



**ASX Announcement  
15 October 2012**

## **Cultana Unlocked**

### **HIGHLIGHTS**

- **Ministerial approval granted to explore high potential IOCG-style targets in Cultana lease, South Australia**
- **792 km<sup>2</sup> lease (SER 75%) within Olympic Dam Province**
- **Limited previous exploration due to Defence restricted zone**
- **Excellent drill targets already identified by previous surveys**
- **Major company milestone**
- **Drilling planned for December 2012 or early January 2013**

*Based in Melbourne Victoria, Strategic Energy Resources (SER) is a versatile explorer working on a diversified portfolio of exploration assets including the world class Uley Graphite Project. The company aims to create shareholder value through the systematic exploration of our tenements with the aim of becoming a producer.*

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Strategic Energy Resources Limited (ASX: SER) is delighted to have been granted federal access to the prospective Commonwealth land known as Cultana Military Training Area (CMTA, Cultana).

The Cultana area is considered to be one of the best remaining blocks to explore for Iron Oxide Copper Gold (IOCG) type mineralisation in South Australia. It forms part of the Olympic Dam Province which includes Prominent Hill, Olympic Dam and Carrapateena, Figure 1.

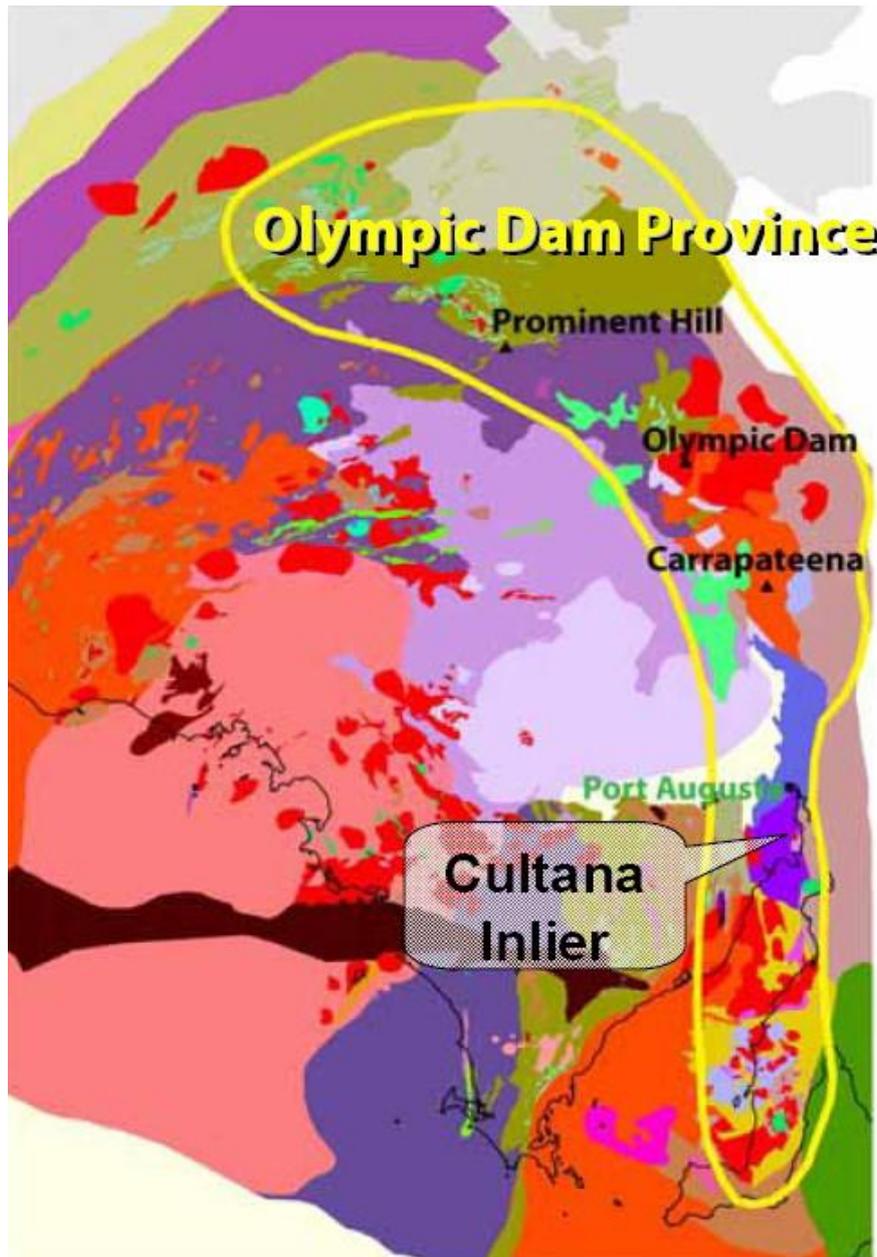


Figure 1: Cultana Subsuite and alteration events by PIRSA (McAvaney, 2008)

Access to this potential Iron Oxide Copper Gold (IOCG) mineralised area has been an ongoing key objective for SER and we deem the grant of access as a major milestone for the company.

Mark Muzzin, Managing Director, SER stated: “We are thrilled to have ministerial approval to explore this area. It has been a very long process, one that I personally have pursued for more than six years and can now say that we have been rewarded.

“We believe this property to be one the best relatively unexplored areas in South Australia.

