



Directors:

TONY KING
Managing Director

SUZIE FOREMAN
Non-Executive Director

JASON BONTEMPO
Non-Executive Director

Company Secretary:

Mark Bianchini

Share Information:

ASX Code: SMZ

Issued Shares: 27,000,001

Unlisted Options: 2,150,000

Listed Options 13,500,000

31 October 2007

Manager of Company Announcements
ASX Limited
Level 6, 20 Bridge Street
Sydney NSW 2000

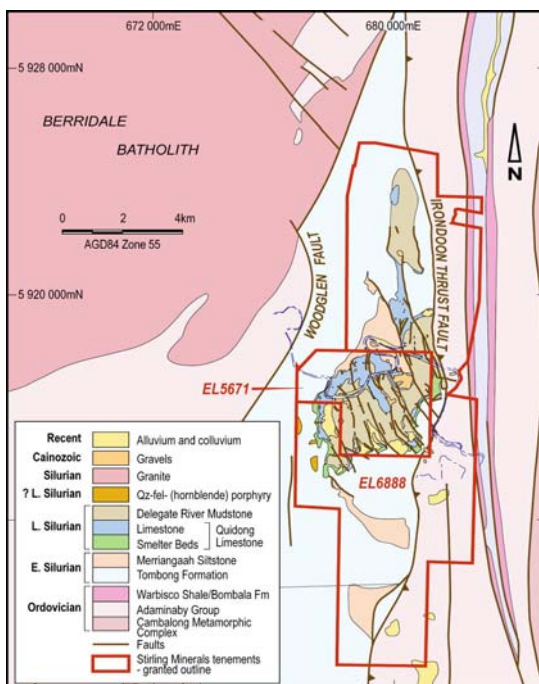
By E-Lodgement

STIRLING MINERALS LIMITED
Quarterly Report

This report summarises the Company's activities for the period ended 30 September 2007

The Company was formed to identify mineral investment opportunities and to undertake exploration and assessment of minerals projects, both in Australia and overseas, with the aim of discovery and development of mineral deposits.

During the September Quarter, the Company received an offer to grant its ELA2922. The application was subsequently granted as EL6888 with effect for two years from 4 October 2007, providing effective regional cover of the prospective Silurian lithologies surrounding the core Quidong Basin tenement EL5671.



Contact Details:

945 Wellington Street
West Perth WA 6005

T: +61 8 9322 7600

F: +61 8 9322 7602

E: admin@stirlingminerals.com.au

W: www.stirlingminerals.com.au

ABN: 24 123 972 814

The Company has received a firm proposal from a contractor to undertake the proposed high-resolution, low-level, Helimag survey of the entire project area, now facilitated by the granting of EL6888. Commencement of the survey, comprising up to 3000 line kilometers, is scheduled for late November, early December, a period when optimum flying conditions are anticipated.

Compilation of a digital database of the historical data continued during the Quarter, and together with the scheduled Helimag survey, will provide the basis for drilling of key targets during the summer season.

The Company continues to evaluate opportunities to enhance its existing portfolio of assets to assist in the growth of the Company.



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During the quarter the Company completed a non-renounceable rights issue of options to raise \$135,000 before costs.

At 30 September 2007, the Company had cash reserves of \$3,263,000.

TONY KING
Managing Director

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Bret Ferris, who is a Member of The Australian Institute of Geoscientists. Mr Ferris is a full-time employee of Ferris Metals Pty Ltd and has sufficient experience relevant to the style of mineralisation and type of deposits 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 Ferris consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

STIRLING MINERALS LIMITED

ABN

24 123 972 814

Quarter ended ("current quarter")

30 SEPTEMBER 2007

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(10)	(10)
(b) development		
(c) production		
(d) administration	(79)	(79)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	26	26
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other Receipts (refunds)	16	16
Net Operating Cash Flows	(47)	(47)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a)prospects	-	-
(b)equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (Cash on acquisition of subsidiary)	-	-
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	-	-

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(47)	(47)
	Cash flows related to financing activities		
1.14	Proceeds from rights issue	135	135
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Costs associated with issue of shares	(5)	(5)
	Net financing cash flows	130	130
	Net increase (decrease) in cash held	83	83
1.20	Cash at beginning of quarter/year to date	3,180	3,180
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	3,263	3,263

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000
1 Aggregate amount of payments to the parties included in item 1.2	(51)
1 Aggregate amount of loans to the parties included in item 1.10	Nil

1 Explanation necessary for an understanding of the transactions

Payments of Directors Fees and Remuneration	39
Payments to Director Related Companies - Company Secretarial & Administration	10

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	-
3.2 Credit standby arrangements	Nil	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	(150)
4.2 Administration	(15)
Total	(165)

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	763	3,180
5.2 Deposits at call	2,500	-
5.3 Bank overdraft	-	-
5.4 Other – Term Deposit	-	-
Total: cash at end of quarter (item 1.22)	3,263	3,180

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	None		
6.2	Interests in mining tenements acquired or increased	None		

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>	Nil			
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	Nil			
7.3 +Ordinary securities	27,000,001	17,500,001		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	Nil			
7.5 +Convertible debt securities <i>(description)</i>	Nil			
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	Nil			
7.7 Options <i>(description and conversion factor)</i>	2,150,000 Unlisted	Nil	2,150,000 Exercise Price 20 cents	On or before 30 June 2010
	13,500,000 Listed	13,500,000	13,500,000 Issued at 1 cent Exercise Price 20 cents	On or before 30 June 2010
7.8 Issued during quarter	13,500,000 Listed	13,500,000	13,500,000 Issued at 1 cent Exercise Price 20 cents	On or before 30 June 2010
7.9 Exercised during quarter	Nil	Nil		
7.10 Expired during quarter	Nil	Nil		
7.11 Debentures <i>(totals only)</i>	Nil	Nil		
7.12 Unsecured notes <i>(totals only)</i>	Nil	Nil		
Performance Based Shares	Nil	Nil		
Changes during quarter (a) Increases	Nil	Nil		

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

- 2 This statement does give a true and fair view of the matters disclosed.



ANTHONY KING
Managing Director
30 September 2007

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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