

19 June 2013

ASX ANNOUNCEMENT

VERY HIGH STRENGTH CONDUCTORS INDICATED FROM HELITEM - MASSIVE SULPHIDE & GOLD EXPLORATION UPDATE

Highlights

- Series of very strong conductors newly identified in preliminary HeliTEM results
 - One conductor close to recent bonanza grade drilling intersections with sulphide association at Goodenough area
 - The presence of sulphides, as logged, at GV-C3 would be a strong indicator that these adjacent conductors are massive sulphide related
 - Highest strength conductors in project area not yet tested
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Stratum Metals Limited (ASX: SXT) ("Stratum") is pleased to announce Fugro has now provided the Company with final processed data from the HeliTEM survey flown in March on the East Menzies Goldfields Project. This data is being assessed in relation to results from the initial drilling and down hole EM work on the previously identified three MLTEM conductors. This shows recent drilling, while well targeted based on available information, has not yet tested the highest strength conductors in the area.

The bonanza grade mineralisation at Goodenough reported from recent drilling (9m @ 16.63g/t Au from 44m (inc. 4m @ 36.54g/t Au and inc. 1m @ 121g/t Au) – ASX announcement 4 June 2013) is associated with a 30% stringer pyrite and carbonaceous shale which gives relevance to the nearby very strong conductor as potentially part of a larger mineralised system.

Figure 1 on the following page shows the very strong HeliTEM survey conductor (ch 20 displayed) in relation to the recent drilling results at Goodenough.

The very strong conductor located near Goodenough is only one of a number of other very strong conductors identified in the HeliTEM data across the project.

