



5 June 2014

Dear Shareholder,

RENOUNCEABLE RIGHTS ISSUE

On 3 June 2014, Stratum Metals Limited (**Company**) announced a renounceable pro rata offer to eligible shareholders of approximately 303,555,693 fully paid ordinary shares on the basis of 5 new shares for every 2 existing shares held as at 7:00pm (AEST) on 11 June 2014 (**Record Date**) at an issue price of \$0.01 per share with 1 free attaching option exercisable at \$0.02 on or before 31 December 2015 for every 2 new shares issued (**Offer**). Pursuant to the Rights Issue, the Company may raise a maximum of approximately \$3.036 million (before costs).

The Offer is conditional upon raising a minimum of \$1.345 million (**Minimum Subscription**), of which Patersons Securities Limited (**Patersons**) has agreed to underwrite \$845,000 (**Underwritten Amount**).

Funds raised will be used to explore, develop and commence gold production (subject to positive economic evaluation) from the Company's East Menzies Goldfield Project, repurchase convertible notes held by Mountain Gold International Pte Ltd, provide general working capital and meet the costs of the Offer. In the event the Minimum Subscription is raised, \$0.845 million will be used to repurchase convertible notes and the balance for working capital.

Further information on the Company is set out in a presentation, a copy of which is available from www.asx.com.au.

The Company expects the Offer to be conducted in accordance with the following timetable:

Event	Date ¹
Lodge prospectus with ASIC	3 June 2014
Shares quoted on an "ex" basis	6 June 2014
Rights trading starts	6 June 2014
Record Date	11 June 2014
Dispatch prospectus to Shareholders	13 June 2014
Opening date	13 June 2014
Rights trading ends.	17 June 2014
Closing date	24 June 2014
Issue of New Shares	30 June 2014
Trading of New Shares on ASX	1 July 2014

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1. The Directors may extend the closing date by giving at least 3 business days' notice to ASX prior to the closing date, subject to such date being no later than 3 months after the date of the prospectus. As such the date the new shares are expected to commence trading on ASX may vary.

The new shares issued pursuant to the Offer will rank equally with existing fully paid ordinary shares in the Company.

The Offer is made under a prospectus lodged with ASIC on 3 June 2014, a copy of which will be sent to Eligible Shareholders shortly after the Record Date. Eligible Shareholders should consider the prospectus carefully in deciding whether to acquire new shares and attaching new options offered under the Rights Issue, and will need to complete the personalised entitlement and acceptance form accompanying the prospectus to take up their entitlements. Eligible Shareholders may also apply for shortfall shares in excess of their entitlement.

Patersons will be paid a corporate advisory fee of \$30,000, a management fee of 1% of the total amount raised under the Rights Issue, and a shortfall placement fee of 5% on shortfall securities placed in excess of the Underwritten Amount.

Should you have any questions regarding the Offer you may contact the Company on +61 7 3212 6230 or consult your stockbroker or professional adviser. A copy of the prospectus may be viewed on the ASX Limited website at www.asx.com.au, or alternatively at the Company's website at www.stratummetals.com.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Richard Anthon', written in a cursive style.

Richard Anthon
Director