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MEDIA RELEASE

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BRIGHT OUTLOOK FOR STRZELECKI'S MYSZKOW MOLYBDENUM DEPOSIT [1]

London's Mining Journal, 16th October 2009 included a focus on Poland and gave Strzelecki Metals Limited (ASX: STZ) a significant boost for its Myszków deposit in southern Poland. In particular, this prestigious mining journal's article noted that Strzelecki was two years into the drilling of "Europe's largest Mo-Cu-W-Ag deposit", and that the estimated metal-in-ground value was "nearly US30 billion", confirming once again the potential size of the deposit.

Strzelecki's ASX Announcement of 16 October 2009 noted that Perth based consultants Coffey Mining Pty Ltd released the Company's Concept Study of its molybdenum-copper-tungsten deposit in Poland. The Concept Study, sourced over 30 other reports, which included the resources estimate provided by SMG Consultants of Brisbane earlier this year (announced 18 March 2009). This is the first attempt to take a holistic view at the Myszków deposit, which takes into account geology, resource, mining, metallurgy and processing to assess the economic viability of a mining operation.

The Concept Study suggests potential Project NPVs of $US63M (base case) and $US690M (optimistic case), with potential for a 17-20 year mine life @ 5Mtpa and 1850 ppm eMo[2] cut-off grade. The mining part of the report investigated two production regimes, 5 and 10 million tonnes of ore per annum (Mtpa), suggesting however a maximum production rates up to 7 Mtpa for a highly mechanised underground mine with traditional sub level stoping.

The mining and processing concept envisages that most of the tailings will be stored underground as paste fill. The initial mine life, based on a resource defined by a high cut-off grade of eMo=1850ppm, is at least 17 years (at 5 Mtpa). These figures assume mining of only a small proportion (approx 76Mt) of the 726Mt Inferred Resource of the deposit. Capital expenditure required for a 5 Mtpa production is estimated at $US 224 million for the mine and $US203 million the processing plant.

The regional setting is shown in Figure 1, with an idealised mine decline layout in Figure 2, ventilation layout in Figure 3 and a schematic mining process in Figure 4. The exploration potential around the deposit as well as a cross section through through the deposit are shown in Figures 5 and 6.

Strategy for 2010 and beyond

Significant milestones were achieved for Strzelecki in the past twelve months, including:

- Completion of the last of three deep exploration holes in the concession area
- Completion of a resource estimation in accordance with the Australian JORC standard
- Completion of a Concept Study on mining of and processing ore from the deposit
- Initiation of further metallurgical testing aimed at laboratory scale tests
- Initiation of re-interpretation of the existing geophysical data
- Commencement of formal dialog with the local community government
- Finalisation of the acquisition and refurbishment of a 750m2 office building in Kraków
- Establishment of a core storage and sample preparation facilities at Krakow office
- Identification of additional exploration potential around the Myszków deposit.

1 Mining Journal 16 October 2009; for full text see page 4
[2] Molybdenum equivalent; see page 4

Outlook for 2010-2011

For 2010-2011, a new drilling program is being prepared to better define the high-grade central core of the deposit and upgrade part of the tonnage from the JORC Inferred Resource category to the Indicated category.

Further, drilling will also be planned to test the copper rich molybdenum-copper mineralisation which appears in the metasediments or black schists associated with the higher level porphyry intrusions surrounding the bulk of the deposit.

As noted previously, the Myszków deposit model shows the mineralisation to be highly consistent and cohesive. As the cutoff grade is increased the core of the deposit remains intact and continuous. This is a vital part of the process as it allows for mining of the higher grade core of the deposit while leaving to one side the lower grade mineralised extremities.

For more information please visit the Company website: www.strzeleckimetals.com.au

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ABOUT STRZELECKI METALS

Strzelecki Metals is a minerals exploration and development company, with offices in Adelaide, Australia and Krakow, Poland. Strzelecki is listed on the Australian Securities Exchange (ASX: STZ) and operates in Poland through its wholly owned subsidiary, Slasko Krakowska Kompania Górnictwa Metali Sp. z o.o. (SKKGM).

