ASX Announcement
14 February 2020

SER wins key Copper-Gold ground in East Tennant

- **SER has won the right to apply for highly prized Cu-Au exploration licences**
- **Multiple groups applied for ground when moratorium lifted late last year**
- **MinEx CRC to drill multiple fully funded holes in the region**

Strategic Energy Resources (SER) is pleased to announce that we have won the exclusive right to apply for two Exploration Licences covering 139.3km^2 of the East Tennant Iron Oxide Copper-Gold (IOCG) province in the Northern Territory.

In 2019, a wide-ranging government survey program revealed previously unrecognised major features in the East Tennant region favourable for hosting large mineral systems. The area was placed under moratorium and a competitive tender process initiated. The results of the fiercely competed process have been decided with SER winning key ground. Importantly for SER, an area immediately adjacent to our application will be drilled this year under the National Drilling Initiative.

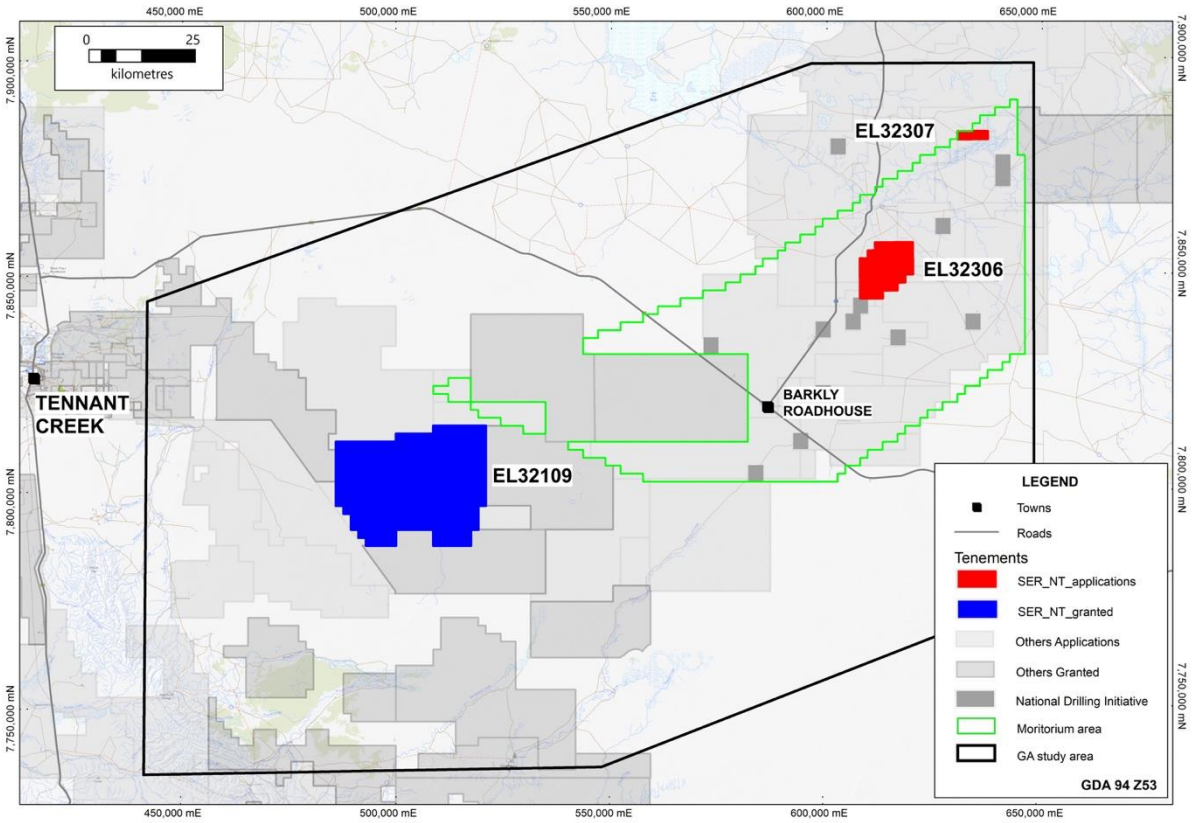

Figure 1: Exploration Licence tenure in the East Tennant region (SER new ELAs in red)

East Tennant Regional Potential and Background to the Ground Release

In 2019, data acquired under Geoscience Australia's $100m "Exploring for the Future" program revealed a lithospheric connection between the Tennant Creek and Mt Isa mineral fields. In particular, previously unrecognised major features favourable for hosting large mineral systems were seen in the East Tennant region[1].

