

15 July 2013

AU\$1 million Funding Secured

Global Strategic Metals NL (ASX: **GSZ**) (**Global** or the **Company**) is pleased to announce that, in a further show of support, major shareholder Cape Lambert Resources Limited (ASX: CFE) (**Cape Lambert**) has agreed to provide AU\$1 million to the Company pursuant to a converting loan agreement (**Converting Loan Agreement**).

Pursuant to the Converting Loan Agreement, the Company will receive the loan funds by no later than 24 July 2013 which, subject to receipt of shareholder approval at the Company's 2013 Annual General Meeting, will automatically convert into ordinary shares in the Company. If approval is not obtained, the loan (together with interest which accrues daily at 12% per annum) is repayable by the Company by 30 June 2014.

In the event the Company completes a capital raising or a transaction which results in the Company having in excess of \$5,000,000 in its bank accounts, Cape Lambert may (at its sole election) require immediate payment of outstanding monies providing the Company is left with at least \$2,000,000 in its bank accounts.

The funds received pursuant to the Converting Loan Agreement will be used by the Company for repayment of approximately €500,000 (plus accrued interest) to KMI (being the final payment owing pursuant to the KMI loan agreement), as partial funding of the Company's bulk extraction exercise at the Wolfsberg Lithium Project in Austria and for general working capital purposes only unless otherwise agreed by the parties.

Further details of the KMI loan agreement are set out in ASX announcement dated 12 April 2012). It was subsequently agreed with KMI that the final instalment due on the 30 June 2013 be deferred until 31 July 2013. Following this payment, the KMI loan agreement will be paid in full.

The Company is continuing to progress additional capital raising options with its mandated financial advisor Fox Davies Capital Limited and will advise the market in relation to any material developments.

Ends

Global Strategic Metals 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	19,500,000

Board of Directors

Tony Sage
Non-Executive Chairman

Anthony Roberts
Executive Director

Benjamin Hill
Non-Executive Director

David Shaw
Non-Executive Director

Declan Kelly
Non-Executive Director

Pip Leverington
Company Secretary

Key Projects

Wolfsberg Lithium Project - Austria

Enquiries

Global Strategic Metals NL

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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.