



ASX Release

29 October 2012

**STRZELECKI METALS
LIMITED**
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Officeholders

Brian McMaster
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Issued Capital

414.0 million shares

ASX Symbol
STZ

SEPTEMBER 2012 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

- Strzelecki Metals Limited (Strzelecki or Company) receives acceptances for 99.9% of Wolf Petroleum Limited (Wolf Petroleum).
- Sale of Urex subsidiary and transfer of West Musgrave tenement rights in return for 11.25m shares in a newly formed exploration vehicle.

WOLF PETROLEUM LIMITED

During the quarter the Company commenced the process for the take-over of Wolf Petroleum which is an unlisted Mongolian focussed oil and gas explorer and is currently conducting successful work programmes across three blocks. Mongolia is an emerging petroleum province with early exploration success and production being delivered proximal to Wolf Petroleum's Blocks. Wolf Petroleum currently holds joint survey exploration block contracts at Jinst and Baruun Urt and has been recently awarded a third block at Sukhbaatar with a product sharing contract (PSC) to be awarded.

Strzelecki announced on the 22 October 2012 that it has declared all of the ordinary shares in Wolf Petroleum free from all defeating conditions. Accordingly, the takeover offer is now unconditional. The takeover offer closes on 29 October 2012 at 5:00pm (WST) with the Company currently holding a relevant interest of 99.9% in Wolf Petroleum. The Company remains suspended whilst it completes its re-quotations process. It is anticipated that the Company will seek to be requoted towards the end of November 2012.

POLISH PROJECT

The Company has a 40% share in the Polish company Slasko-Krakowska Kompania Gornictwa Metali Sp. z.o.o. (SKKGM) which holds mineral concession 5/2006/p over the Myszkow project in southern Poland and mineral concessions 48/2010/p and 6/2011/p in the Kupferschiefer basin in south west Poland. SKKGM is the subject of an earn-in by Electrum Strategic Metals Eastern Europe SA, which now holds 60% and can earn up to 75% of SKKGM subject to fulfilling its earn in commitments.

During the quarter results of the drilling program conducted at the Myszkow Mo-Cu-W deposit were being analysed by SKKGM geologists. Drilling has been suspended pending an outcome of the review of results to date. No further work was carried out on the SKKGM's kupferschiefer tenements in south west Poland during the quarter.

WESTERN AUSTRALIA PROJECTS

The Company announced during the quarter that it had entered into an agreement with privately owned Tortuga Advisors Ltd pursuant to which Tortuga acquired 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 also entered into a Joint Venture Interest Sale Agreement with Urex, pursuant to which the Company 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 sale of the joint venture tenement assets, comprising eight exploration licenses and field camp, Urex agreed to issue Strzelecki 11.25 million shares.

The divestment of this asset is in keeping with the Board's strategy of focusing the Company's resources on completing the Wolf Petroleum Limited transaction and the development of its core oil and gas assets located in Mongolia.

Brian McMaster
Chairman