As a result, the Mineral Exploration Cooperative Research Centre (MinEx CRC: the world's largest mineral exploration collaboration with $218m to discover new mineral deposits) selected the East Tennant region for the National Drilling Initiative (NDI). The NDI will drill multiple holes through cover to map the regional geology, structural architecture and mineral systems of East Tennant.

The region has seen very limited historical mineral exploration and cover is assessed as relatively shallow (less than 250m depth to basement).

A moratorium on Exploration Licence Applications was placed over the region and a competitive tender process initiated in October 2019. The area was filled with applications from multiple exploration companies including both Majors and Juniors.

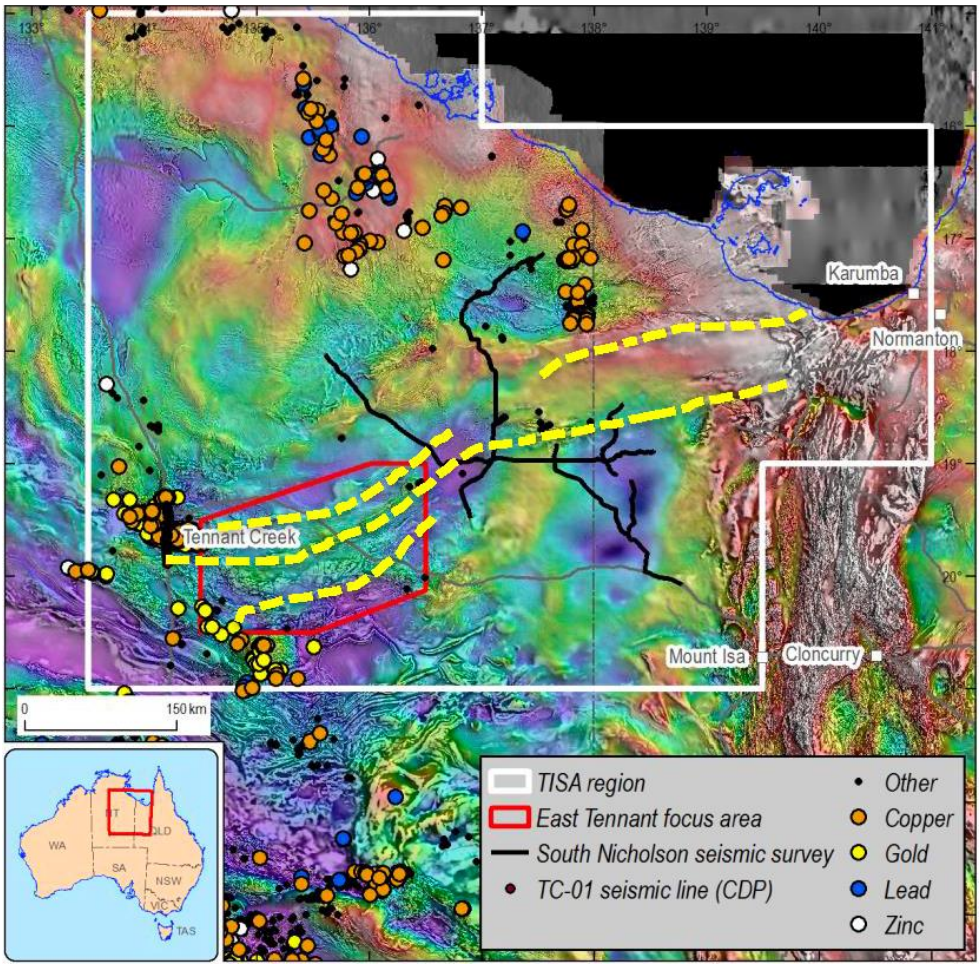

Figure 2: Tennant Creek to Mt Isa (TISA) region with crustal structures (yellow dashed lines) over gravity image

[1] For further details regarding Geoscience Australia's work at East Tennant see: https://www.ga.gov.au/eftf/minerals/fis/east-tennant

EL32306 and EL32307

SER has won the exclusive right to apply for EL32306 (39 graticular blocks) and EL32307 (4 graticular blocks) in the heart of the East Tennant region.