In Poland, SKKGM holds a Concession over the Myszków-Zarki mineral system in Southern Poland, which includes the Myszków molybdenum-copper-tungsten deposit. Based on existing drill hole data, this deposit has inferred resource of 726mT using a cut off grade of 0.12% Mo. The depth and lateral extents of this resource are still open. Strzelecki is methodically drilling this resource to establish its full extent and accurately scope a mining operation to exploit this resource. The company is also looking to identify other projects in Central Europe for potential acquisition.

In Australia, Strzelecki holds prospective mineral tenements in Western Australia, South Australia and New South Wales where its focus is the discovery of commercial deposits of precious and base metals (Cu, Au, Ni & U) and the formation of joint ventures with major resource companies to leverage greater exploration flexibility.

Figure 1 Project Location

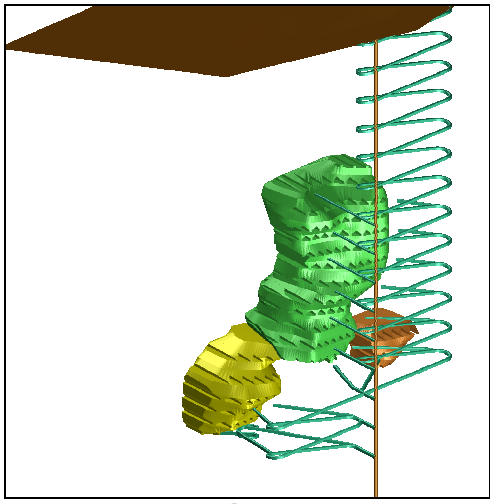

Figure 2 Proposed Decline Layout

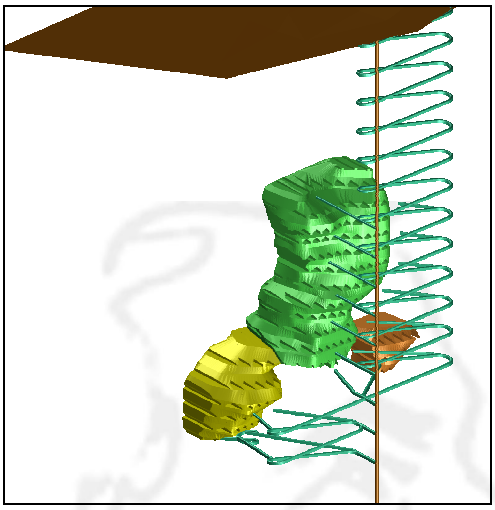

Figure 3 Proposed Ventilation Layout

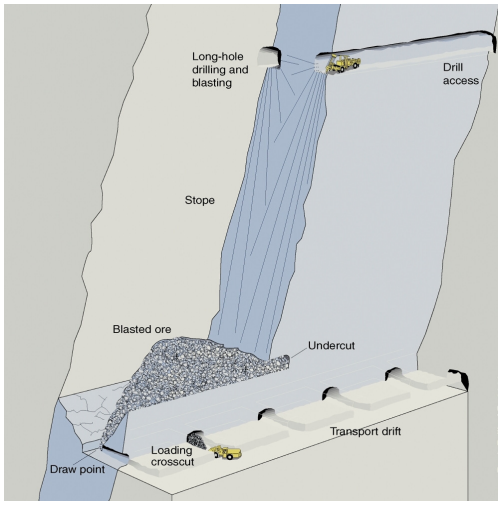

Figure 4 Proposed Mining Method

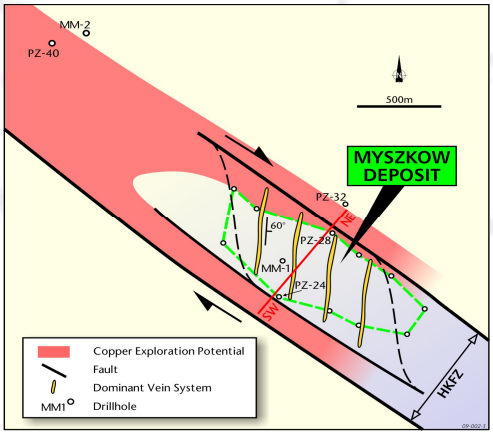

Figure 5 Additional Cu-rich Mo-Cu potential

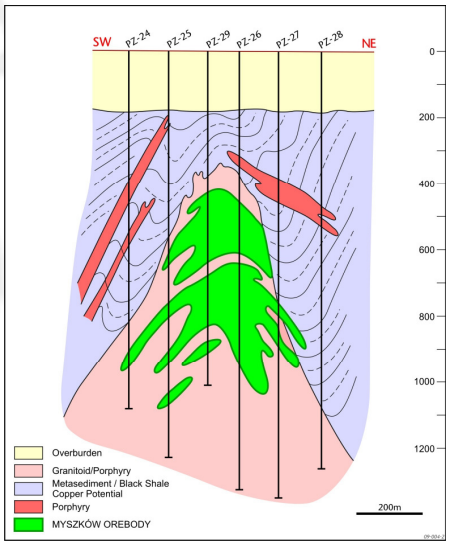

Figure 6 Deposit cross section SW–NE

Text of Mining Journal Article 16 October 2009

"ASX-listed Strzelecki Metals Ltd is now two years into the drilling of Europe's largest Mo-Cu-W-Ag deposit, located at Myszków in Poland. the porphyry is located 80km northwest of Krakow and has an estimated metal-in-the-ground value of nearly US$30 billion. It is one of several porphyry copper-type deposits identified within a loosely defined belt of Pre-cambrian to Palaeozoic rocks in south-central Poland. Molybdenum represents about half of the metal value with the remainder being derived from copper, tungsten and silver.

In May this year, Strzelecki published the first JORC-compliant resource statement for its Myszków deposit. this states that out of 1,300Mt of porphyrytic mineralisation, there is a 726Mt inferred resource containing 985Mlb of molybdenum, 878,000t of copper, 293,000t of rhenium and 53Moz of silver with an average grade of molybdenum equivalent (eMo) of 0.12%. When the cut-off grade is lifted from 850ppm of eMo to 1,500ppm the high-grade core (eMo = 0.17%) of 104Mt can still support a 20-year mine life at 5Mt/y.

