



**STRZELECKI**  
Metals Limited

ABN 35 116 249 060

16 July 2012

ASX Limited  
Level 8, Exchange Plaza  
2 The Esplanade  
PERTH WA 6000

**AMENDMENT TO ASX ANNOUNCEMENT DATED 16 JULY 2012**

Strzelecki Metals Limited (ASX Code: STZ) wishes to advise that an updated announcement pertaining to the proposed acquisition of Wolf Petroleum Limited has been released to include an updated indicative timetable and additional details on the assets held by Wolf Petroleum.

Yours faithfully

**AARON BERTOLATTI**  
Company Secretary  
**STRZELECKI METALS LIMITED**



**ASX Release**

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**STRZELECKI METALS  
LIMITED**  
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Chairman

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**Officeholders**

Brian McMaster  
Matthew Wood  
John Santich  
Peter Hunt

**Issued Capital**

414.0 million shares

**ASX Symbol**  
STZ

## **PROPOSED 100% ACQUISITION OF WOLF PETROLEUM LIMITED**

The Board of Strzelecki Metals Limited ("Strzelecki" or "the Company") is extremely pleased to announce that it has entered into a Heads of Agreement with Wolf Petroleum Limited ("Wolf Petroleum"), pursuant to which Strzelecki will acquire all of the issued capital in Wolf Petroleum through an offer to Wolf Petroleum shareholders ("Acquisition").

### **HIGHLIGHTS**

- This is a Company changing transaction.
- Strzelecki has entered into a Heads of Agreement to acquire 100% of Wolf Petroleum. This is a 100% scrip transaction.
- Wolf shareholders to be offered twenty five (25) Strzelecki Shares for every one (1) Wolf Petroleum Share.
- Proposal to rename Strzelecki to Wolf Petroleum Limited.
- Wolf Petroleum is an unlisted highly successful Mongolian focussed oil and gas explorer.
- Wolf Petroleum is one of the largest and most active petroleum explorers in Mongolia 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.
- Mongolia is "open for business" and actively encourages foreign investment in its resources sector. The Wolf Petroleum Board including; Matthew Wood, George Tumur and Tim Flavel have had considerable success operating in Mongolia.

Completion of the Acquisition will be subject to conditions including ASX and shareholder approval, completion of due diligence and Strzelecki becoming entitled to acquire 100% of Wolf Petroleum as a result of Wolf Petroleum shareholders accepting the offers to be made to them by Strzelecki.

Strzelecki will continue to undertake due diligence on the Acquisition. In the event that this work is completed to Strzelecki's satisfaction, Strzelecki in consultation with the ASX will provide shareholders with a Notice of Meeting and an Explanatory Statement for their consideration. Due diligence is expected to be completed within 30 days.

## **ABOUT WOLF PETROLEUM LIMITED**

Wolf Petroleum Limited is an unlisted public company which focuses on oil and gas exploration, development and production in Mongolia. 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. Highlights of the Wolf Petroleum acquisition include:

- Aggressive onshore, low cost exploration with elephant upside.
- Giant exploration package assembled across three blocks (72,791 km<sup>2</sup>), with additional blocks being assessed.
- Shallow targets depths at between 500 metres and 3,000 metres.
- Strong and growing market domestically in Mongolia and in China.
- Blocks are proximal to multi-billion barrel oil fields located within Mongolia and within China to the south.
- Near term development potential subject to successful exploration.
- Experienced Board of Directors. The Board of Directors and senior management team have an enviable track record operating in Mongolia.
- Mongolia is open for business and is actively encouraging investment in its resources sector.

### ***Baruun Urt Block***

The Baruun Urt block is 8,744 km<sup>2</sup> and is located in eastern Mongolia in a region with a proven petroleum system. The geological structures found on the Baruun Urt block are similar to those found on current operating oil fields.

### ***Jinst Block***

The Jinst block is currently the largest exploration block in Mongolia. On the eastern side of the block, two significant sub basins have been identified. Geological and geophysical studies have been completed on this block and further geochemical work is planned.

