

14 December 2012

Major shareholders show support as Cape Lambert exercises Options and Exchange Minerals converts debt

Highlights:

- Major shareholders in significant show of support for Global Strategic Metals
- Cape Lambert exercises 5.4m GSZ options at A\$0.07 per option
- Exchange Minerals converts debt of €1,200,000 (plus interest) to equity
- Cape Lambert maintains a 19.5% interest in GSZ, while Exchange Minerals now holds an interest of 35.5%

Global Strategic Metals NL (ASX: **GSZ**) (**Global** or the **Company**) is pleased to confirm the exercise of options by Cape Lambert Resources Ltd (**Cape Lambert**) and conversion of the Company's loan with Exchange Minerals Limited (**Exchange Minerals**) to equity.

Following receipt of shareholder approval at the Company's Annual General Meeting, as announced on 5 December 2012, the Company has issued:

- 5,450,000 shares to Cape Lambert upon exercise of 5,450,000 options at A\$0.07 each (being a total of A\$381,500); and
- 24,865,627 shares to Exchange Minerals on conversion of the loan from Exchange Minerals to the Company of €1,200,000 (plus interest).

The Board consider Cape Lambert's exercise of the options (which were not due to expire until 29 June 2014) to be a significant show of support for the Company and its assets. Further the conversion of the Exchange Minerals loan to equity significantly decreases the debt position of the Company.

Following the issue of the above shares both Cape Lambert and Exchange Minerals remain substantial shareholders of Global being 19.5% and 35.5% respectively.

Ends

Global Strategic Metals (formerly East Coast Minerals) is an Australian based exploration company with a philosophy to build a portfolio of diversified mining opportunities and apply our extensive expertise to deliver shareholder wealth.

We will continue to look for new prospects, joint ventures and investments in the mining and exploration sectors in Australia and elsewhere.

Australian Securities Exchange

Code: GSZ

Ordinary shares	171,761,366
Options	26,644,294

Board of Directors

Tony Sage
Non-Executive Chairman

Anthony Roberts
Executive Director

Benjamin Hill
Non-Executive Director

Declan Kelly
Non-Executive Director

Pip Leverington
Company Secretary

Key Projects

Wolfsberg Lithium Project - Austria

Enquiries

Global Strategic Metals NL

Tony Sage
Executive Chairman

Eloise von Puttkammer
Investor Relations

Professional Public Relations

David Tasker
Phone: +61 8 9388 0944
Mobile: +61 433 112 936
Email: david.tasker@ppr.com.au

About the Wolfsberg Lithium Project, Austria (GSZ 80%, Exchange Minerals Group 20%)

The Wolfsberg Lithium Project is located in Carinthia, 270 km south of Vienna, Austria. The Project is located 20 km east of Wolfsberg, an industrial town, with excellent infrastructure, which includes rail. The main industry in the area is forestry and a pulp and paper mill is in operation in Wolfsberg.

There are two types of Pegmatite ores within the Project, with veins up to 5.5m:

- Amphibolite Hosted Pegmatite ("AHP") with grades up to 3.15% Li₂O; and
- Mica Hosted Pegmatite ("MHP") with grades up to 1.95% Li₂O.

Key Project Features

- Close to road, rail and cities at Wolfsberg and Deutschlandsberg
- Significant land holding of granted exploration and mining licenses
- Inferred JORC resource of 18 million tonnes at 1.6% Lithium Oxide ("Li₂O") including a measured resource of 3.7 million tonnes at 1.5% Li₂O with substantial exploration upside with ore body remaining open at depth and along strike
- Mining was undertaken and Permitting was in place in the late 1980's for trial mining and the Project has been kept on care and maintenance and in survey since then.
- Strategic location for mining and supply to European markets
- Lithium price forecast to remain strong
- Global Lithium demand is increasing
- There is currently no Li₂O produced in Europe

Development Strategy

- Complete mineral processing studies using 2011 technology to achieve target production specifications and to produce samples of Spodumene, Quartz, Feldspar and Mica for marketing purposes
- Continue to develop an off-take strategy with potential off-take partners
- Undertake limited drilling to convert inferred resources into the indicated and measured categories
- Complete a Definitive Feasibility Study based on mining approximately 350,000 tonnes per annum or 9,200 tonnes per annum of Lithium Carbonate. The mining rate of the mining operation will be dependent on the size of off-take agreements for saleable products

Competent Persons Statements

The information in this announcement that relates to Mineral Resources is based on information compiled by Mr Ian Miller of Geotask Pty Ltd. Mr Miller is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). He has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2004 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Miller consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

The information in this report which relates to Exploration Targets or Exploration Results is based on information compiled by Mr Allen Maynard, who is a Member of the Australian Institute of Geosciences ("AIG"), a Corporate Member of the Australasian Institute of Mining & Metallurgy ("AusIMM") and independent consultant to the Company. Mr Maynard is the Director and principal geologist of Al Maynard & Associates Pty Ltd and has over 30 years of exploration and mining experience in a variety of mineral deposit styles. Mr Maynard has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves". (JORC Code). Mr Maynard consents to inclusion in the report of the matters based on this information in the form and context in which it appears.