981
Top Cuts			

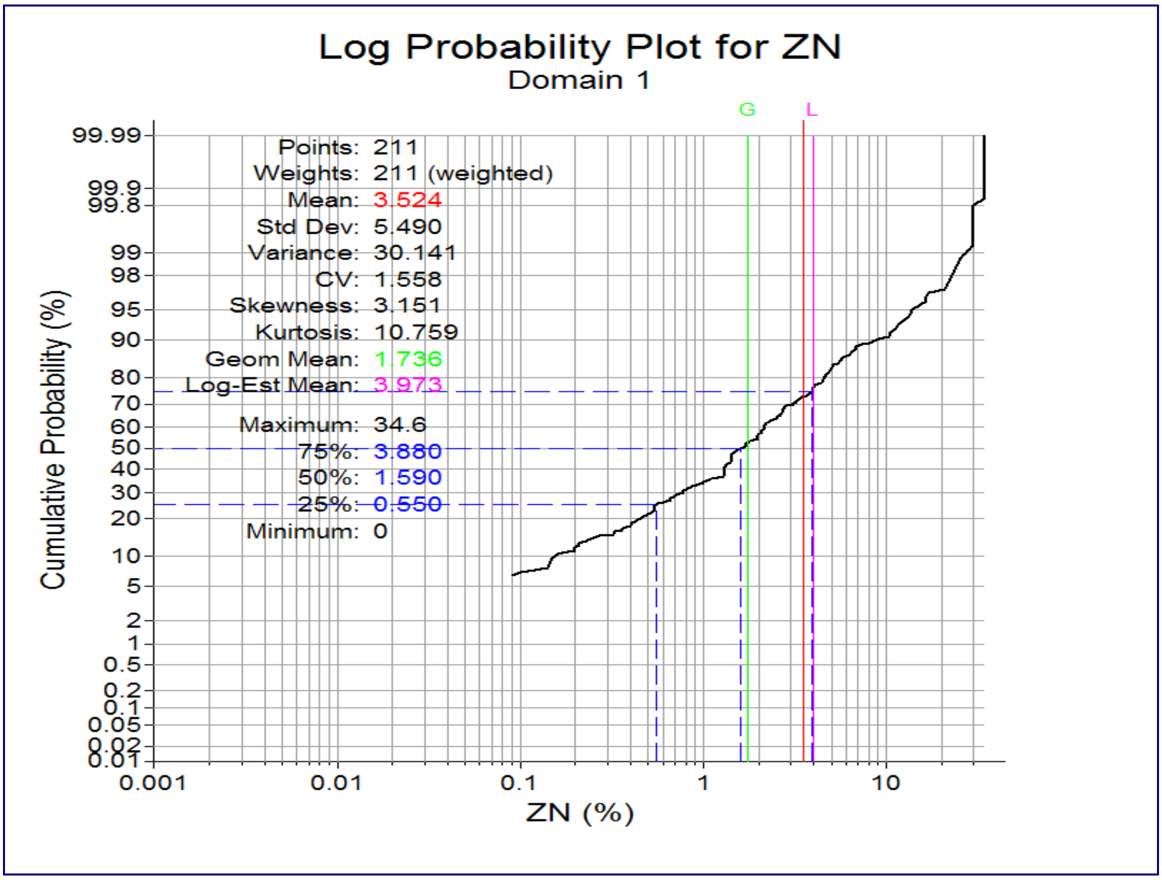
Assay Percentiles	Zn	Pb	Ag
10%	0.16	0.04	2
20%	0.45	0.15	4
30%	0.78	0.23	6
40%	1.3	0.35	8
50%	1.59	0.47	12
60%	2.16	0.64	17
70%	3.1	1.23	26
80%	4.58	2.26	48
90%	9.12	3.93	80
95%	13.7	5.28	143
97.50%	20.8	7.09	163
99%	25.5	8.77	184
	30	9	200

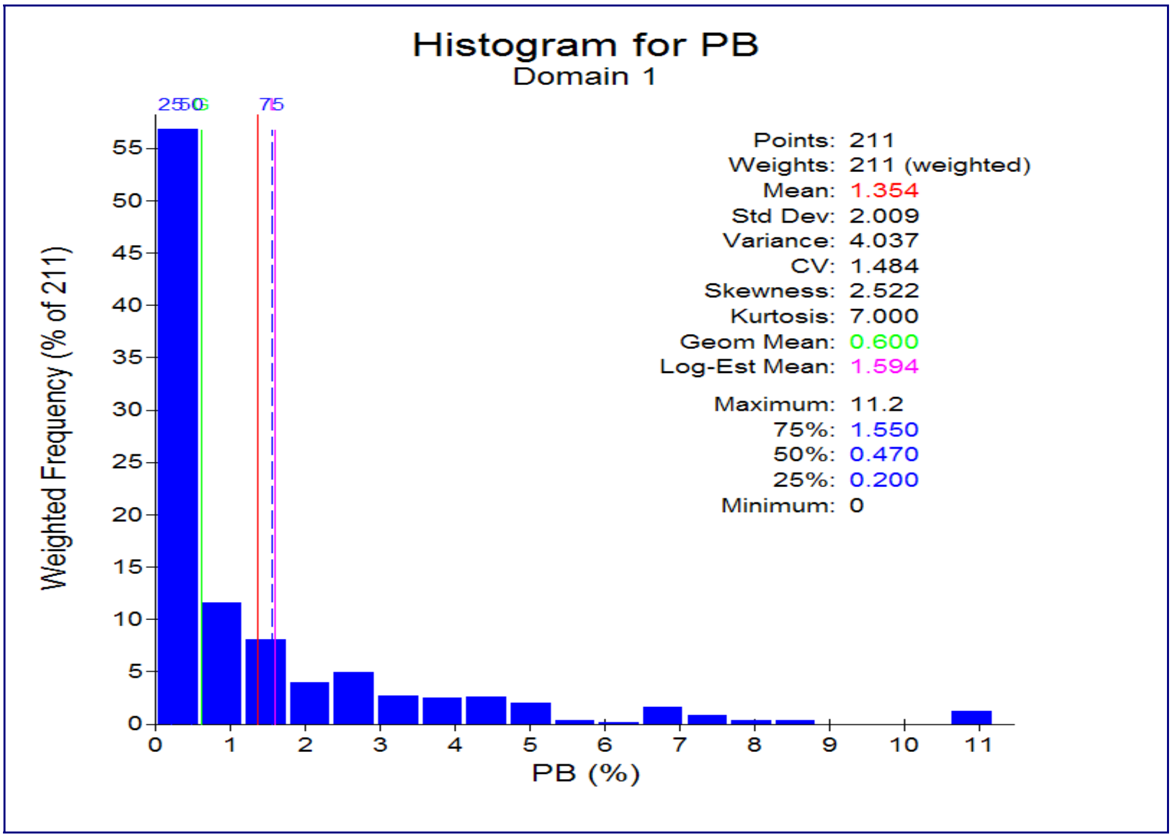
The resource estimate is based on 21 diamond core and reverse circulation drill holes designed to intersect the mineralisation on a nominal 25m by 25m spacing. The deposit was been modelled in three dimensions using cross sectional interpretations of the geology and mineralisation. The deposit boundary was defined by a 0.5% zinc (Zn) cut-off grade which coincides with the geological boundary of the shear zone. Individual blocks were defined around drill hole intersections with block boundaries on and between cross sections were defined by the midpoints between adjacent holes and by geological constraints. Based on statistical analysis, maximum sample assays were reduced to 30% zinc, 9% lead and 200gpt silver (top cuts) and all grades were length weighted. Block densities were assigned based on density analysis of samples collected from diamond core drill hole samples. Estimation methodologies included inverse distance squared and ordinary kriging.

