

ASX Announcement

24 September 2018

Myall Creek Unlocked

- Department of Defence grants SER access to explore Myall Creek
- Recent work by Geological Survey of South Australia upgrades prospectivity
- Ground gravity survey to define targets ahead of drill campaign

Strategic Energy Resources Ltd (SER) is pleased to announce that the Department of Defence has granted access for SER to operate within the Cultana Training Area in order to explore our Myall Creek copper-gold project in South Australia.

SER's 100% held Myall Creek tenements (EL6140 and EL5898) lie within the expanded Cultana Training Area controlled by the Department of Defence. SER has built a solid relationship with Defence over many years and is one of the only groups to have been previously granted access to explore within the Cultana Training Area.

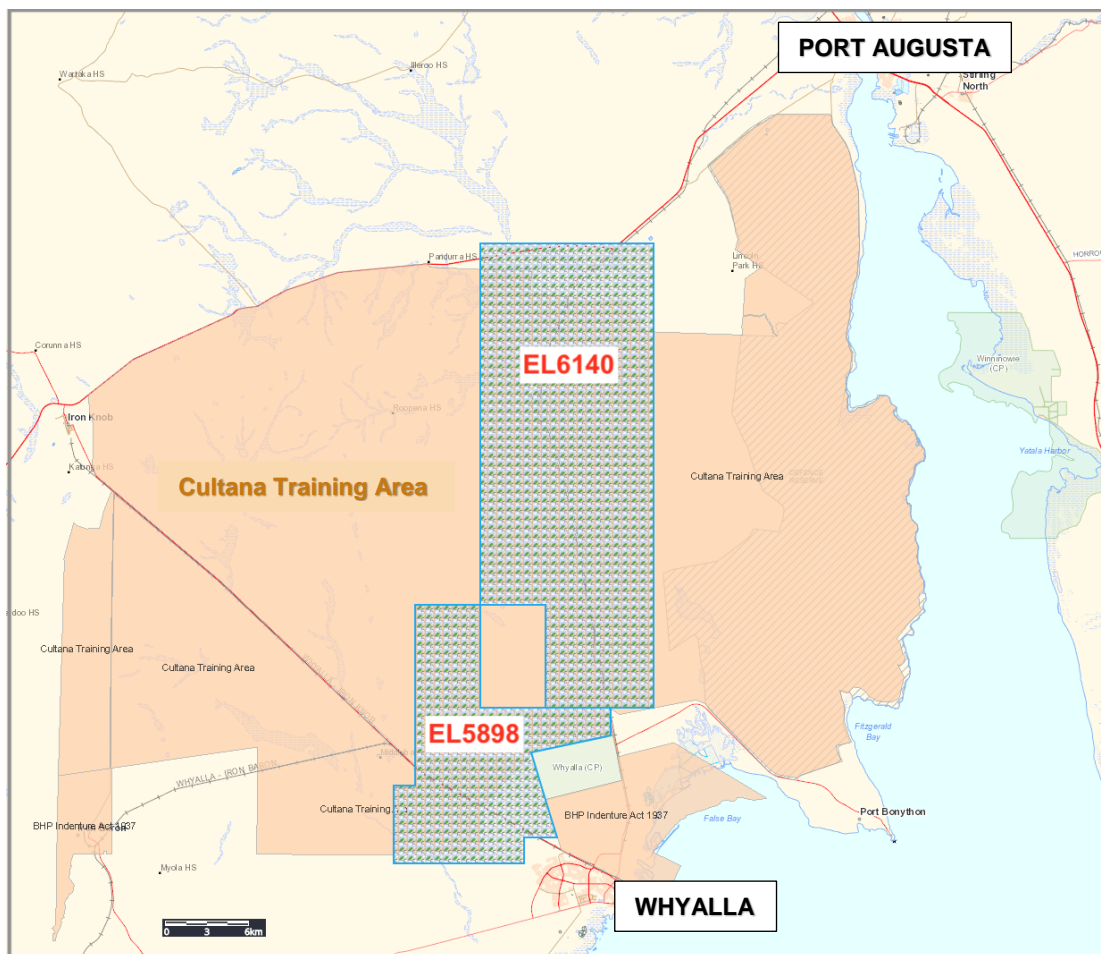


Figure 1: SER's Myall Creek project (EL6140 and EL5898) within Defence Cultana Training Area Expansion