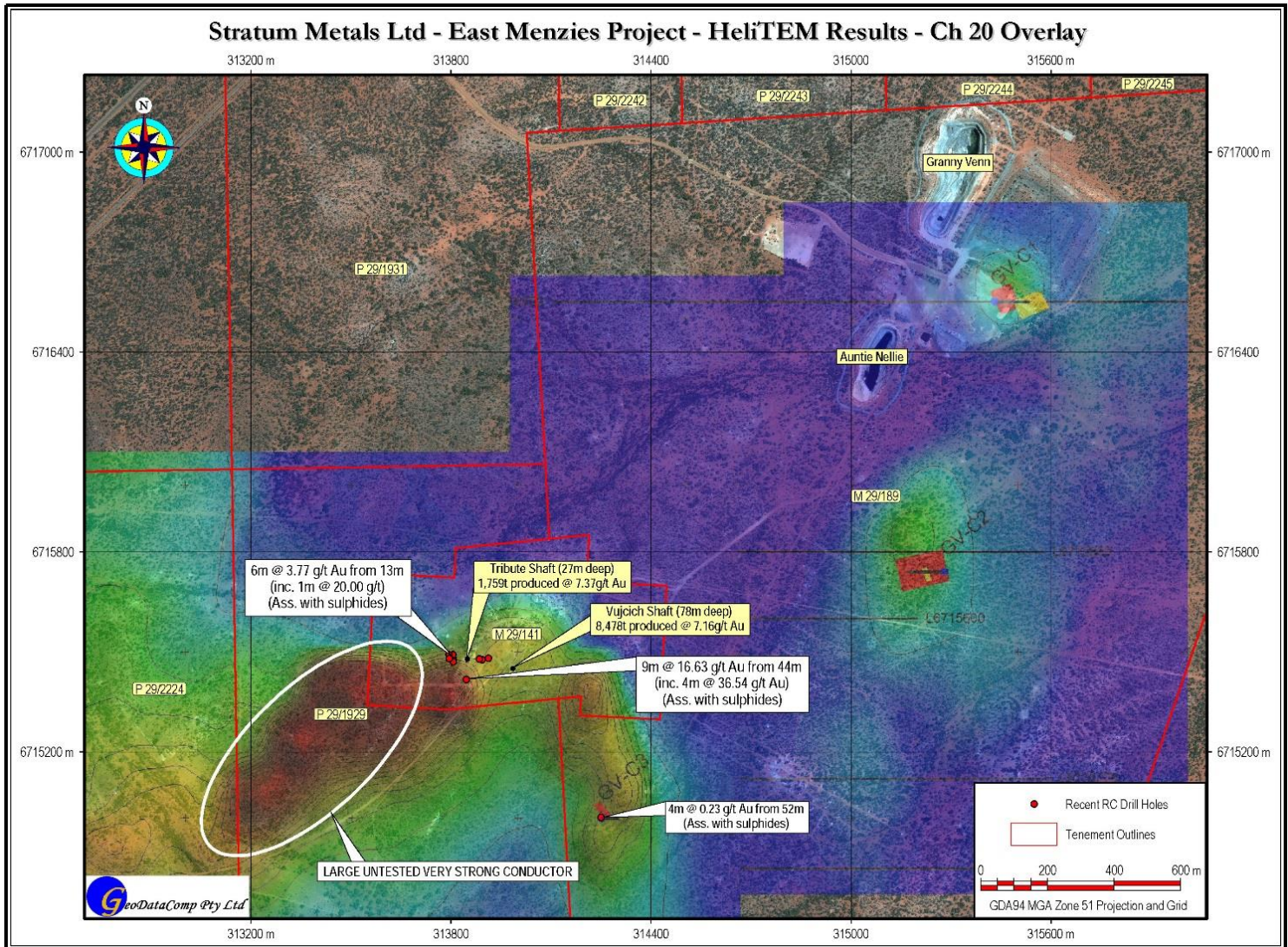


Figure 1: Recent drilling and down hole EM plates on HeliTEM (ch20 image)

Stratum’s geophysical consultant, Core Geophysics, has provided the following very encouraging preliminary comments on the HeliTEM data:

- In general the survey is characterised by a complex conductivity regime with a minimal presence of conductive overburden.
- Responses are observed that indicate the presence of very strong conductors at shallow depth.
- Immediately south of the Goodenough Mine is a narrow band of highly conductive, weakly magnetic bodies (figure 2):
 - The narrow band of conductors trends for approximately 3,800 metres,
 - These conductors correlate with mapped ferruginous interflow sediments,

- This band is variably conductive and non-conductive with conductors of variable strength observed along its length,
- The band is also variably magnetic and non-magnetic but the degree of magnetism does not correlate with the strength of the conductive response, and
- Previous explorers have targeted this feature from a geological perspective without the benefit of having the current geophysical data.
- The area around the Goodenough Mine has two discrete, non-magnetic conductors that may not have been previously tested:
 - The potential correlation between mineralisation in hole TRIB01 and these conductors makes them a priority exploration target.
- Hole TRIB01 intersected sulphidic carbonaceous shale (47-51m @ 35.2 g/t Au) which is likely to be the source of the strong conductor immediately to the west of this hole:
 - The figure (2) below shows the location of this hole in relation to a large and strong conductor to the west,
 - The implication should be that this conductor can easily represent a larger body of sulphidic carbonaceous shale,
 - The fact that this body is an odd shape is very positive because it is less likely to be a simple geological horizon,
 - The body is non-magnetic,
 - This conductor should be viewed as a priority exploration target, and
 - Open file reports show a history of localised geophysical exploration around the mine which is being reviewed as part of the current Stratum exploration program