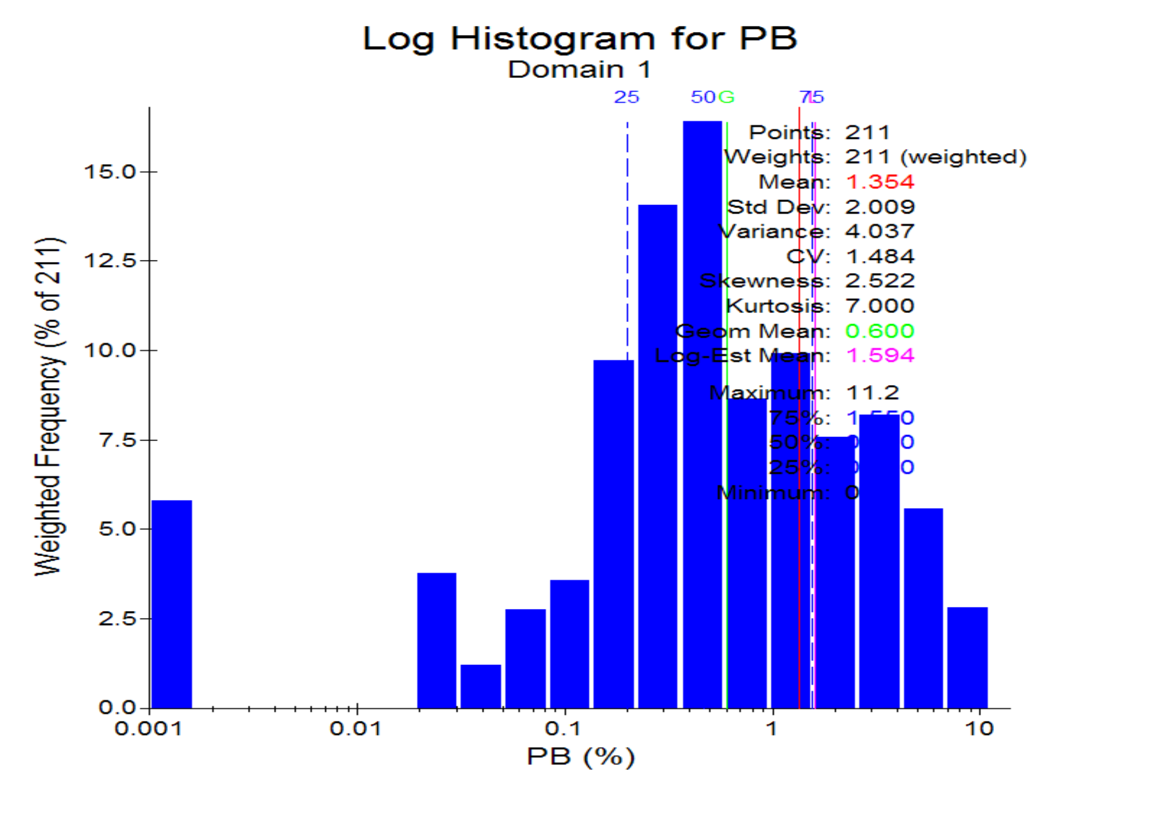
8.2 Sample Histograms and Log probability plots

