



Intrusion Related Gold System Reported at West Wanganui

The West Wanganui prospect is seeking to discover intrusion related gold similar to the nearby Sam's Creek gold deposit.

Strategic Elements Ltd (ASX: SOR) is very pleased to confirm the existence of intrusion related gold at the West Wanganui project on the South Island of New Zealand.

- **Confirmation of an intrusion related gold system**
- **Train of gold mineralised granite dyke boulders**
- **Visible gold found in granite dyke boulder**
- **Evidence of historical hard rock and alluvial gold mining**

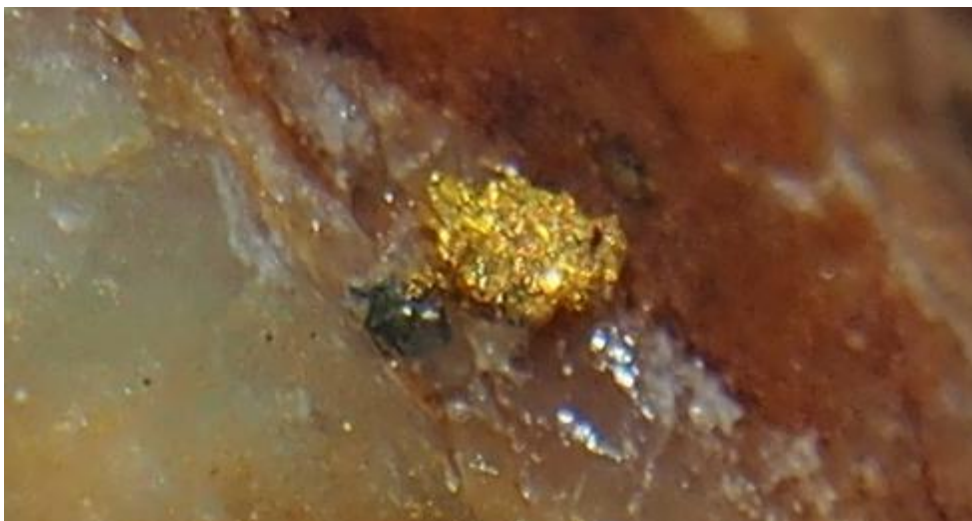
The West Wanganui intrusion gold project is just 40km west of the Sam's Creek intrusion gold project being explored by Oceana Gold/Mod Resources that has already reported over 1,000,000 ounces of gold from limited exploration.

After only several days in the field at West Wanganui the exploration team encountered an extensive area of '**Sam's Creek style**' granite dyke boulders in Independent Stream and approximately 4km away in Frazer Stream.

- **Twenty-one of the thirty-three samples of granite dyke had detectable gold.**
- **Seven of the samples contained significantly anomalous gold >0.1 g/t.**
- **Only nine samples contained no gold.**

In addition, **visible gold** was discovered in a granite dyke boulder found near the helicopter-landing site. The angular nature of the boulder means that **the source dyke should be in close vicinity.**

Significantly the boulder contained **two styles of gold** mineralisation: (a) visible gold (approx. 1.2mm x 1mm) in a quartz vein and (b) gold within altered granite dyke outside the vein. The boulder contained 0.5 g/t gold **outside** the quartz vein.



Float Bashing

The CRA team that discovered Sam's Creek stated that float bashing (trekking up creeks to identify boulders sourced from granite dykes) was the most effective form of early exploration. **At West Wanganui granite dyke boulders were also easily identified**, as they were visibly different to the country rock. The source dykes are to be traced higher up in the hills and mountains that surround Independent Creek and Frazer Stream.



Independent Stream

The exploration team also **discovered hand stacked alluvial gold tailings** in Independent Stream confirming reports of historical alluvial gold mining. Early 1900's records show an adit for a hard rock mine and alluvial mine workings. The immediate goal is to traverse the entire length of Independent Stream for intrusion related gold.

Intrusion Related Gold Area

The region containing the West Wanganui project is set to gain further recognition for intrusion related gold from a scoping study for a mine nearby at Sam's Creek due in 2013. That project is a potential Company maker for MOD Resources, who recently gained a third billionaire investor on their share register.

Initial Results

From only several days in the field, the report of Sam's Creek style intrusion gold is promising. Only several of the low-lying main waterways have been explored and the team has yet to push further up the sides of the mountains. The gold values are similar to early exploration results from Sam's Creek prior to sampling highly altered granite dykes in outcrop.

ANALYTICAL REPORT

Scheme	FAA505	FAA505	FAA505
Units	PPM	PPM	PPM
Detection Limit	0.01	0.01	0.01
Upper Limit	1,000.00	1,000.00	1,000.00
	Au	Au(R)	Au(R2)
7401	<0.01		
7402	0.01		
7403	0.02		
7404	0.02		
7405	<0.01		
7406	0.50		
7407	<0.01		
7408	0.01		
7409	0.03		
7410	0.05		
7411	0.04		
7412	0.15		
7413	<0.01		
7414	0.01		
7415	<0.01		
7416	0.24		
7417	0.25		
7418	0.15		
7419	0.09		
7420	0.05		
7421	0.26	0.26	
7422	<0.01		
7423	0.27		
7424	0.04		
7425	<0.01		
7426	0.02	0.02	
7427	0.02		
7428	0.01		
7429	0.01		
7430	0.07		
7431	<0.01		
7432	0.06		
7433	<0.01		

West Wanganui Prospect*

West Wanganui contains multiple areas of gold mineralised rocks from granite dykes potentially sourced from a larger buried granite intrusion.

Potential

- In the project area, CRA (now Rio Tinto) discovered gold in granite dykes in 1987-1988.
 - CRA reported there was “considerable potential for significant gold mineralisation to occur”
 - CRA recommended *detailed* follow up – but a corporate withdrawal was made from New Zealand soon after. No modern exploration has occurred since then.
 - Features of intrusion related gold are that gold in granite dykes potentially reflect the upper part of ***much larger deposits below.***
 - Intrusion style gold deposits are recognised for their potential to host multi-million ounce projects.
- *As per AGM Presentation released 29/11/12*

Company Strategy

The Company is developing a significant first mover advantage by primarily targeting rare and precious metal intrusions in New Zealand. The focus on intrusions is due to the large-scale nature of this style of deposit. The focus on New Zealand is due to the mineral rich potential of its geology, availability of highly underexplored areas and stability of its mining laws. The Company controls a large strategic area of over 1350 sqkm of highly prospective ground on the South Island.

Hohonu Project covers over 10 separate intrusions with several primary areas of rare metal (rare earths, tungsten, tin,) mineralization.

Reefton South Project is along strike (and under cover) several kilometers from past producing mines of the prolific Reefton goldfield.

Blue Mountain Project and **Mandamus Project** both contain known intrusive bodies, significant sulphide mineralization and potential for rare metals.

Golden Blocks Project covers a historic producing goldfield with no modern exploration.

West Wanganui Project contains gold in granite dykes with potential to be related to a buried intrusion.

The information in this report that relates to Exploration Results is based on information compiled by Geoff Price, who is a Member of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Geoff Price is employed by Geopex Ltd. He has sufficient experience that 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, Mineral Resources and Ore Reserves'. Geoff Price consents to the inclusion in the report of the matters based on his information in the form and context in which it appears".

For all enquiries please contact:

Mr. Charles Murphy

Managing Director

Telephone: +61 8 9278 2788

Email: admin@strategicelements.com.au

Web: www.strategicelements.com.au