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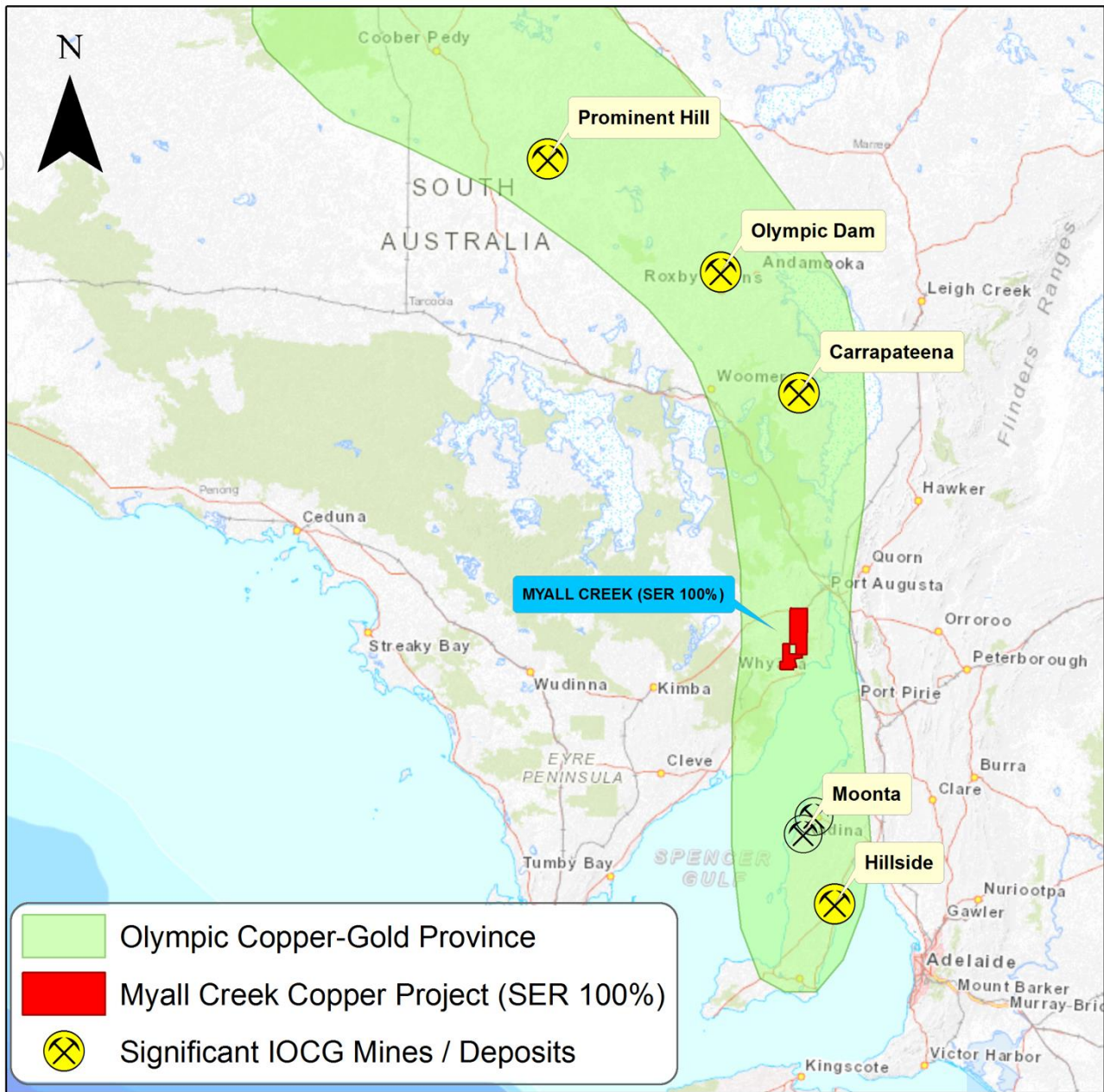


Figure 2: Location of Myall Creek within Olympic Cu-Au Province

At Myall Creek, SER is targeting both Iron Oxide Copper Gold (IOCG) mineralisation in the Proterozoic basement and sediment-hosted mineralisation in the overlying sediments. Key IOCG host rocks are present within the project area and overlying sediments include a 15km zone with anomalous copper in historic drilling.