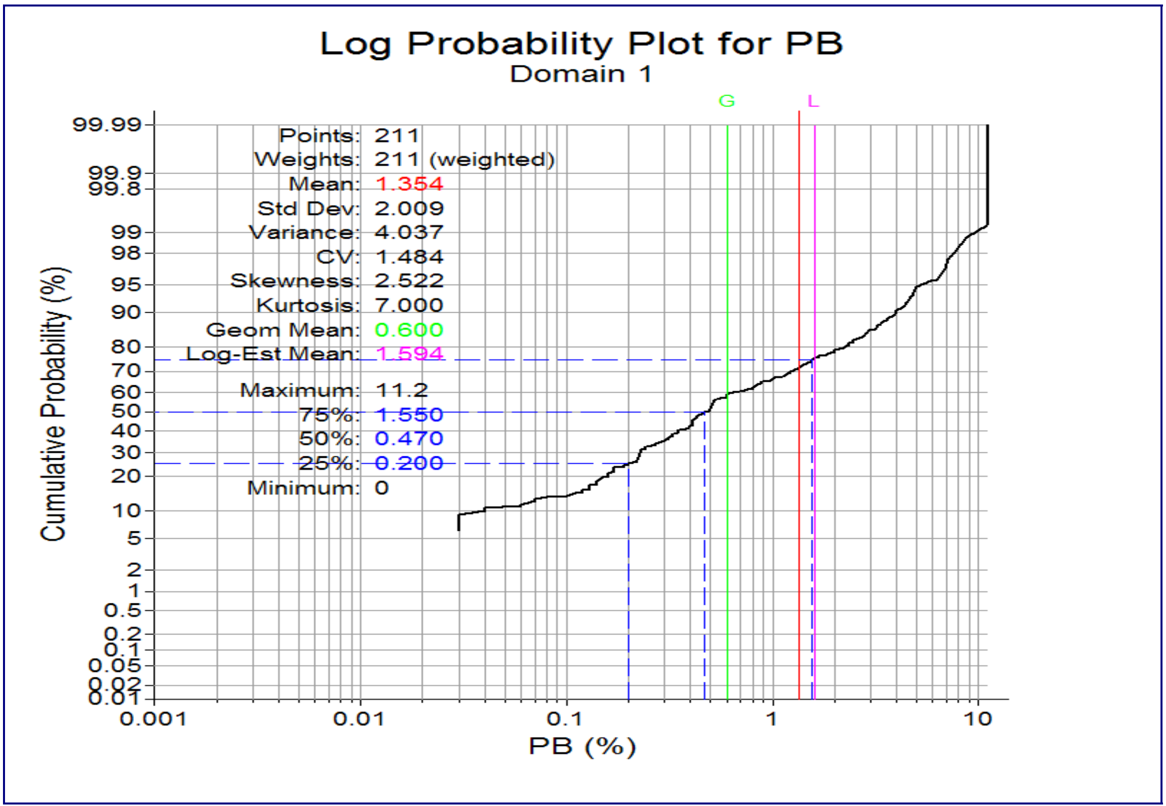


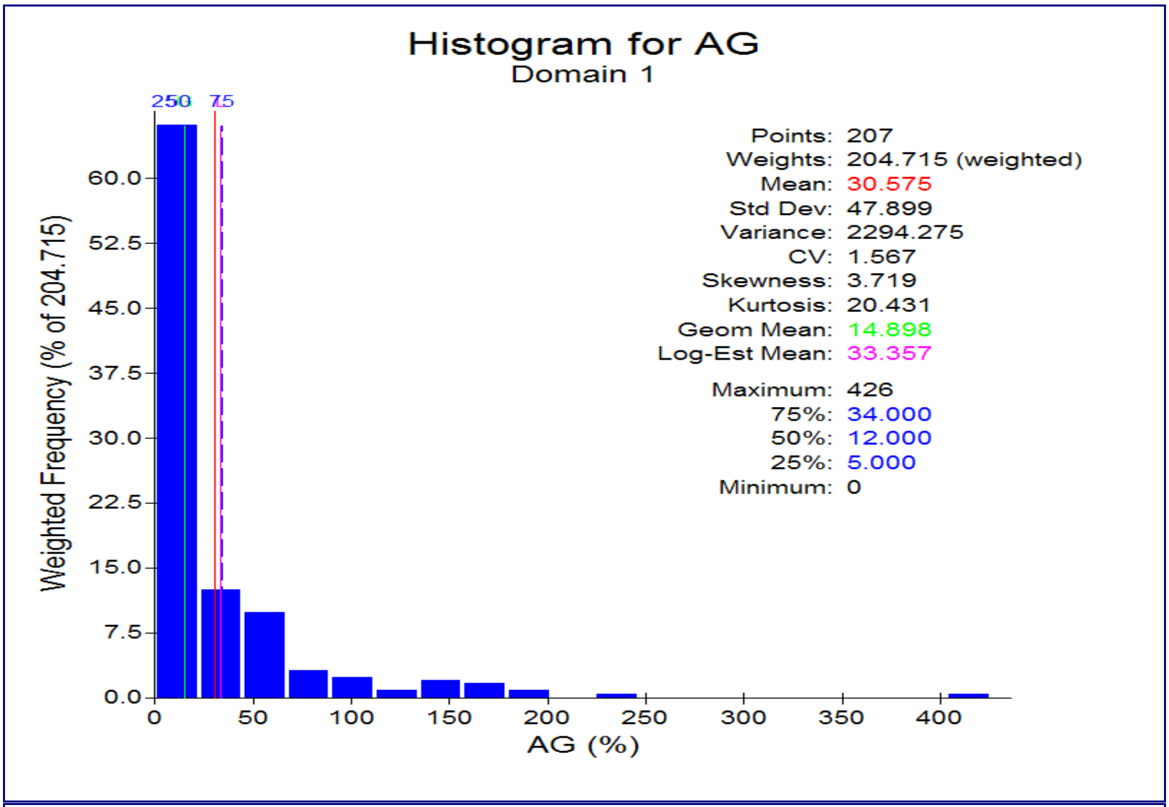


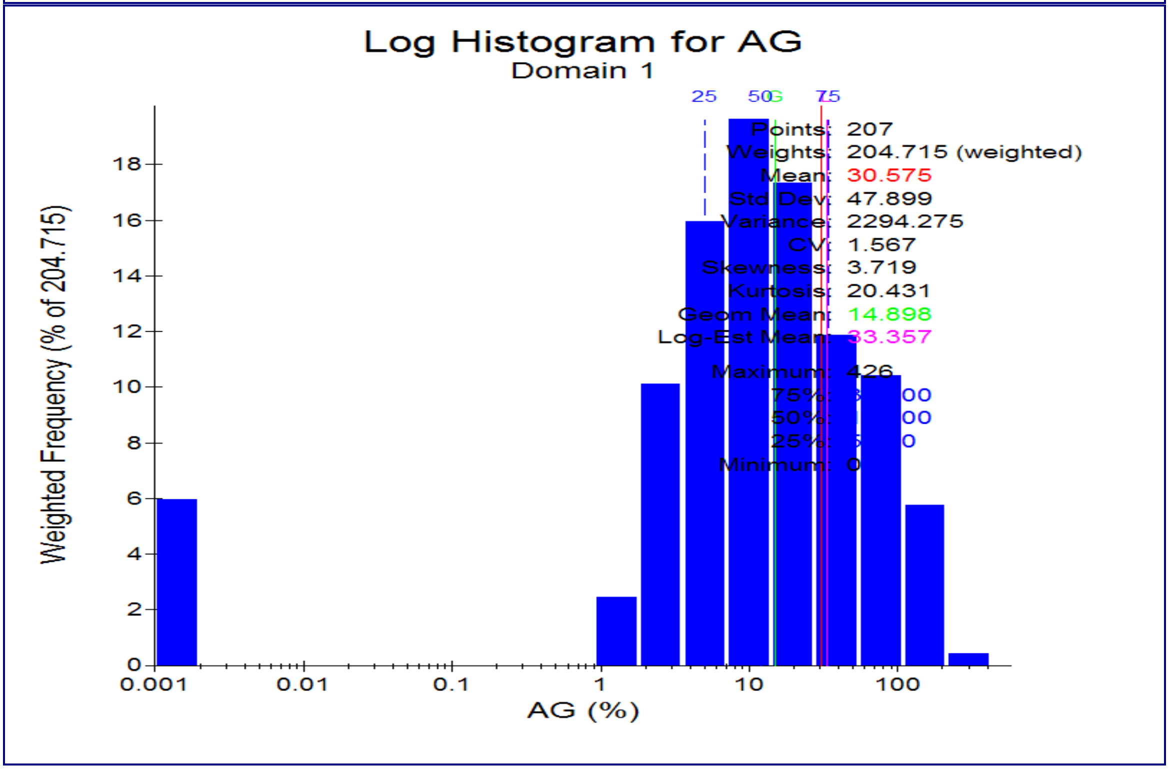

Log Probability Plot for ZN
Domain 1
G
L
Points: 211
Weights: 211 (weighted)
Mean: 3.524
Std Dev: 5.490
Variance: 30.141
CV: 1.558
Skewness: 3.151
Kurtosis: 10.759
Geom Mean: 1.736
Log-Est Mean: 3.973
Maximum: 34.6
75%: 3.880
50%: 1.590
25%: 0.550
Minimum: 0
Cumulative Probability (%)
ZN (%)

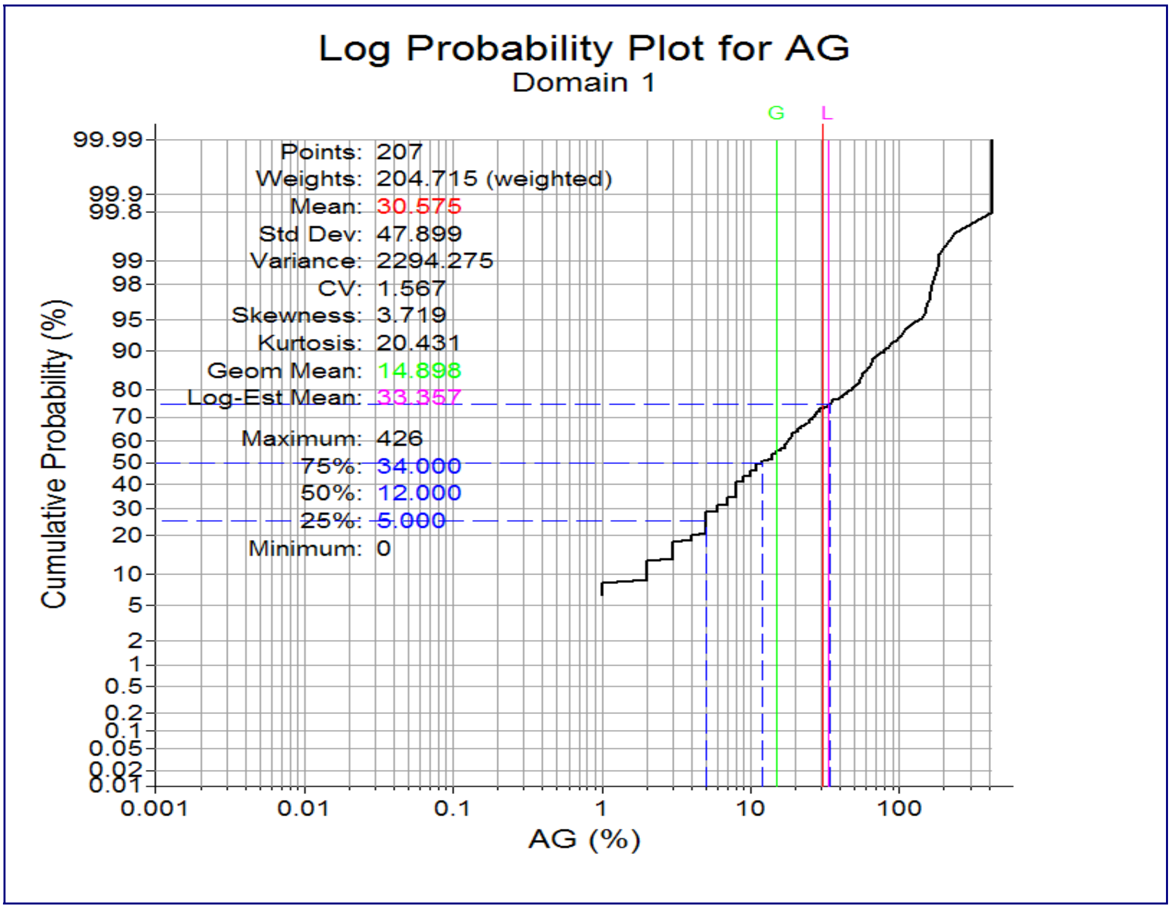

Histogram for PB
Domain 1
Points: 211
Weights: 211 (weighted)
Mean: 1.354
Std Dev: 2.009
Variance: 4.037
CV: 1.484
Skewness: 2.522
Kurtosis: 7.000
Geom Mean: 0.600
Log-Est Mean: 1.594
Maximum: 11.2
75%: 1.550
50%: 0.470
25%: 0.200
Minimum: 0
Weighted Frequency (% of 211)
PB (%)


Log Histogram for PB
Domain 1
25
50
G
75
Points: 211
Weights: 211 (weighted)
Mean: 1.354
Std Dev: 2.009
Variance: 4.037
CV: 1.484
Skewness: 2.522
Kurtosis: 7.000
Geom Mean: 0.600
Log-Est Mean: 1.594
Maximum: 11.2
Minimum: 0
Weighted Frequency (% of 211)
15.0
12.5
10.0
7.5
5.0
2.5
0.0
0.001
0.01
0.1
1
10
PB (%)

