

17 November 2011

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

By E-Lodgement

Entitlement Issue – Option Holders

Stratatel Limited advises that the attached letter relating to the Company's non-renounceable entitlement issue has been dispatched to option holders today.

Yours sincerely



Sarah Smith
Company Secretary

17 November 2011

Dear Option Holder

Entitlement Issue – Option Holders

Stratatel Limited (**Stratatel**) is pleased to advise that it has announced a pro rata non-renounceable entitlement issue to eligible shareholders of 1 New Shares for every 3 Shares held at the record date at an issue price of \$0.025 per New Share, to raise approximately \$1.19 million before costs (**Entitlement Issue**). The Entitlement Issue is fully underwritten by Patersons Securities.

In accordance with the terms of the options granted to you by Stratatel, we advise that the record date for the non-renounceable entitlement is 25 November 2011 (**Record Date**). Accordingly, should you wish to participate in the Entitlement Issue you would be required to exercise your options so that the Company receives the notice of exercise and exercise monies prior to 5:00pm WST on the Record Date.

To exercise your options and thereby participate in the Entitlement Issue you will need to deliver to the Company the following:

1. A notice specifying the number of options to be exercised;
2. Your option certificate covering that number of options; and
3. Payment for the exercise price for those options.

Option Exercise Notices and cleared funds must be received by no later than 5:00pm WST on 25 November 2011 in order for your notice of exercise to be processed and your holding to be recorded as at the Record Date.

For further information please contact our Company Secretary, Ms Sarah Smith on (08) 9322 7600 with any queries before the Record Date.

Yours faithfully



Ian Macliver
Chairman