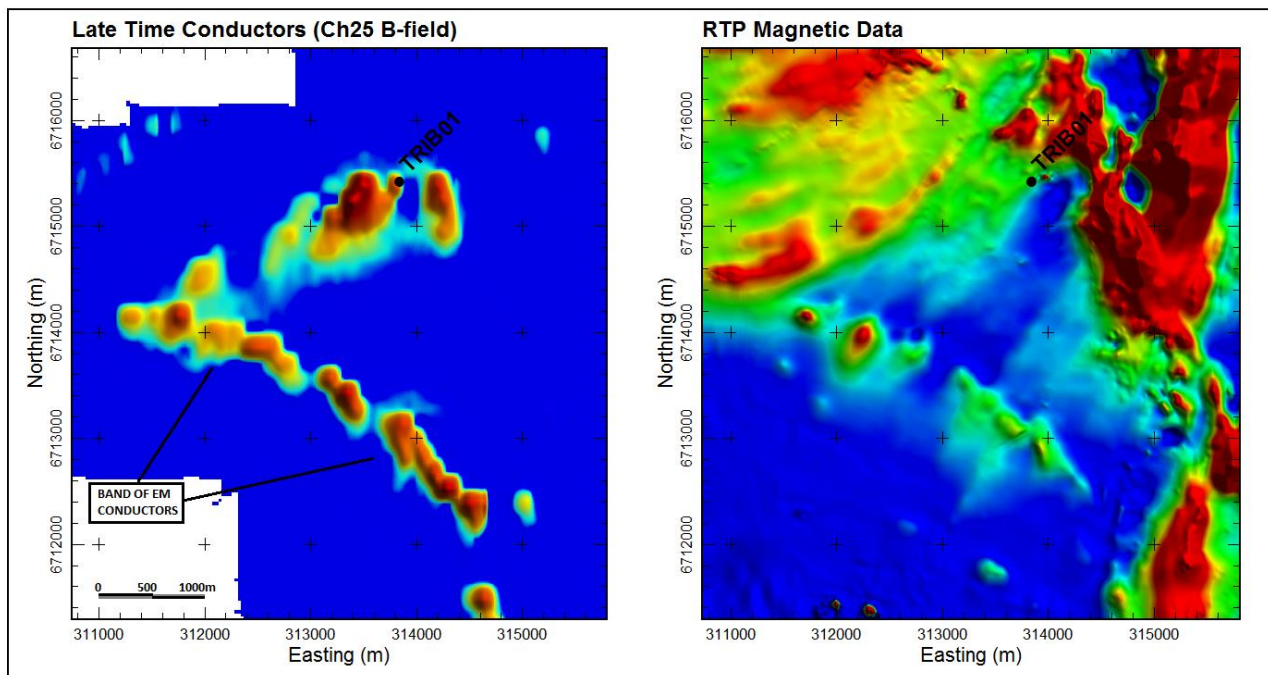


Figure 2: Strong HeliTEM conductors (left) and corresponding magnetics image (right) around hole TRIB 01 (drilled in the Goodenough Mine area)

- Strong surficial conductivity features are observed in the southeast and northeast of the survey. These are thought to be related to conductive overburden however subtle anomalies occur within the data which could be bedrock responses.
- The far south of the survey area is characterised by a complex set of narrow conductors that vary between a strike extensive nature to discrete, localised bodies (see figure 3 below). There is little correlation with magnetic data which further adds to their complexity.
- There are numerous other anomalies within the data set that will require extensive and careful analysis to prioritise their exploration significance.