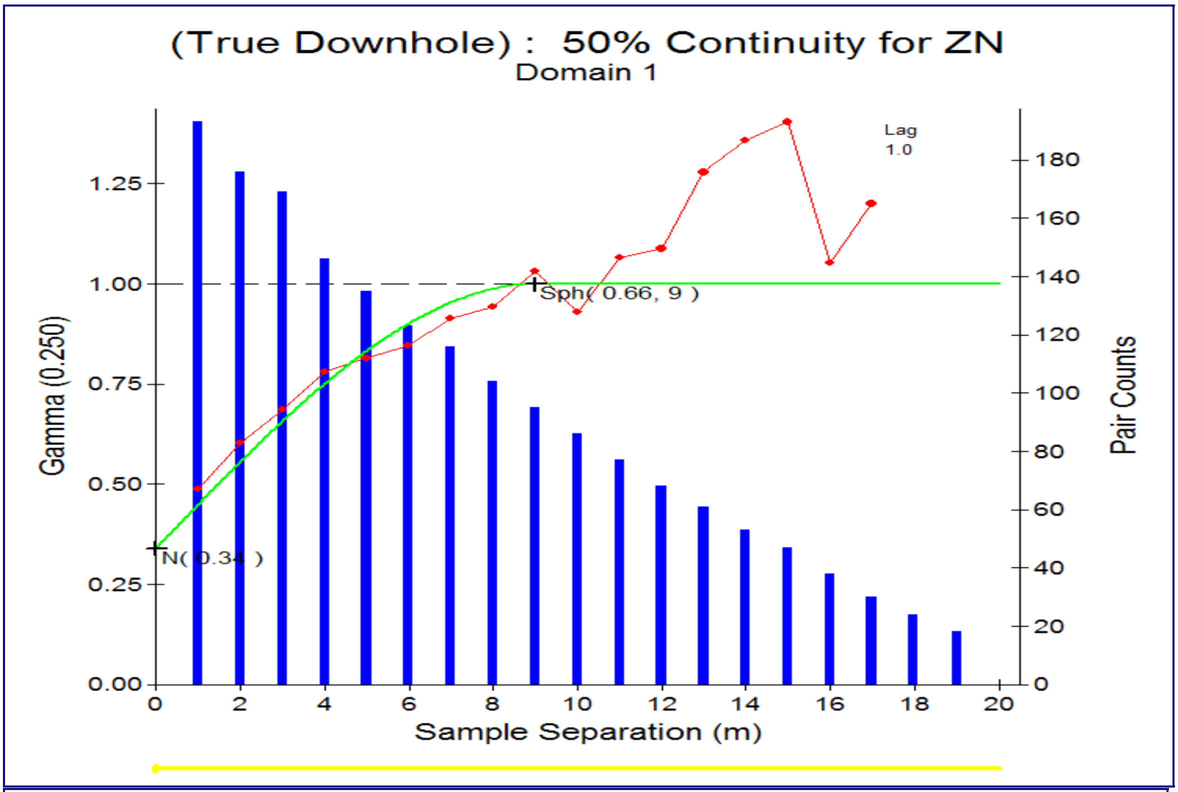

Log Probability Plot for PB
Domain 1
G
L
Points: 211
Weights: 211 (weighted)
Mean: 1.354
Std Dev: 2.009
Variance: 4.037
CV: 1.484
Skewness: 2.522
Kurtosis: 7.000
Geom Mean: 0.600
Log-Est Mean: 1.594
Maximum: 11.2
75%: 1.550
50%: 0.470
25%: 0.200
Minimum: 0
Cumulative Probability (%)
99.99
99.9
99.8
99
98
95
90
80
70
60
50
40
30
20
10
5
2
1
0.5
0.2
0.1
0.05
0.02
0.01
0.001
0.01
0.1
1
10
PB (%)

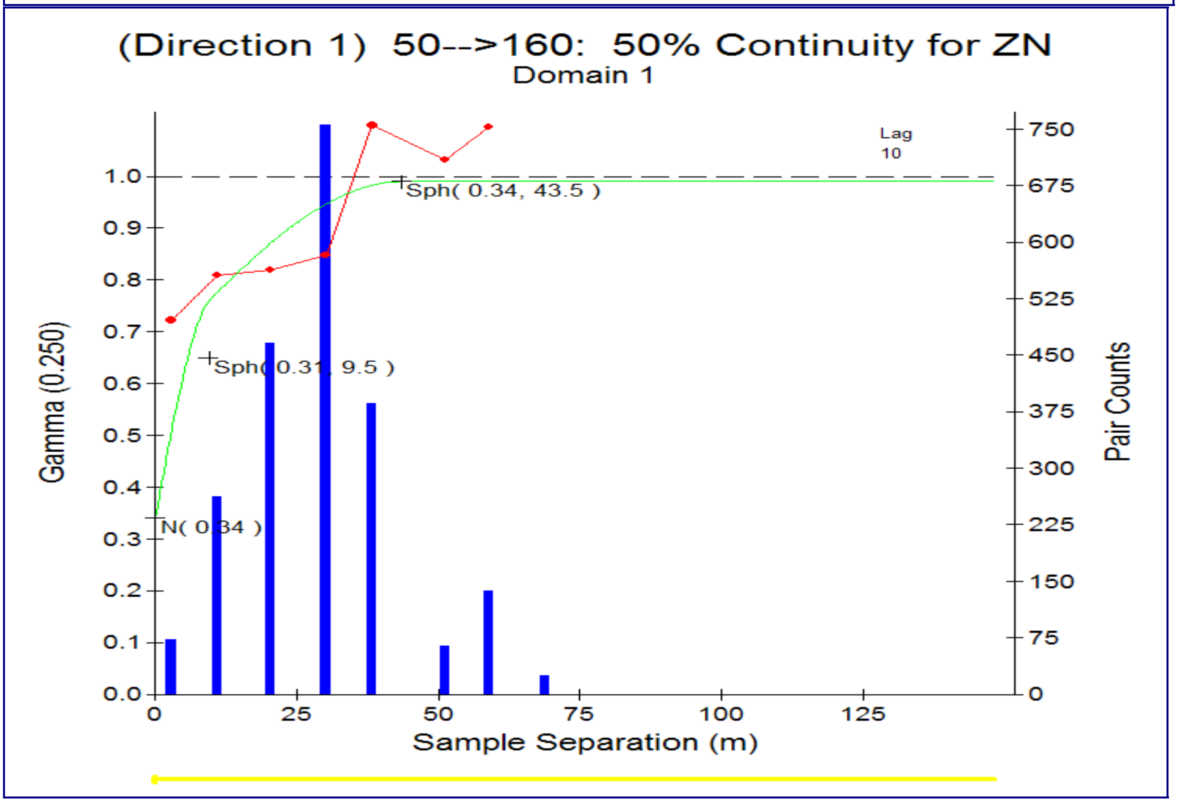

Histogram for AG
Domain 1
Points: 207
Weights: 204.715 (weighted)
Mean: 30.575
Std Dev: 47.899
Variance: 2294.275
CV: 1.567
Skewness: 3.719
Kurtosis: 20.431
Geom Mean: 14.898
Log-Est Mean: 33.357
Maximum: 426
75%: 34.000
50%: 12.000
25%: 5.000
Minimum: 0
Weighted Frequency (% of 204.715)
AG (%)

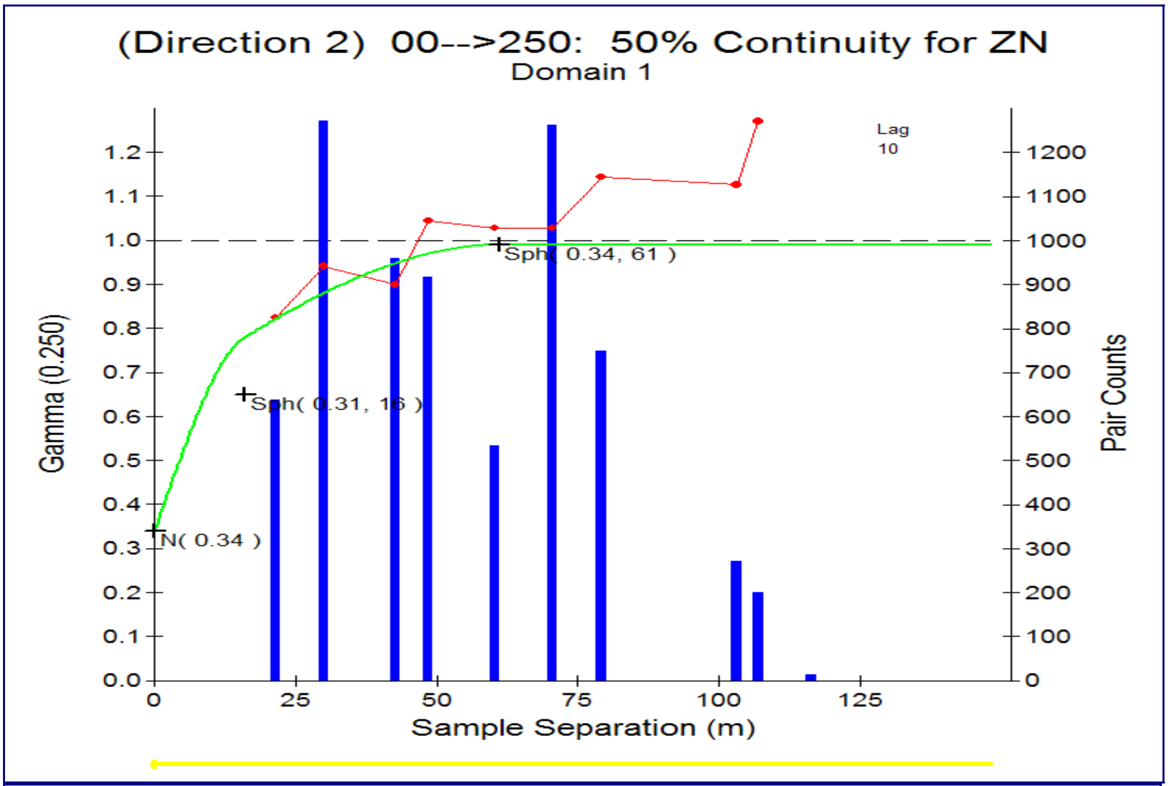

Log Histogram for AG
Domain 1
Points: 207
Weights: 204.715 (weighted)
Mean: 30.575
Std Dev: 47.899
Variance: 2294.275
CV: 1.567
Skewness: 3.719
Kurtosis: 20.431
Geom Mean: 14.898
Log-Est Mean: 33.357
Maximum: 426
Minimum: 0
Weighted Frequency (% of 204.715)
AG (%)

