

14 March 2012

ASX ANNOUNCEMENT

GIDGEE GOLD PROJECT

- **MMI soil sampling completed**
- **Stage Two 6,200 metre RC drilling program approved**
- **Stage Two Drilling to commence on 18th March 2012**
- **First phase of drilling to be completed by the end of March**
- **Potential JORC classified resource in 3rd quarter 2012**

Stratum Metals Limited ('Stratum' or 'Company') is pleased to announce that work following the initial high grade gold drilling results at the Gidgee North Project (announced in December 2012) is progressing. A MMI soil sampling program has been completed, and an additional Stage Two 6,200 metre RC drilling program has received government approval allowing drilling to commence in the coming days with a start date of the 18th March 2012.

MMI program: A total of 656 samples have been collected in the field and will be submitted to SGS Laboratory in Perth for MMI analysis this week. The program was designed with two components:

1. As a close spaced test to identify continuations of the mineralisation previously identified in RC drilling (approximately 100 metre spaced lines with 50 metre spaced samples), and
2. Broader line spacing aimed at assessing the general prospectivity of the broader project area (1 km spaced lines with 50 metre spaced samples). Positive results will lead to an infill sampling program likely to occur in May/June 2012.

MMI program results are expected in approximately four weeks.

Stage Two RC Drilling program: Stratum has received approval from the Department of Minerals and Petroleum (DMP) to drill 42 RC holes, expected to total 6,200 metres (figure 1). These holes are aimed at expanding the area of identified mineralisation at the German Well South prospect (see January 2012 announcement) and ultimately generate a dataset to be used to determine a JORC classified resource estimate.

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Drilling contractor Murchison Exploration has been engaged to complete an initial phase of this drilling between now and the end of March. They are currently due to arrive on-site Sunday 18th March and are expected to complete between 1,600 and 2,000 metres of drilling; allowing Stratum to confirm the German Well South interpretation prior to completing the entire 6,200 metres.

Stratum's field crew arrived on-site this week to complete preparations prior to the arrival of the drill crew. With the initial phase of drilling to be completed by the end of March, assay results can be expected early to mid-May.

Phase two of drilling will be completed as soon as possible following the interpretation of the phase one results.

Resource Estimation: Following the successful completion of phase two drilling the company intends to undertake a resource modelling and estimation exercise aimed at producing a JORC (Joint Ore Reserve Committee) classified resource estimate for German Well South.

While Stratum believes German Well South has the potential to contain gold mineralisation of a nature suitable for economic extraction the company recognises there is no guarantee that the planned drilling will achieve the results required to produce a JORC classified resource. The phased approach to this second stage of drilling at German Well South is intended to increase the opportunity for Stratum to optimise the drilling budget and achieve positive results.

Regards



Martin Holland
Managing Director

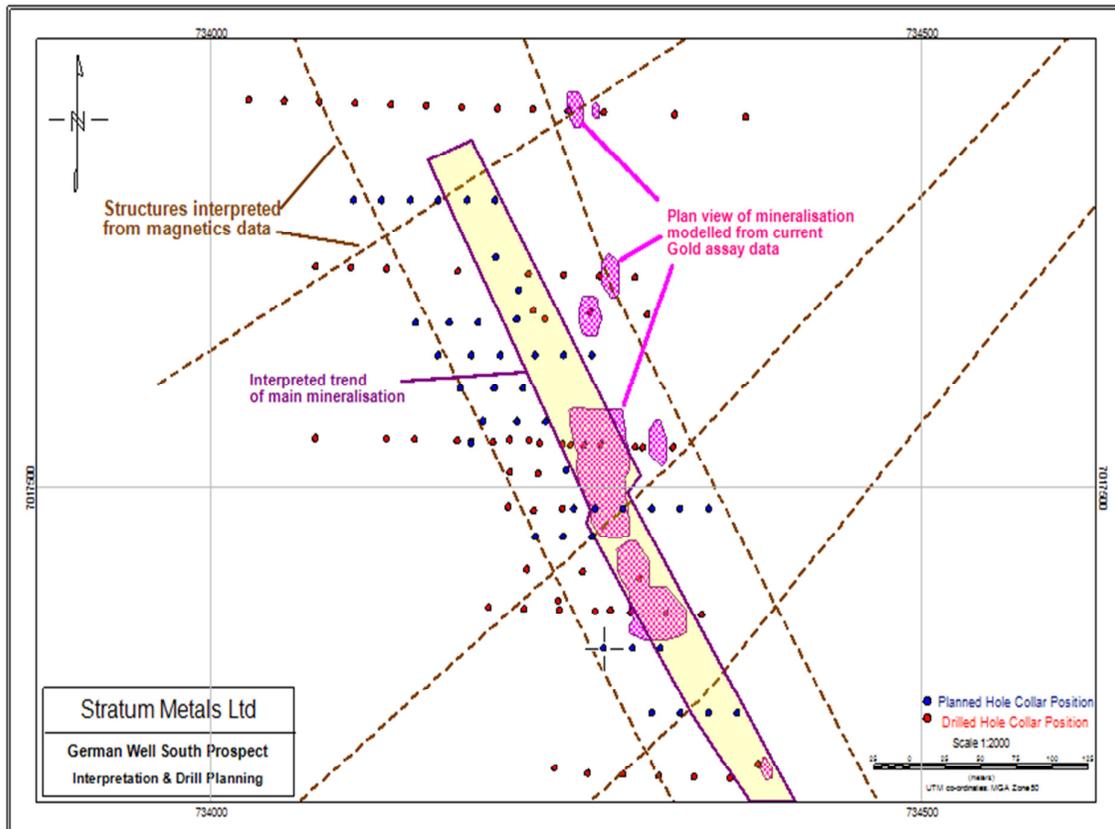


Figure 1. Past and planned hole collars.

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 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.

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