

ASX Release

11 October 2012

**STRZELECKI METALS
LIMITED**
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Officeholders

Brian McMaster
Matthew Wood
John Santich
Peter Hunt

Issued Capital

414.0 million shares

ASX Symbol
STZ

DISPOSAL OF UREX LIMITED AND SALE OF WEST MUSGRAVE JOINT VENTURE TENEMENTS

Summary

- Strzelecki Metals Limited (Strzelecki or the Company) has agreed to sell all of the issued capital of its wholly owned subsidiary Urex Ltd (Urex) to Tortuga Advisors Ltd (Tortuga).
- The Company has also agreed to transfer its title, rights and interest in the West Musgrave joint venture tenements to Urex.
- As consideration for the tenement package Urex has agreed to issue Strzelecki 11.25 million shares.

The Board of Strzelecki Metals Limited announces that it has entered into an agreement with Tortuga Advisors Ltd pursuant to which Tortuga will acquire from the Company all of the issued capital of its wholly owned subsidiary Urex Ltd for a nominal sum.

In addition to the disposal of Urex to Tortuga, Strzelecki has entered into a Joint Venture Interest Sale Agreement with Urex, pursuant to which the Company has agreed to the transfer of its title, rights and interest in the West Musgrave joint venture tenements located in Western Australia. As consideration for the tenement package, comprising eight exploration licenses, Urex has agreed to issue Strzelecki 11.25 million shares.

In anticipation of the transactions, Mr. David Walker joined the Board of Urex as a Non-Executive Director and replaced Mr. Stephen Evans who resigned from his position as a Director. The Board of Urex have also proposed a change of name to Palgrave Minerals Ltd and will seek quotation on the ASX in the future. Dr. John Santich and Mr. Peter Hunt (currently Strzelecki directors) have agreed to remain on the Board of Urex post transaction and will assist with the proposed listing on the ASX.

The divestment of this asset is in keeping with the Board's current focus of completing the acquisition of Wolf Petroleum Limited and the development of its core oil and gas assets located in Mongolia.

Brian McMaster
Chairman