



13 October 2009

[Optionholder name and address]

Dear Optionholder,

Stirling Resources Limited – Renounceable Rights Issue

We are writing to you in relation to your option holding in Stirling Resources Limited (**Stirling** or **Company**).

Stirling has announced to ASX Limited (**ASX**) that it is undertaking a pro-rata renounceable rights issue on the basis of two (2) new Shares for every one (1) existing Share at an issue price of \$0.15 per Share to raise approximately \$19,660,589, together with one free attaching Option for every two (2) new Shares issued exercisable at \$0.15 on or before 30 June 2012 (**Rights Issue**).

Pursuant to the terms of the options that were issued to you, the Company is required to notify you of your right to participate in any pro rata issue of securities if you exercise your options prior to the record date for the pro rata issue.

Accordingly, take notice that in order to participate in the Rights Issue in respect of the underlying shares relating to your options, you will need to exercise those options (in accordance with the relevant terms and conditions) prior to the record date for the Rights Issue, being 5pm (Perth time) on **Thursday, 22 October 2009**.

The Company has lodged a prospectus in relation to the Rights Issue at the Australian Securities & Investments Commission and this prospectus, along with a personalised acceptance form, will be despatched to shareholders of the Company on **Friday, 23 October 2009**. The prospectus outlines the Rights Issue in detail.

Should you have any queries in relation to this matter, please do not hesitate to contact Ildiko Wowesny on 08 6389 6800.

Yours faithfully

Ildiko Wowesny
Company Secretary