The application areas are covered by sediments of the Georgina Basin, have no basement outcrop and have seen very little previous exploration. SER believes prospective basement geology lies beneath the younger cover based on interpreted crustal-scale structures extending along-strike from the areas of known mineralisation. Geophysics, particularly potential field data and the interpreted solid geology derived from this, has strongly influenced area selection.

In addition to the NE-trending fabric seen in the magnetics, a similar NE trend can also be seen in the regional gravity. Inversions of magnetic and gravity datasets have been used as proxies to model Fe-oxide alteration. Interpretation of recent higher resolution ground gravity stations and Broadband MT/Audio MT collection also show density and conductivity anomalies exist across the project area.

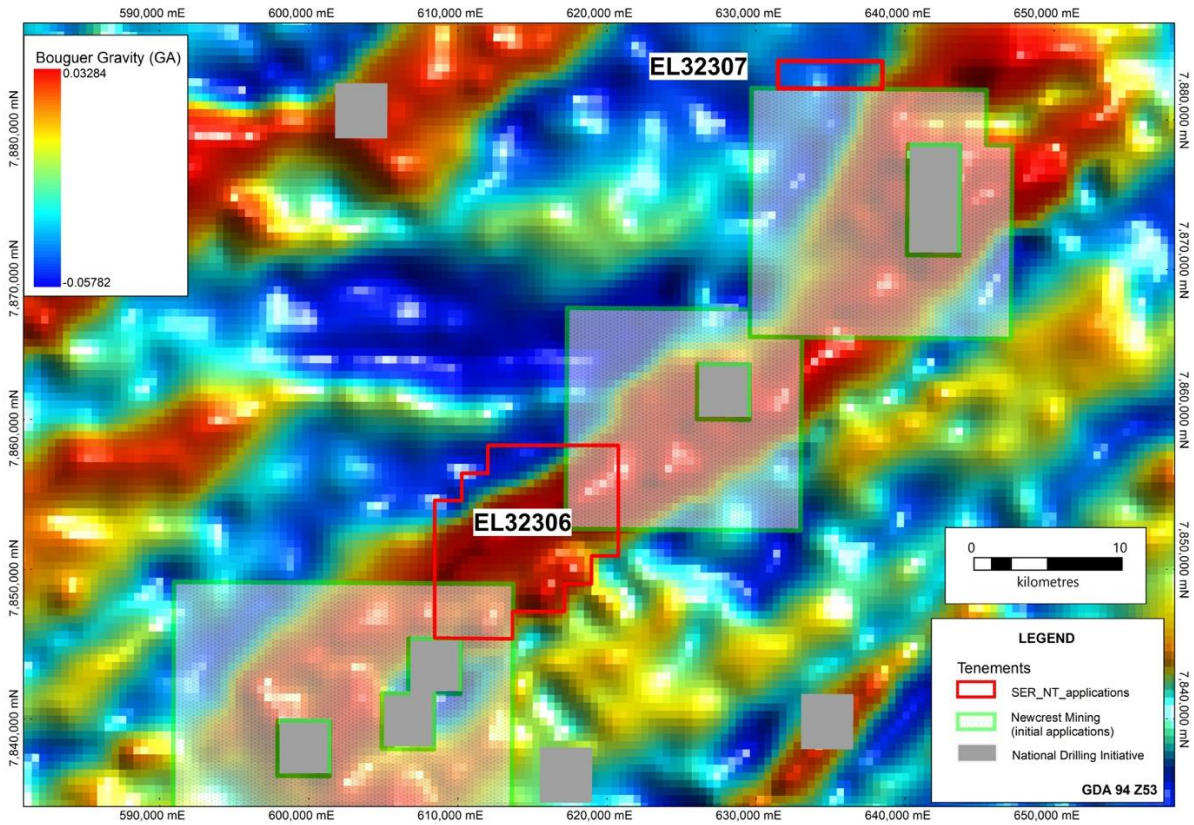

Figure 3: Bouguer Gravity map of SER's new applications EL32306 and EL32307

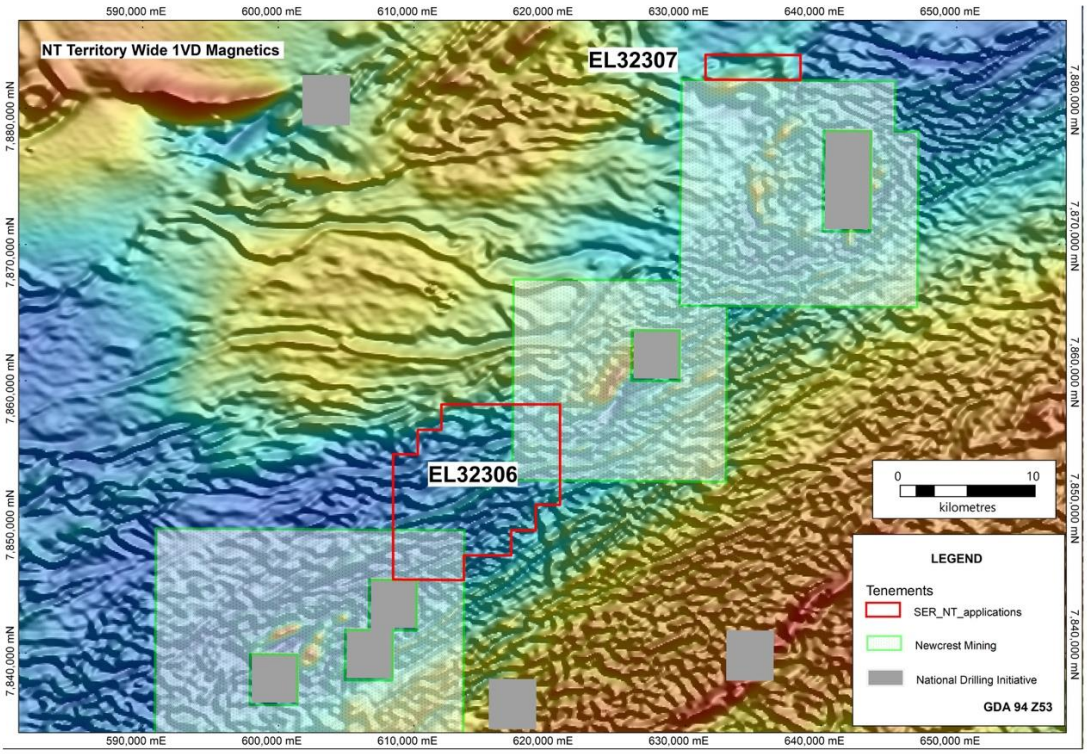

Figure 4: Magnetic First Vertical Derivative map of SER's EL32306 and EL32307

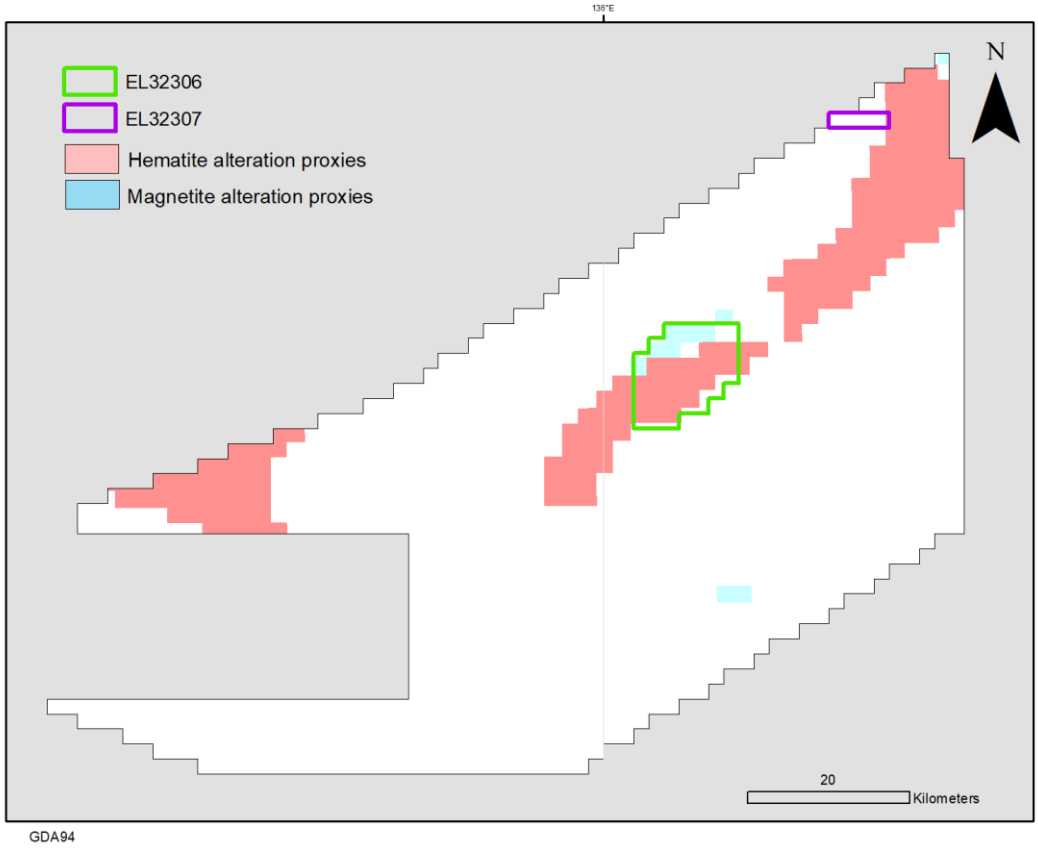

Figure 5: East Tennant Moratorium area with SER applications and modelled hematite+magnetite alteration

EL32109 also Secured by SER

During the ground release process, SER also identified a highly prospective area just west of the moratorium area and pegged EL32109 to give the company an early mover advantage.

Subsequent IOCG prospectivity analysis undertaken by Geoscience Australia has validated this decision with multiple high priority target zones within EL32109. The area shares the same large-scale architecture including conductivity highs, modelled iron-oxide alteration and accessible basement depths.

Previous explorers collected ground gravity data over portions of EL32109 which identified a number of high density, prospective targets which will form the starting point for follow up exploration activities.