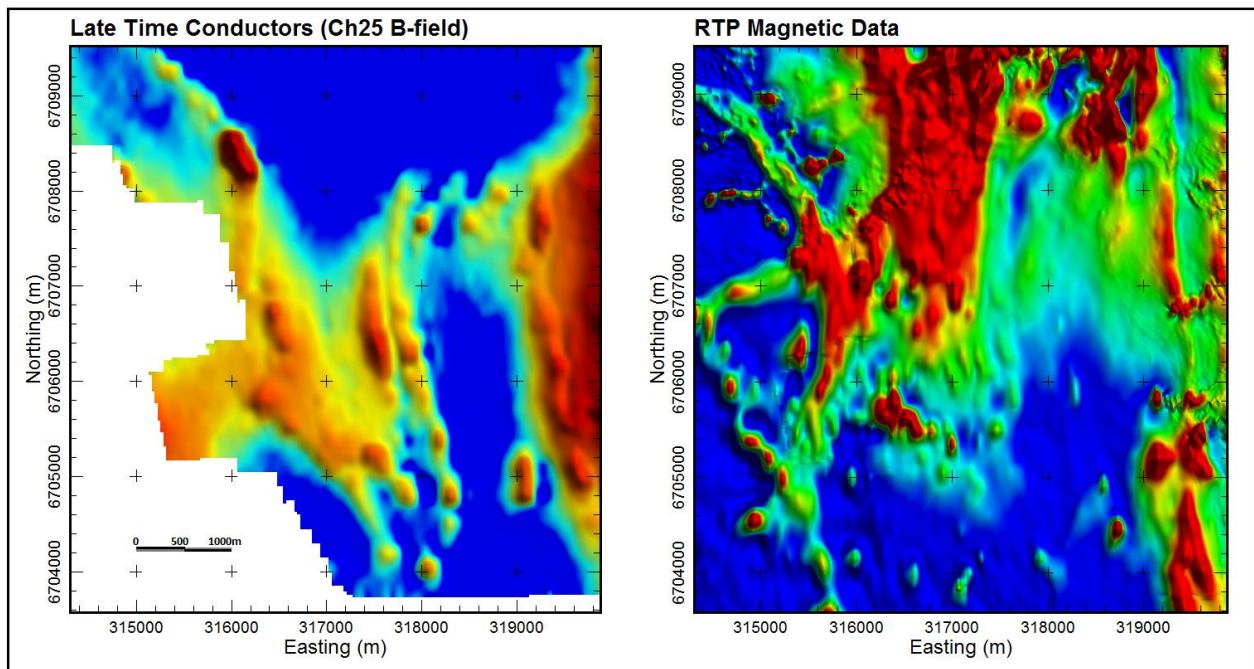


Figure 3: HeliTEM (left) and corresponding Magnetics image (right) for southern parts of the project area

- EM targets identified in the 2008 Peak Resources ground EM survey, and drilled recently by Stratum, are visible in the airborne EM data:
 - HeliTEM data suggests that extensions are possible for all three anomalies (GV-C1, GV-C2, GV-C3). That is specific channels show these conductors to have strike extent,
 - The conductor GV-C3 rests on the margin of one anomaly. When modelling was completed of the Down Hole EM (DHEM) obtained from GV-C3 the resultant model had a conductance of 20,400 S/m. This value is very high in terms of conductance,
 - A small profile window of the B-field data along a flight line just north of GV-C3 has been extracted to show the response. The DHEM plate model for GV-C3 is shown as a small red rectangle on the image (Figure 4), and
 - The presence of sulphides, as logged, at GV-C3 would be a strong indicator that these adjacent conductors are massive sulphide related.

Although it will take some time to fully assess the results, the early indications are that there are some very significant conductors within the survey block. Conductors are considered significant from a geophysical perspective only at this stage. The location of these conductors also adds to their potential significance.