Now that access has been granted, SER is planning a detailed ground gravity survey within EL5898 to refine drill targets generated by previous holder St Barbara but never tested.

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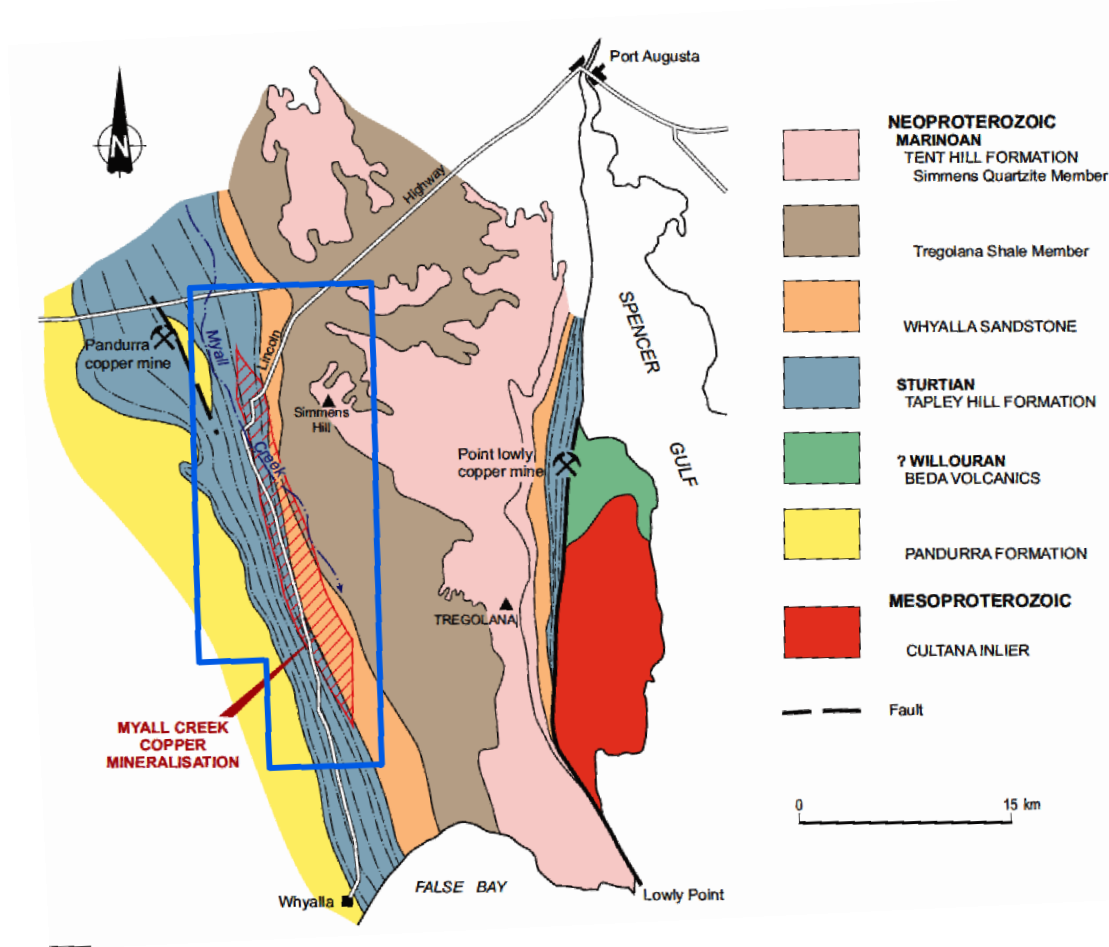


Figure 3: Myall Creek regional geology¹ with EL6140 in blue polygon

The area around Myall Creek has been the focus of a substantial body of recent work by the Geological Survey of South Australia (GSSA). In August 2018, the GSSA published *Roopena Basin: sedimentary basin formation associated with Mesoproterozoic mineralising event in the Gawler Craton*.²

The report notes that both Olympic Dam and Prominent Hill are spatially associated with sedimentary rocks deposited synchronous with volcanism which suggests an active sedimentary basin may be significant in the formation of IOCG mineralisation. The Myall Creek district includes one of the best preserved sedimentary successions of this type. SER believes this further increases the likelihood of IOCG mineralisation being present under cover at Myall Creek.