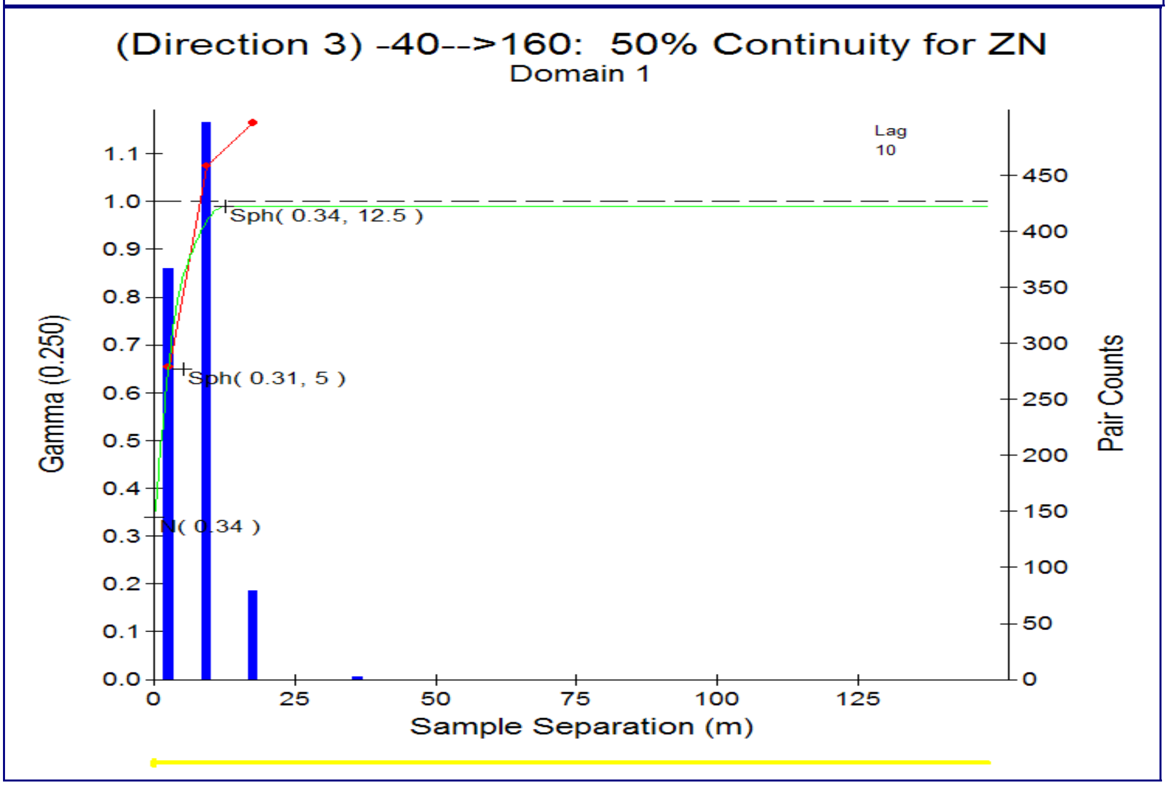

Log Probability Plot for AG
Domain 1
G
L
Points: 207
Weights: 204.715 (weighted)
Mean: 30.575
Std Dev: 47.899
Variance: 2294.275
CV: 1.567
Skewness: 3.719
Kurtosis: 20.431
Geom Mean: 14.898
Log-Est Mean: 33.357
Maximum: 426
75%: 34.000
50%: 12.000
25%: 5.000
Minimum: 0
Cumulative Probability (%)
99.99
99.9
99.8
99
98
95
90
80
70
60
50
40
30
20
10
5
2
1
0.5
0.2
0.1
0.05
0.02
0.01
0.001
0.01
0.1
1
10
100
AG (%)