### ***Sukhbaatar Block***

The Sukhbaatar block is 23,047 km<sup>2</sup> and is located in the East of Mongolia. Wolf Petroleum recently bid on an international open tender for Sukhbaatar block. It successfully passed through the selection process and has signed the initial Product Sharing Contract.

## **HEADS OF AGREEMENT**

Strzelecki and Wolf Petroleum have entered into a Heads of Agreement pursuant to which the parties have given certain undertakings to each other in order to facilitate the implementation of the Share Offer. The Heads of Agreement contains certain terms usual for a transaction of this nature including customary deal protection mechanisms such as “no shop” and “no talk” restrictions as well as a right for Strzelecki to match a competing proposal.

## **CHANGE OF ACTIVITIES**

The proposed Acquisition when concluded will constitute a significant change in the nature and scale of the Company’s activities contemplated by Chapter 11 of the ASX Listing Rules.

The Board believes this is a unique opportunity to participate in an oil and gas project which has potential to generate significant organic growth and widespread market support for the Company. To proceed with the acquisition of Wolf Petroleum various aspects of the transaction will need to be approved by Shareholders and the requirements of Chapters 1 and 2 of the Listing Rules will need to be complied with. Following the completion of the transaction, the Board of the Company will reconsider the Company’s funding needs and determine if additional funds are required at that time.

## NAME CHANGE

Subject to Shareholder approval Strzelecki is proposing that the name of the Company be changed to “Wolf Petroleum Limited”.

## GENERAL MEETING OF STRZELECKI SHAREHOLDERS

The Company will convene a general meeting of shareholders to approve, inter alia:

1. A change in activities via the acquisition of Wolf Petroleum.
2. Consolidation of capital to comply with ASX Listing Rules.
3. A change of name.
4. Any other necessary resolutions to give effect to the Wolf Petroleum acquisition.

## COMMON DIRECTORSHIP

Mr Matthew Wood, a Strzelecki Executive Director, is also the Executive Chairman of Wolf Petroleum. The independent directors of Strzelecki have resolved to make this Offer to Wolf Petroleum shareholders. As a result of Mr Wood’s common directorship, he has been excluded from voting in matters relating to the Acquisition.

## CAPITAL STRUCTURE

On the basis that Strzelecki completes the Acquisition and consolidation on the terms set out above, Strzelecki’s capital structure will be as follows (post consolidation):

Capital Structure	Shares
Strzelecki Shares currently on issue	414,000,000
Strzelecki Shares after Consolidation (10:1)	41,400,000
<b>Consideration Shares</b>	
Strzelecki Shares to be issued to the Wolf Petroleum Shareholders	2,069,375,075
Strzelecki Shares issued to the Wolf Petroleum Shareholders after Consolidation (10:1)	206,937,508
TOTAL STRZELECKI SHARES BEFORE CONSOLIDATION	2,483,375,075
<b>TOTAL STRZELECKI SHARES AFTER CONSOLIDATION</b>	<b>248,337,508</b>

## INDICATIVE TIMETABLE\*

The indicative timetable for completion of the Acquisition is set out below:

Event	Date
Execution of Heads of Agreement and Announcement of Acquisition	15 July 2012
Completion of due diligence and ASX Announcement	15 August 2012
Dispatch Notice of Meeting seeking approval for Acquisition	31 August 2012
Lodgement of Bidder’s Statement	31 August 2012
Bidders Statement mailed to Wolf Petroleum shareholders	17 September 2012
General Meeting to approve Acquisition and Change in Nature and Scale of Activities.	1 October 2012
Suspension of Strzelecki’s securities from trading on ASX at the opening of trading	1 October 2012
Bid closing	18 October 2012
Anticipated date the suspension of trading is lifted and securities commence trading again on ASX	1 November 2012

\*This time table is indicative only and subject to change. The directors of Strzelecki reserve the right to amend the timetable.

On the assumption that the Company is satisfied with the due diligence results, full and further information will be provided to shareholders in the Notice of Meeting and will also be contained in the Bidder’s Statement.

The proposed acquisition of Wolf Petroleum is a company changing transaction for Strzelecki Metals and will position the company for significant growth in the future.

**Brian McMaster**  
**Chairman**