

Strategic Metals Hunt Commences in NZ - 05/12/11

Strategic Elements Ltd (ASX:SOR) is pleased to announce that an aggressive program of field work has commenced on the West Coast of New Zealand.

The West Coast field work marks the start of a wider program aimed at discovering large new sources of valuable strategic and precious metals. Results will be reported from each prospect as the Company receives information from its geological team.

A company-wide phase of activity is intended over the next few months that includes:

- (1) Fieldwork across a number of projects on the West Coast NZ
- (2) Fieldwork on the Mandamus rare metals project on the East Coast NZ
- (3) Grant and commencement of work on a significant new tungsten/tin project in Ireland
- (4) Fieldwork on Australian projects
- (5) Airborne geophysical surveys to detect geological bodies hidden under cover.

Managing Director Charles Murphy said "an intense period of activity has started that will lead us strongly into the New Year. General market conditions are still tough; however we are positioning ourselves to take advantage of any rebound that may occur in the first quarter of 2012".

West Coast - NZ Fieldwork

The field team has begun to comprehensively explore through a geologically rich belt adjacent to the regional "Alpine Fault" on the South Island. They will progressively commence work on each prospect until the end of January 2012.

West Coast - Significant New Geological Data

It is believed the west coast region has considerable mineral potential, however much of the surface area contained within the project is covered by vegetation due to humidity and rainfall.

The project area has remained highly underexplored due to the covered surface. Critically, airborne geophysical data that can identify geological bodies under the covered surface has never been available.

However a sudden escalation in exploration is expected, with the NZ government funding a multi-million dollar airborne geophysical survey to provide information on what lays hidden beneath the surface on the west coast. The survey is expected to commence this month.

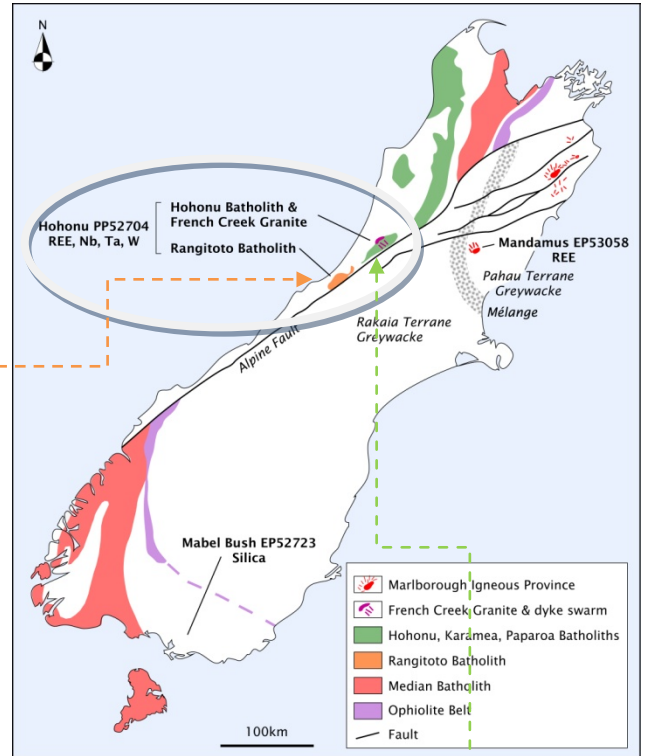
West Coast - Geochemical Surveys Being Conducted

In combination, the Company has just commenced a *geochemical survey* over a range of different prospects related to a belt of ten separate granites adjacent to the Alpine Fault. These include French Creek (Rare Earths, Rare Metals) Falls Creek (Tin/Tungsten), Rangitoto (Gold, Silver, Rare Metals) and Bell Hill (Gold).

The geological team is currently at French Creek (Rare Earths, Niobium, Tantalum) and are conducting stream pan concentrates and rock chip sampling from altered zones, contact zones and dykes to identify potential areas of economic mineralization. Helicopter support is being provided to enable exploration on the tops of the Hohonu Ranges (approx 1300 m in height).

Managing Director Charles Murphy said “This is practically a virgin area untouched by modern exploration. It’s hard for Australian investors to comprehend that an area as geologically rich as this has never been investigated by geophysics”.

“We are excited to have exclusive rights over such an area. Our project area warrants an aggressive exploration program, we will release ongoing results as we receive information from the geological team”.



About the Company

Strategic Elements Ltd is a Pooled Development Fund (PDF) that invests in the rare earths and rare metals sector. As a PDF, most shareholders pay no tax on capital gains or dividend income.