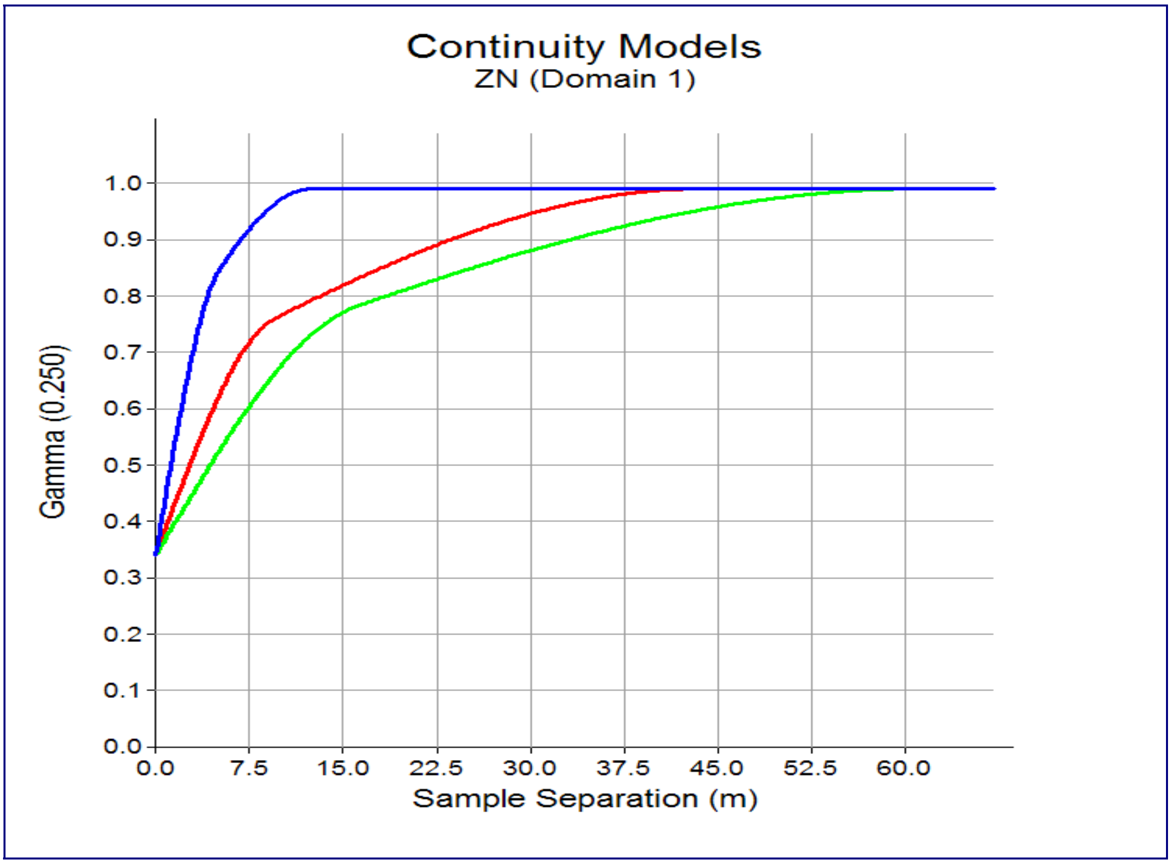
8.3 Variography Plots

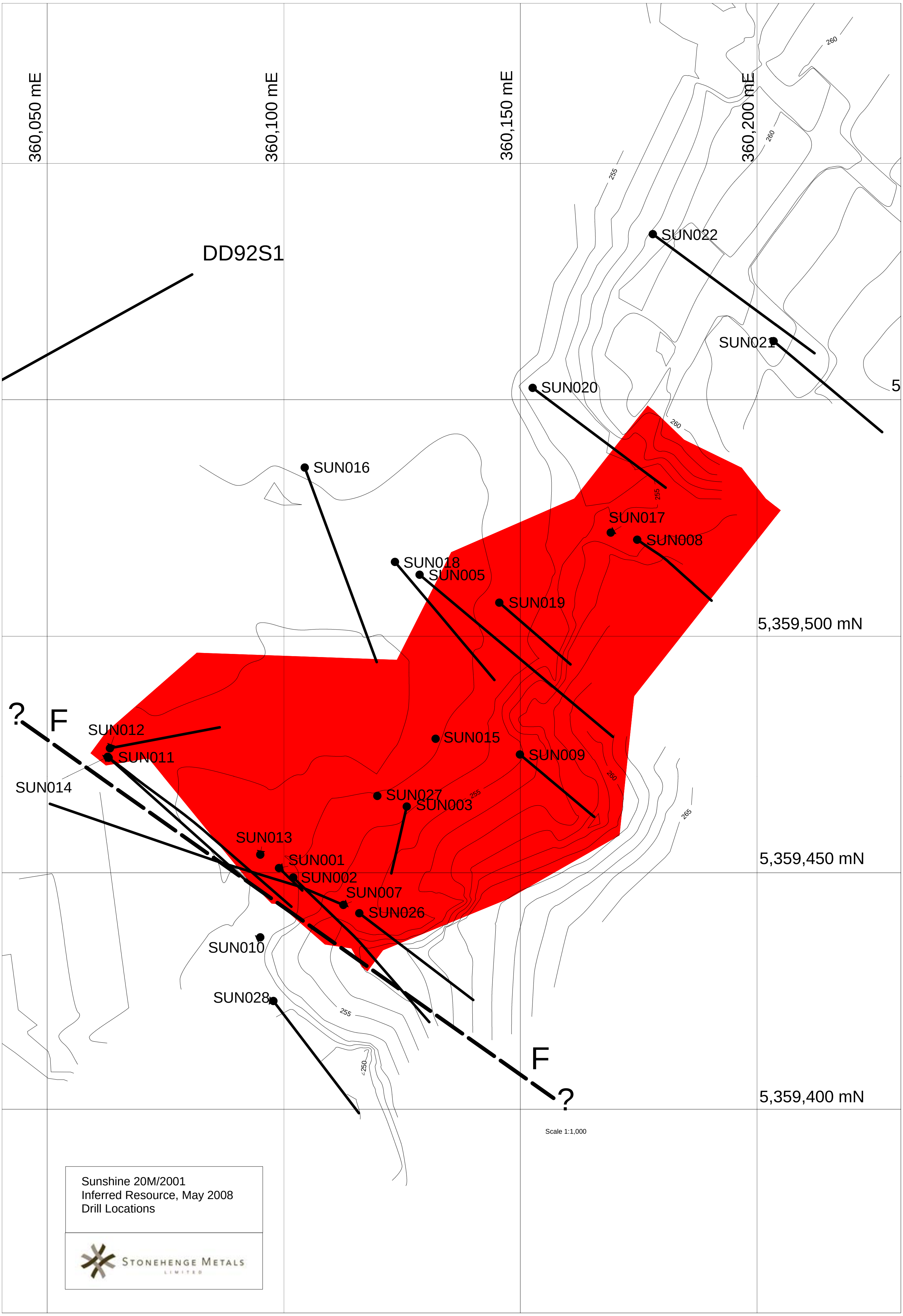





(Direction 2) 00-->250: 50% Continuity for ZN
Domain 1
Lag
10
Sph(0.34, 61)
Sph(0.31, 16)
N(0.34)
Gamma (0.250)
Pair Counts
Sample Separation (m)

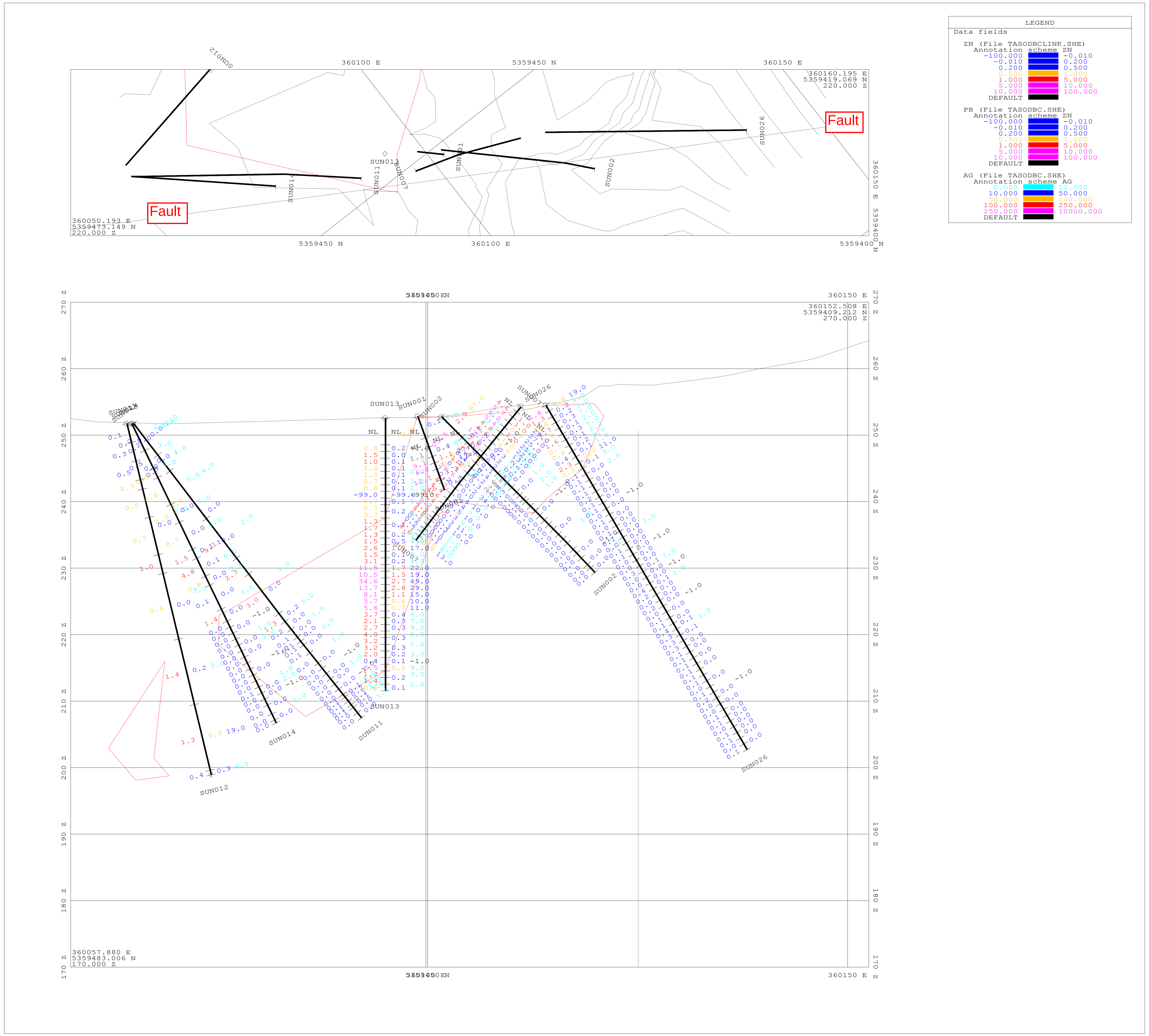

(Direction 3) -40-->160: 50% Continuity for ZN
Domain 1
Lag
10
Sph(0.34, 12.5)
Sph(0.31, 5)
N(0.34)
Gamma (0.250)
Pair Counts
Sample Separation (m)


Continuity Models
ZN (Domain 1)
Gamma (0.250)
1.0
0.9
0.8
0.7
0.6
0.5
0.4
0.3
0.2
0.1
0.0
0.0
7.5
15.0
22.5
30.0
37.5
45.0
52.5
60.0
Sample Separation (m)