¹ Curtis, S., 2007. The geology and mineral potential of the Port Augusta area, eastern Gawler Craton. South Australia. Department of Primary Industries and Resources. Report Book 2007/6.

² Stacey Curtis, Claire Wade and Anthony Reid; Geological Survey of South Australia http://minerals.statedevelopment.sa.gov.au/knowledge_centre/mesa_journal/feature_articles/roopena_basin

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In 2018, Fortescue Metals Group (FMG) has taken a keen interest in the area, pegging all available ground around Myall Creek.

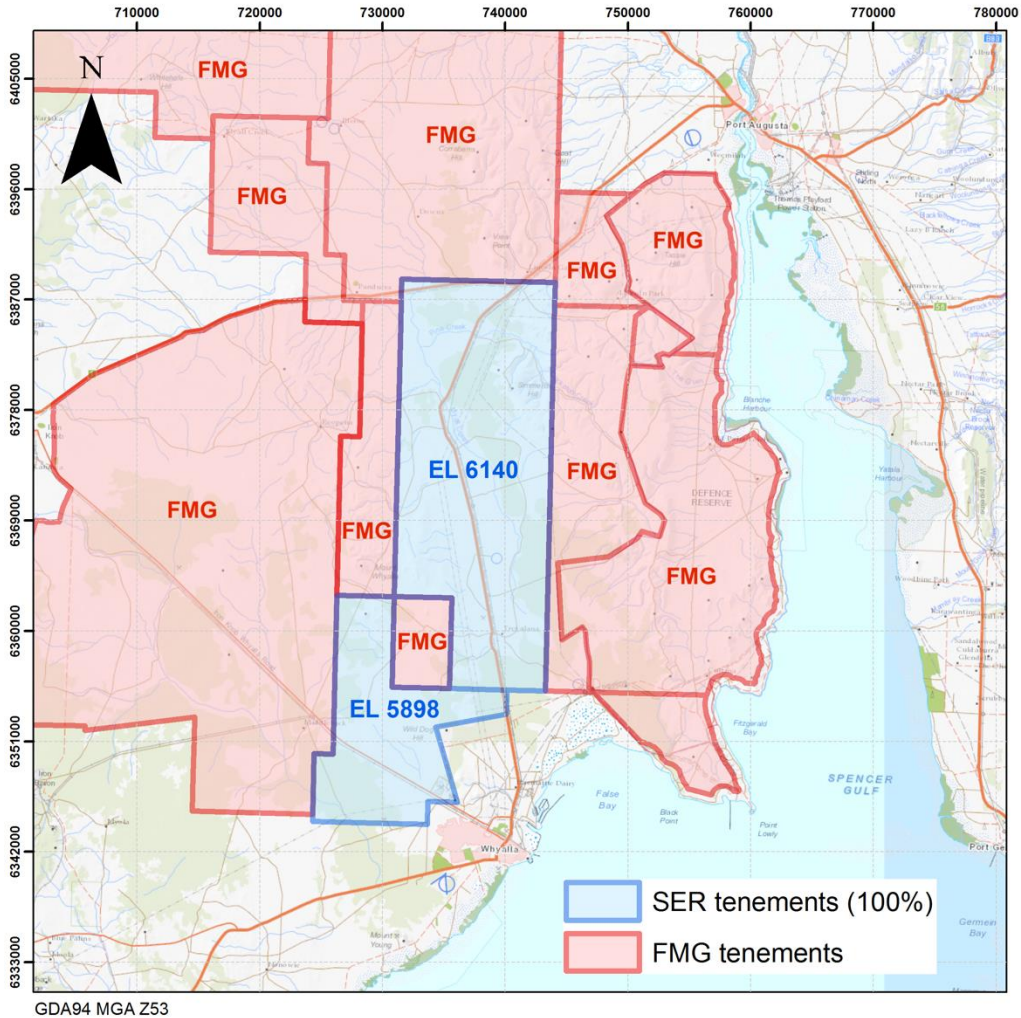


Figure 4: Myall Creek project surrounding tenements

For further information, please contact +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.

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