

17 October 2012

ASX ANNOUNCEMENT**CANNING BASIN COAL PROJECT: TENEMENT HOLDING EXPANDED**

RECENT TENEMENT APPLICATION ADDS KNOWN COAL OCCURRENCE

Stratum Coal Pty Ltd, a 100% subsidiary of Stratum Metals Ltd, has lodged an application for tenement E04/2235

New tenement contains the Petaluma No.1 Petroleum Well, which intersected 15m of coal bearing strata, with coal confirmed by later drilling undertaken by Rey Resources Ltd

Stratum Coal Pty Ltd, a 100% subsidiary of Stratum Metals Ltd, has lodged an application for tenement E04/2235 expanding the landholding of the Groups Canning Basin Coal Project. Including the tenement application reported in September, Stratum's Canning Basin Coal Project now consists of seven tenements (shown on figure 1 below).

The tenement is located in the area of the Deep Well Anticline within the Fitzroy Trough in the north west part of the Canning Basin; where the most persistent and thicker coal seams have been reported from the Lightjack Formation at the base of the Permian Liveringa Group. Historical reporting shows the application area to surround the Petaluma No.1 petroleum exploration well, which intersected 15 metres of coal bearing strata from 200 metres. This area was previously held by Blackfin Pty Ltd, a subsidiary of Rey Resources Ltd, who reported drilling four holes in 2005. The Blackfin drilling confirmed the presence of a 10 to 15 metre thick coal seam across the Deep Well Anticline, at depths from 200 to 280 metres (Rey Resources Ltd 2005 Annual Report).

Regards



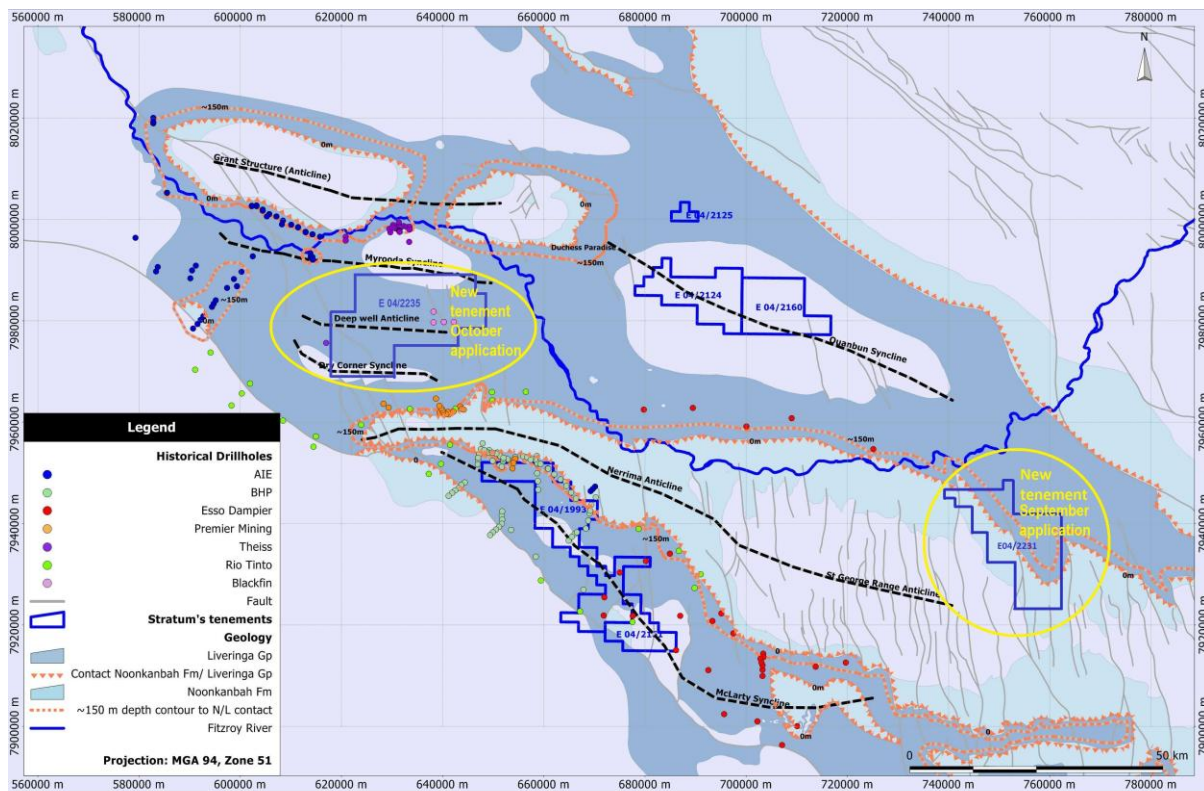
Martin Holland
Managing Director

Stratum Metals Limited ACN 147 867 301

7/151 Macquarie Street, Sydney NSW Australia 2000

Ph. +61 2 9276 1245 | Fax +61 2 9276 1284

ASX Code: SXT | www.stratummetals.com.au



Tenements

Australia MGA94 (51)



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 Company's wholly owned subsidiary, Stratum Coal Pty Limited, has been incorporated with a view to acquiring coking or thermal coal tenements domestically and internationally.

Stratum Metals Limited ACN 147 867 301

7/151 Macquarie Street, Sydney NSW Australia 2000

Ph. +61 2 9276 1245 | Fax +61 2 9276 1284

ASX Code: **SXT** | www.stratummetals.com.au