Sunshine 20M/2001
Inferred Resource, May 2008
Drill Locations

STONEHENGE METALS LIMITED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PB (File TASODBC.SHE)
Annotation scheme ZN
AG (File TASODBC.SHE)
Annotation scheme AG
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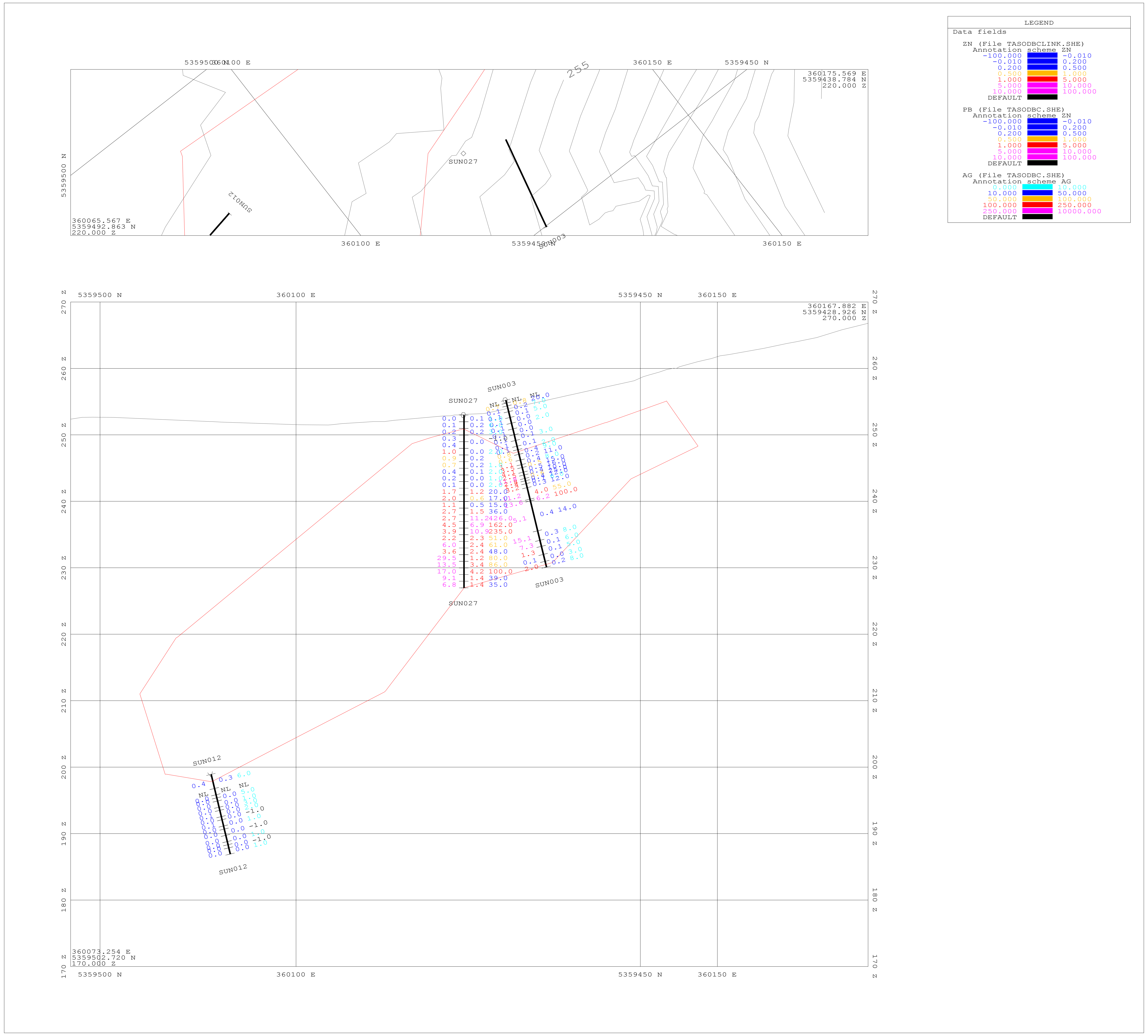
Fault
SUN012
SUN014
SUN011
SUN013
SUN001
SUN002
SUN007
SUN026
360100 E
5359450 N
360150 E
5359400 N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0.200 0.500
0.500 1.000
1.000 5.000
5.000 10.000
10.000 100.000
DEFAULT
PB (File TASODBC.SHE)
Annotation scheme ZN
-100.000 -0.010
-0.010 0.200
0.200 0.500
0.500 1.000
1.000 5.000
5.000 10.000
10.000 100.000
DEFAULT
AG (File TASODBC.SHE)
Annotation scheme AG
0.000 10.000
10.000 50.000
50.000 100.000
100.000 250.000
250.000 10000.000
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5359450 N
5359500 N
255
360175.569 E
5359438.784 N
220.000 Z
360065.567 E
5359492.863 N
220.000 Z
SUN027
SUN012
SUN003
360167.882 E
5359428.926 N
270.000 Z
360073.254 E
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270 Z
260 Z
250 Z
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210 Z
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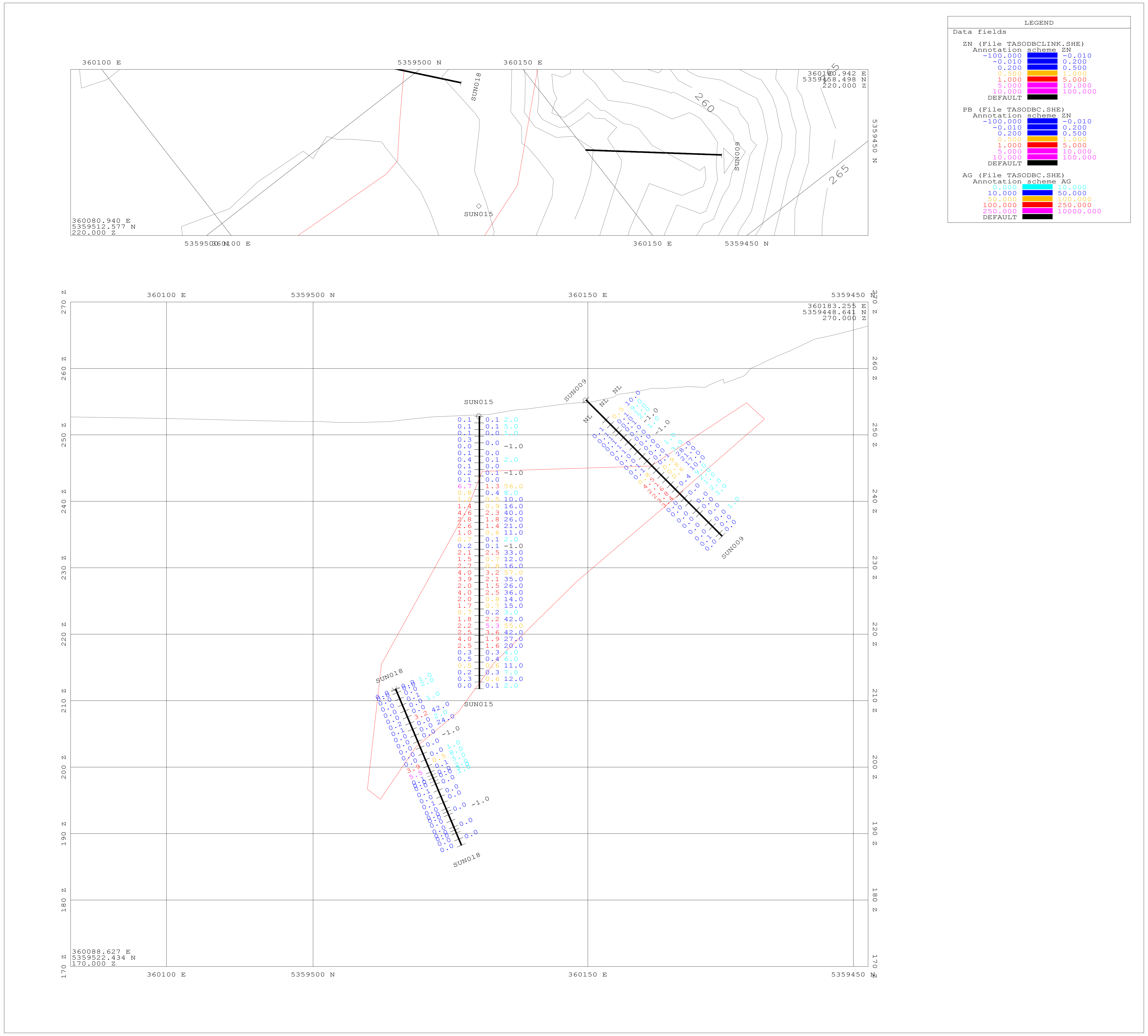
190 Z
180 Z
170 Z
NL



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1.000 5.000
5.000 10.000
10.000 100.000
DEFAULT
PB (File TASODBC.SHE)
Annotation scheme ZN
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1.000 5.000
5.000 10.000
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Annotation scheme AG
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SUN009
SUN015
260
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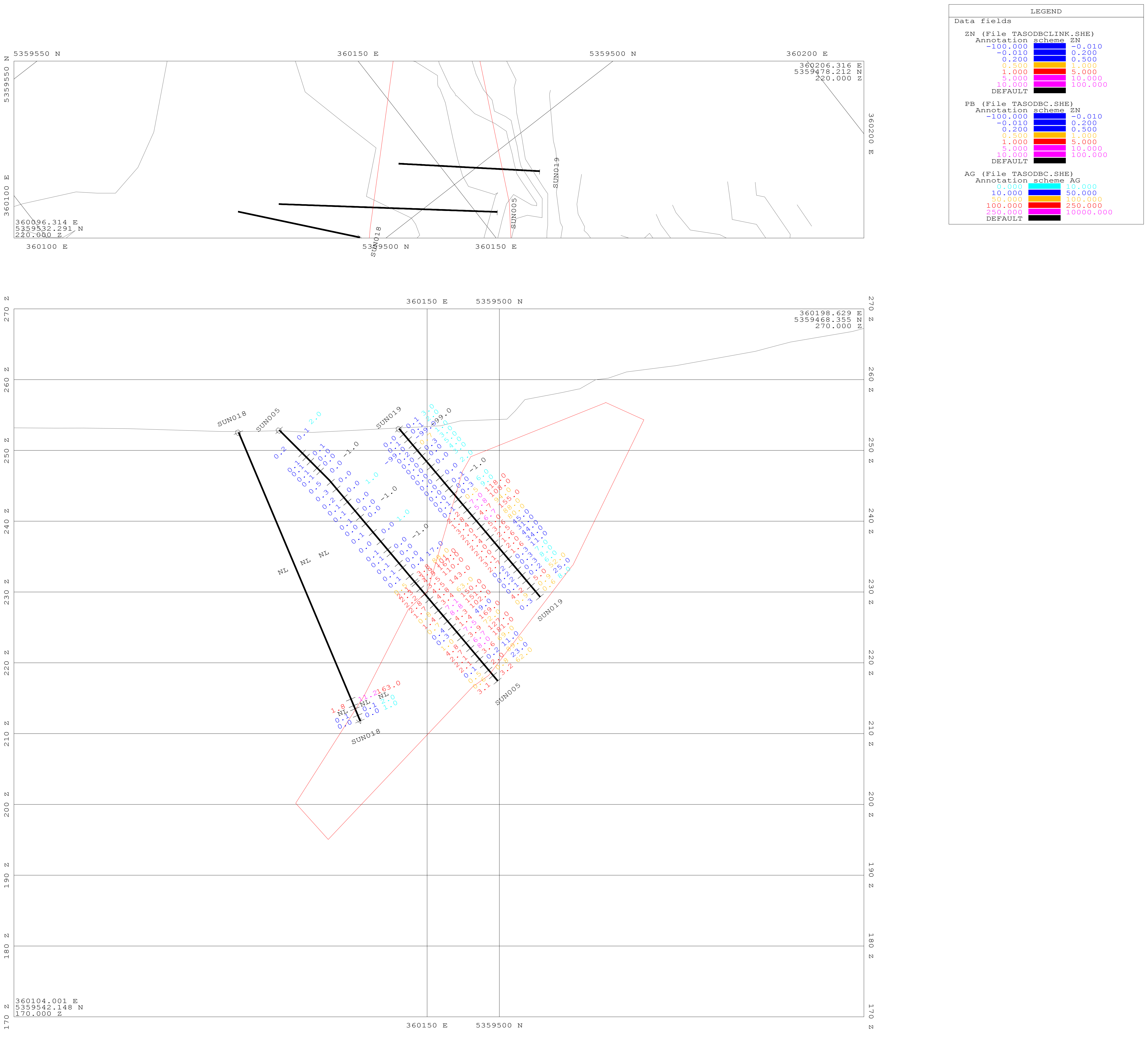

