



QUARTERLY ACTIVITIES REPORT 31 DECEMBER 2010

HIGHLIGHTS

- *Continued funding support from Stirling's major shareholder*
- *Copper, zircon and gold all reach record price levels during the quarter*
- *2010 Oxide drilling program completed at Redbank*
- *Swan Gold advertises assets for sale*
- *Stirling increases holding in Matilda Zircon*



Overview

During the period Stirling continued to rationalise its board and management in order to cut costs and strengthen its Perth based management.

Following the resignation in November of London based Chairman Mr David Nabarro and Adelaide based Managing Director Mr Marty Adams, Mr Nigel Goodall took on the role of Executive Chairman. Until appointment of a new Managing Director Mr Goodall will undertake the duties of Chief Executive with the support of Stirling's Chief Financial Officer Mr Keith Vuleta.

Austrian based Mr Roman Lurf also resigned from the Stirling board in December.



Redbank Copper (21.64% Stirling)

As part of the Environmental Approvals Process, Redbank drilled several water bores adjacent to the Sandy Flat, Azurite and Redbank mines. The bores have been sampled and a hydrological model is being developed for submission to the Government.

The oxide drilling program at Redbank's 100% owned ERL94 and EL24654 was completed in mid December prior to onset of the wet season. Laboratory results received to date include:

- 25m @ 2.2% Cu from 41m in hole PRRC 10-01
- 19 @ 1.8% Cu from 8m in hole PRRC 10-02
- 21m @ 2.5% Cu from 14m in hole PRRC 10-04

Results from the remaining drilling are expected by mid January and a full assessment of the results published in February.

Data has been received from a 50m x 50m ionic soils ground sampled at GC2. This has delineated a significant (300m x 200m) multi-element anomaly, coincident with and larger than the GC2 outcrop.

The implementation plan for the oxide project is currently undergoing internal review.

Subsequent to the end of the quarter, on 21 January 2011, the shareholders of Redbank Copper approved the conversion of Stirling's loan into equity. The conversion means Stirling now has a 46.44% interest in the shares of Redbank Copper Limited.

Matilda Zircon (64.95% Stirling)

During the period Matilda Zircon shareholders approved the conversion of Stirling Resources loans into equity. This took Stirling equity in Matilda to 64.95%.

Matilda continued to work with the NT Government in order to obtain the necessary approvals to mine the Lethbridge South deposit on the Tiwi Islands. The State Administrative Tribunal has continued the arbitration process in regard to the Keysbrook Development Applications.

Swan Gold Mining (23.8% Stirling)

Acting upon instructions from Pitcher Partners Swan Gold advertised the company's assets for sale at the commencement of the quarter. The Expressions of Interest process closed in November. After assessment of the EOI proposals the Swan Board moved to obtain firm offers. These bids, which were received in mid December, were being assessed by the board at the end of the quarter.

For further information please contact

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The information contained in this announcement insofar as it relates to the Redbank Copper Project is sourced from information compiled by Mr. Craig Hall BSc(Hons), MAusIMM, MAIG. Mr. Hall is a senior manager of Redbank Copper Limited. Mr. Hall has sufficient expertise relevant to the style of mineralization 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 "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Hall has approved the inclusion of the statement in the form and context in which it appears.