With its Myszków licence, Strzelecki inherited over 30km of diamond drilling data from previous Polish governments. today this drilling would cost over US$20 million. the deposit occurs in a very a small part – 0.5km2, of the 234km2 exploration ground held by the junior company, which has now identified additional target areas for drilling. Its location is geographically advantageous on both micro and macro scales: on the fringe of the Silesia region it is 1km from a main railway line and other excellent infrastructure is nearby. europe consumes 29% of annual global molybdenum production.

Myszków's location at the heart of the continent in a politically stable and growing economy means it is likely to become the preferred supplier to many of europe's steel mills, the company says. By contrast, the closest molybdenum mines are in armenia and Iran. Present estimates indicate that when in production Myszków has the potential to satisfy up to 8% of europe's molybdenum demand. In October, Strzelecki is expecting the results of a concept study and plans to resume its drilling programme early next summer."

Molybdenum or Metal Equivalent

The calculation of a metal equivalent, based on the relative value of the various metals considered, varies in response to changes in commodity prices. In the present case, eMo (molybdenum equivalent) values were calculated on projected commodity prices from 2009 to 2013, obtained by averaging projections by a number of financial institutions. Those values were:

Commodity	PriceUsed to derive eMo	Price per Gram	Ratio
Mo	11.2 USD/lb	0.025 USD	1.00
W	8.5 USD/lb	0.019 USD	0.76
Cu	2.2 USD/lb	0.005 USD	0.19
Ag	11.5 USD/Troy Oz	0.370 USD	15.00

The result is eMo ppm = Mo ppm + (0.76 x W ppm) + (0.19 x Cu ppm) + (15.00 x Ag ppm).
Here eMo represents the derived "in-ground" equivalent value estimated on the basis of these average commodity prices. Molybdenum equivalent is chosen because of the relative values and quantities of the commodities involved, with Molybdenum therefore contributing the most to the metal equivalent calculation.

While the effect and relative contribution of metallurgical recovery has not been taken into account, tests on Mo-Cu-W mineralisation were carried out in 2006 yielded recoveries of 94% Mo and 85% Cu with W recovery less at 41%. No specific tests were performed on Ag recovery which is expected to parallel that for Mo and Cu. These metallurgical investigations are preliminary.

On the basis of the tonnages, grades and recoveries estimated for each of the metals referred to in the eMo calculation, and taking into account prevailing economic conditions and other similar mining operations in the world, the company opinion is that there is reasonable potential for each of these metals to be recovered through a mining operation.