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5359500 N
360150 E
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SUN005
SUN018
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180 Z
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1.000 5.000
5.000 10.000
10.000 100.000
DEFAULT
PB (File TASODBC.SHE)
Annotation scheme ZN
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0.200 0.500
0.500 1.000
1.000 5.000
5.000 10.000
10.000 100.000
DEFAULT
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250.000 10000.000
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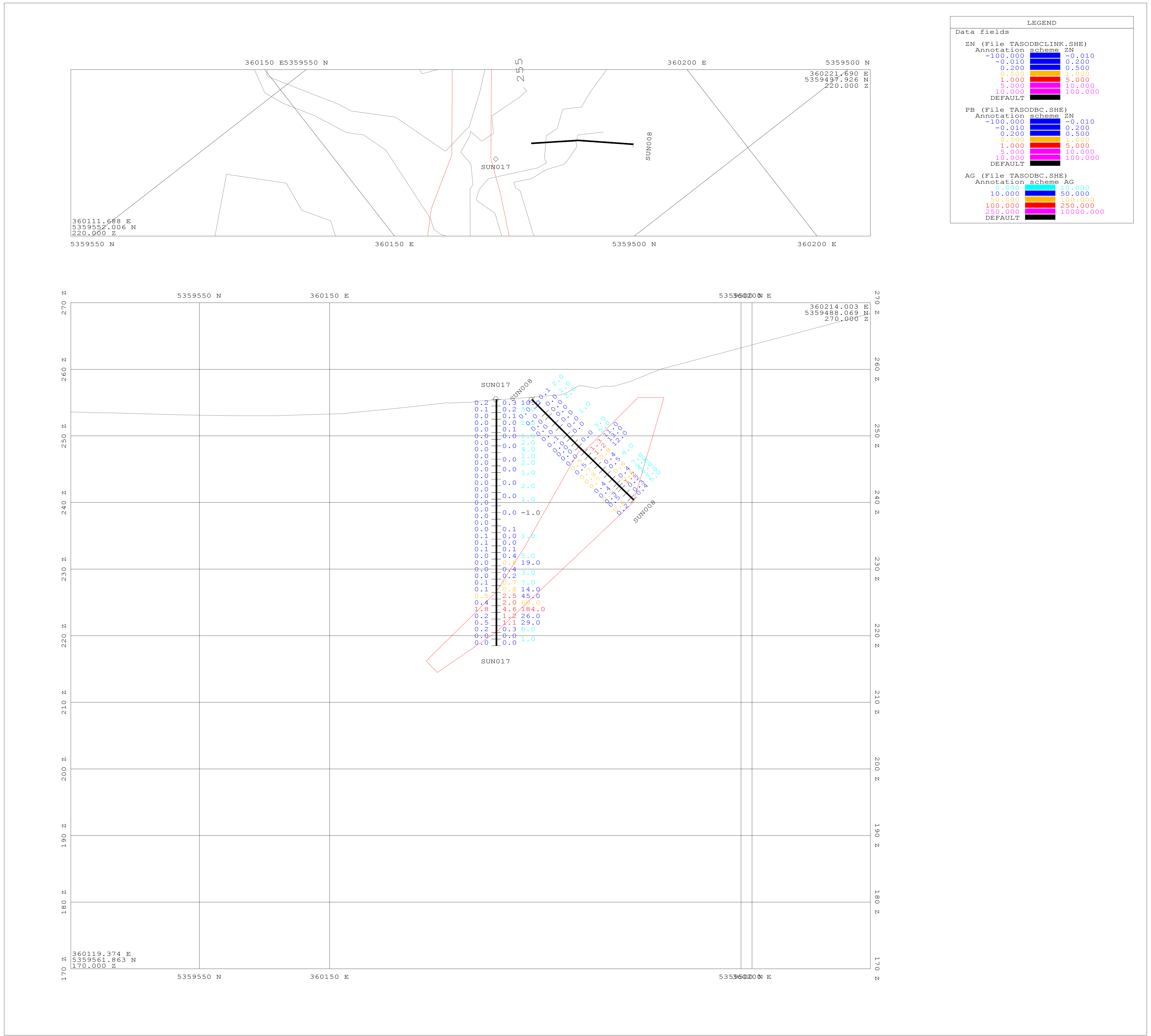
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-0.010 0.200
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0.500 1.000
1.000 5.000
5.000 10.000
10.000 100.000
DEFAULT
PB (File TASODBC.SHE)
Annotation scheme ZN
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-0.010 0.200
0.200 0.500
0.500 1.000
1.000 5.000
5.000 10.000
10.000 100.000
DEFAULT
AG (File TASODBC.SHE)
Annotation scheme AG
0.000 10.000
10.000 50.000
50.000 100.000
100.000 250.000
250.000 10000.000
DEFAULT
360150 E
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360200 E
5359500 N
360221.690 E
5359497.926 N
220.000 Z
255
SUN008
SUN017
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5359552.006 N
220.000 Z
5359550 N
360150 E
5359500 N
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5359550 N
360150 E
360214.003 E
5359488.069 N
270.000 Z
270 Z
260 Z
250 Z
240 Z
230 Z
220 Z
210 Z
200 Z
190 Z
180 Z
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SUN008
SUN017
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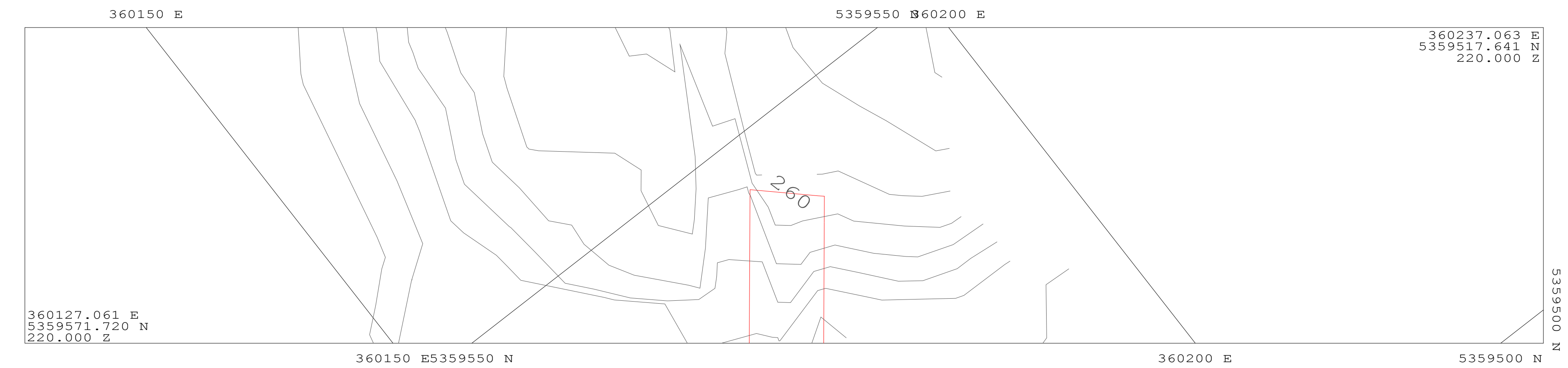

LEGEND

Data fields

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Annotation scheme ZN

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0.500	orange	1.000
1.000	red	5.000
5.000	magenta	10.000
10.000	magenta	100.000
DEFAULT	black	

PB (File TASODBC.SHE)
Annotation scheme ZN

-100.000	blue	-0.010
-0.010	blue	0.200
0.200	blue	0.500
0.500	orange	1.000
1.000	red	5.000
5.000	magenta	10.000
10.000	magenta	100.000
DEFAULT	black	

AG (File TASODBC.SHE)
Annotation scheme AG

0.000	cyan	10.000
10.000	blue	50.000
50.000	orange	100.000
100.000	red	250.000
250.000	magenta	10000.000
DEFAULT	black