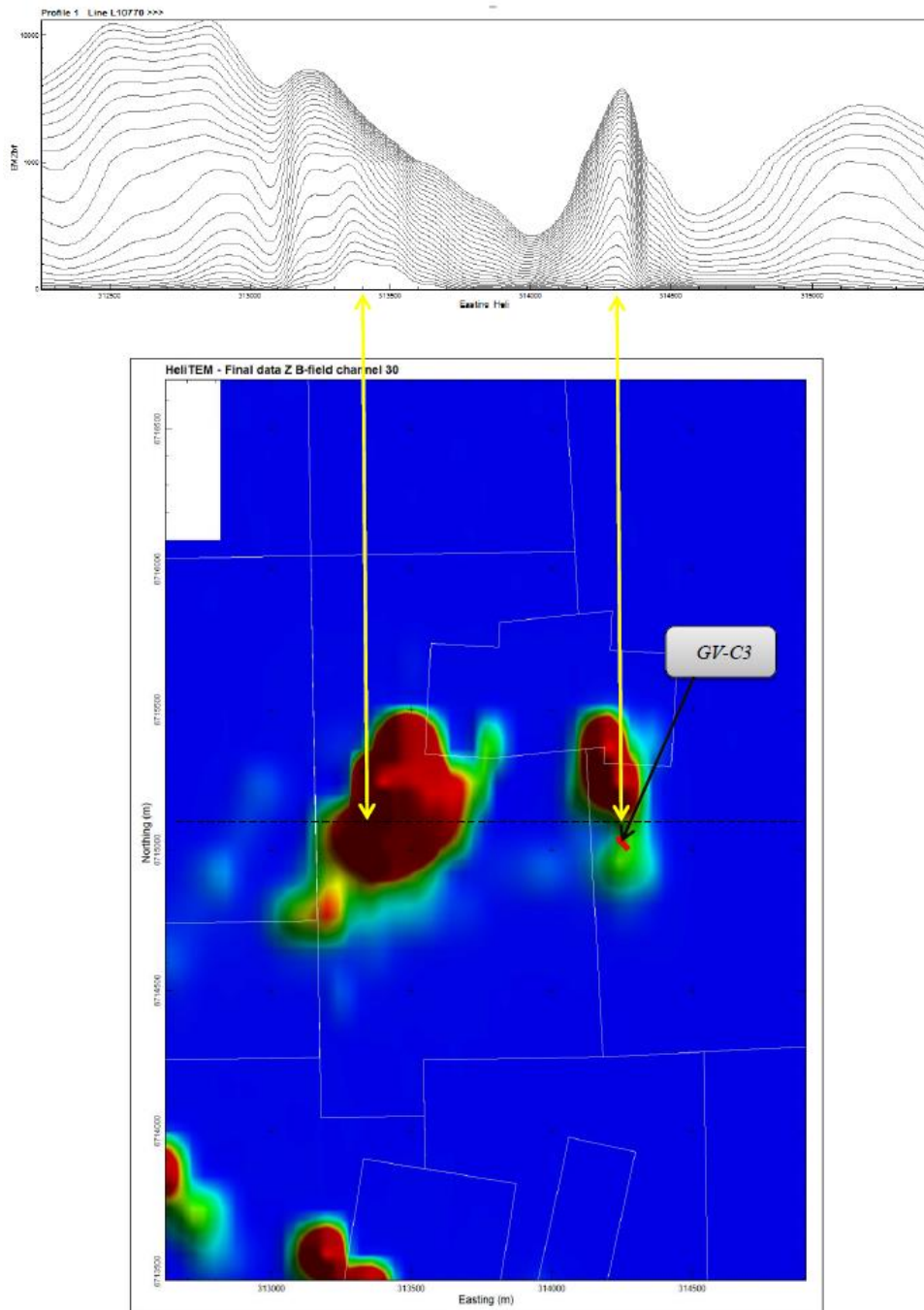


Figure 4: B-Field ch30 conductors around GV-C3. The profile window shows the B-field data over a line immediately north of GV-C3.

Three conductors identified from the Granny Venn ground EM survey were recently drilled and subsequently logged with down hole EM (DHEM) to verify target location. The conductors, GV-C1, GV-C2 and GV-C3 all intersected visible sulphides around the depths predicted from modelling, however assay results suggest the sulphides in GV-C1 & GV-C2 are not of economic significance. The recent HeliTEM work has shown these conductors may extend but are much lower order relative to the newly identified conductors.

Sample assays for GV-C3 provide early indications of gold mineralisation from 52 metres. This hole, collared at, 314247mE, 6715002mN was drilled to 120m, dipping -55 towards a magnetic azimuth of 090 (cords GDA94 Zone 51). This drill hole has been shown now to be near the edge of one very strong HeliTEM conductor.

The anomalous gold in GV-C3 was associated with stringer sulphides, similar to what was observed in the high grade mineralisation of 9m @ 16.63g/t gold with 9m @ 19.37g/t silver encountered in the drilling at Goodenough (ASX announcement 4 June 2013).

Considering the known association of high grade gold and silver with sulphides in the Goodenough mine area, Stratum considers these untested very strong conductors as highly prospective targets for mineralisation.

At this early stage the area southwest of the Goodenough resource in particular is shaping as a significant drilling target for the project. Completion of the geophysics work and integration of this with past work in the area over the coming weeks is expected to put Stratum in a position to seek the required government approvals to commence drilling.



Martin Holland
Managing Director

Attribution

The information in this release that relates to Exploration Results and planning is based on information compiled by Todd Axford, who is a member of the Australasian Institute of Mining and Metallurgy. Todd Axford is a contracted to the company, and has sufficient experience relevant to the styles of mineralisation and type of deposit under consideration and to the activity he is undertaking, to qualify as a Competent Person as defined in the December 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Todd Axford consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.



About Stratum Metals Limited

Stratum Metals Limited was formed to utilise some of the latest innovations in geosciences to target areas in Western Australia prospective for the discovery of gold and copper-gold ore bodies.

Stratum Metals has acquired a tenement portfolio located in the prospective gold and copper mineralisation region of Yilgarn in Western Australia. These tenements cover a range of mineralising systems in known and emerging mineral provinces in Western Australia, where potential exists for new gold, copper and nickel discoveries.

Stratum Metals has commenced comprehensive and intensive exploration of the targets identified in the search for new ore bodies.

The East Menzies Goldfield Project is operated by Stratum Metals Ltd with ownership divided 60% Stratum Metals Ltd 40% Mountain Gold International Ltd. Exploration is funded by both parties in proportion to ownership.