

1 November 2013

European Road Show and Capital Raising Update

Further to its announcement on 29 October 2013, Global Strategic Metals NL (ASX: **GSZ**) (**Global** or the **Company**), is currently raising additional capital through a directed equity placing. The book-build and placement are being conducted by Fox Davies Capital Limited, who are acting as the Company's mandated financial adviser for this transaction. It is anticipated that the equity placement will be completed by the end of November.

The Company's two major shareholders, Exchange Minerals Limited and Cape Lambert Resources, who hold more than 53% of GSZ's issued share capital, have also agreed to convert into equity the A\$1.7 million in convertible debt they provided to the Company this year (subject to shareholder approval at the Company's Annual General Meeting on 22 November 2013). This conversion will be at a premium based on the Company's current share price.

It is the Company's intention to use the capital raised to:

- conduct metallurgical test work and assaying, pursuant to the 1000 tonne bulk mining sample currently being undertaken by the Company at the Wolfsberg Lithium Project (the Project) in Austria;
- engage an independent engineering company to review and, if appropriate, update the current scoping study;
- carry out a feasibility study and prepare an operational mine plan for the Project;
- conduct a drilling programme to extend the resource at the Project; and
- supplement the Company's working capital position.

Following the completion of the European road show and capital raising the Board will also evaluate the potential benefits to the Company of a listing on a European stock exchange.

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

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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 16.9 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 consented 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.