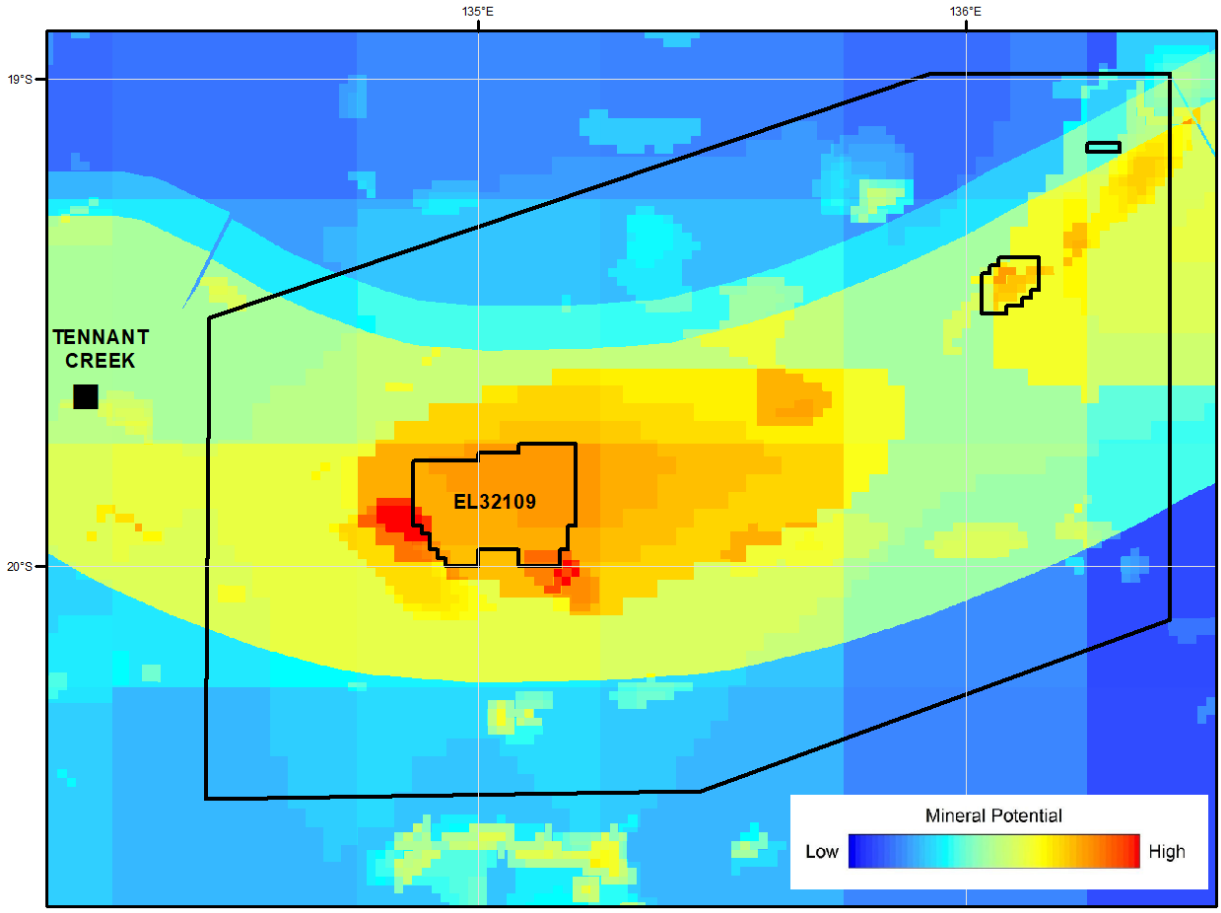

Figure 6: Geoscience Australia IOCG Prospectivity[2] map of East Tennant Project with SER applications

[2] Ore Geology Reviews (October 2019): https://www.sciencedirect.com/science/article/pii/S0169136819303099?via%3Dihub

Next Steps

SER will immediately commence advancing these tenements to grant whilst implementing land access arrangements to allow on ground exploration activities to begin.

Ground gravity is a fundamental dataset for targeting IOCG mineralisation and SER's first stage of exploration will be covering our new ground with a systematic gravity survey to allow prospect scale geophysical modelling to prioritise drill targets.

SER will also continue evaluation and interpretation of the key datasets collected via the "Exploring for the Future" program.

SER will closely monitor the planned National Drilling Initiative stratigraphic drill holes scheduled to be drilled across East Tennant this year, particularly those holes adjacent to SER ground.

This announcement is authorised for release to the market by the Board of Directors of Strategic Energy Resources Limited.

Stuart Rechner
Executive Chairman
Strategic Energy Resources Limited

For further information, please contact Mr Rechner +61 3 9692 7222 or visit website www.strategicenergy.com.au

The information in this document that relates to Exploration Results is based on information compiled by Mr Stuart Rechner BSc (Geology) MAIG, a Competent Person who is a Member of Australian Institute of Geoscientists. Mr Rechner is a Director of, and consultant to, Strategic Energy Resources Ltd. Mr Rechner has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Rechner consents to the inclusion in the document of the matters based on his information in the form and context in which it appears.