“We have a number of targets lined up and are keen to get started, hopefully in December.”



Figure 2: Cultana Lease 5010 South Australia

## Cultana Overview

The Cultana Lease EL 5010 (Figure 2) covers an area of 792 square kilometres within the Cultana Army Training Area south of Port Augusta in South Australia. SER holds a 75% interest in the licence in a joint venture with U Energy Pty Ltd and its parent company Fleurieu Mines NL, hold the remaining 25%. Mr Muzzin is also a director of U Energy and is a director and major shareholder of Fleurieu Mines NL.

Past exploration in the Cultana area has been limited, due to restricted access by Defence. Serem Australia explored for copper in 1971 and drilled three shallow holes, none of which reached crystalline basement rocks. In 2004, a Falcon gravity survey defined targets of potential Olympic Dam style (IOCG type) copper gold mineralisation. Works also include a study of the Cultana Subsuite and alteration events by the government body PIRSA (McAvaney, 2008) Figure 1.

The Cultana area displays strong background anomalism with indications of the potential for a significant mineralising system present at depth. The initial pervasive alteration of the inlier is recognised in outcrops and the high resolution gravity data indicates several high density bodies distributing around the Cultana granites.

Inversion modelling suggests the cores of the high density material are consistent with the IOCG style deposits along the eastern margin of the Gawler Craton, notably Olympic Dam, Prominent Hill and Carrapateena.

### Proposed activity

Currently two holes are planned for test-drilling in the Cultana Inlier. The Joint Venture is considering flying a 90 kilometre squared HeliTEM geophysical survey over all seven defined IOCG gravity targets to confirm exact drill locations.

The first proposed target (CO5) contains the highest Specific Gravity (or density) anomaly in the Cultana Falcon gravity survey area and is in contact with Cultana granites. A hypothetical exploration model is shown in Figure 3.

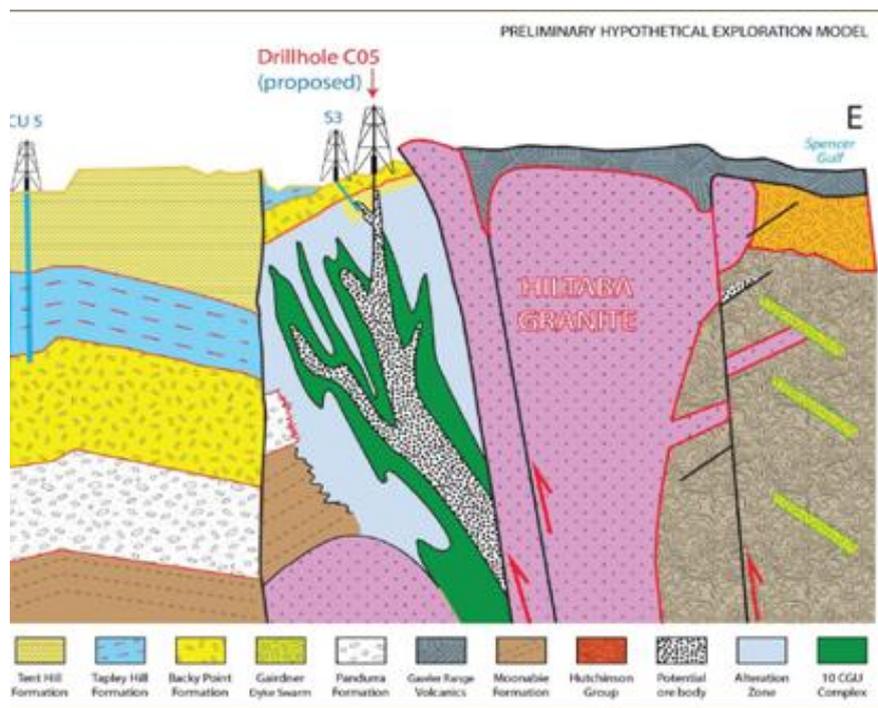


Figure 3: Hypothetical exploration model

The second proposed target has coincidental gravity and magnetic highs near copper mineral bearing outcropping rocks. A perspective view of this gravity anomaly (C01) is illustrated in Figure 4 below.

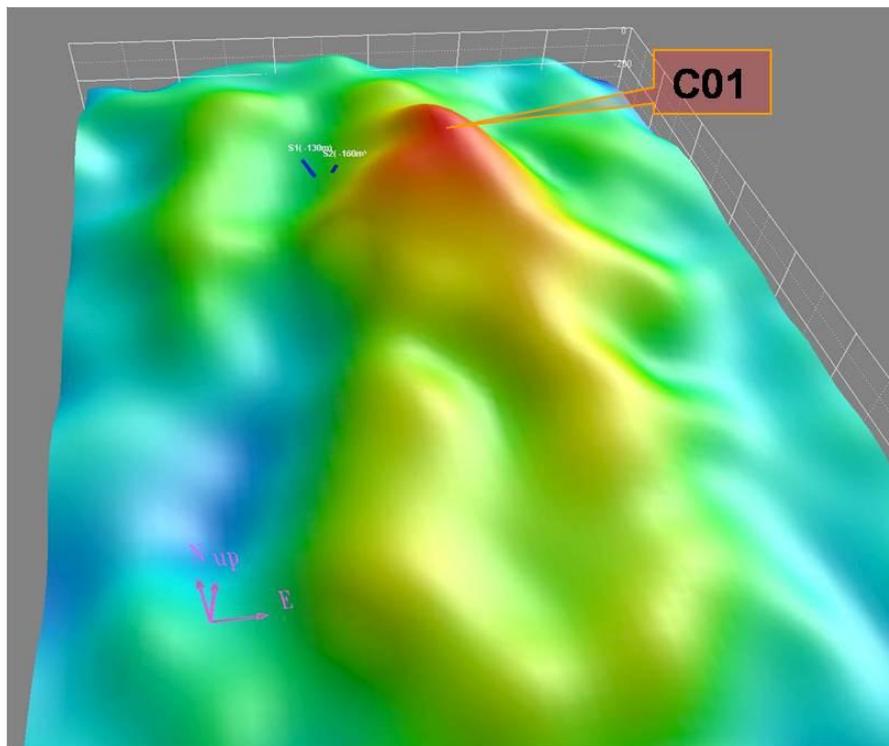


Figure 4: Gravity view of previously identified C01 anomaly

### Next Steps

A Deed of Access needs to be signed with the Department of Defence that outlines the parameters of site access. SER has already reviewed an earlier draft document and foresees no issue with obtaining the deed.

The project also requires standard regulatory approvals from DMITRE (Department for Manufacturing, Innovation, Trade, Resources and Energy, South Australia).

The Joint Venture is aiming to drill the key targets by December this year or early January 2013. This will be dependent on the availability of drill rigs and all usual permissions being granted.

“This is a major milestone for the company and we are excited that we have unlocked what we believe is our biggest asset,” concluded Mr Muzzin.

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Further Information:

Mark Muzzin  
Managing Director

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