

ASX Announcement
6 March 2020

Airborne Magnetic Survey completed at Myall Creek

Strategic Energy Resources (SER) is pleased to announce that Farm-in and Joint Venture partner FMG Resources Pty Ltd (FMG), a wholly owned subsidiary of the Fortescue Metals Group Ltd, has completed a detailed airborne magnetic / radiometric survey over SER's Myall Creek Copper-Gold Project in the Olympic Copper-Gold Province, South Australia.

The survey has produced high quality data which FMG will process and interpret to define drill targets. SER welcomes the new data from FMG and looks forward to the drill testing of targets.

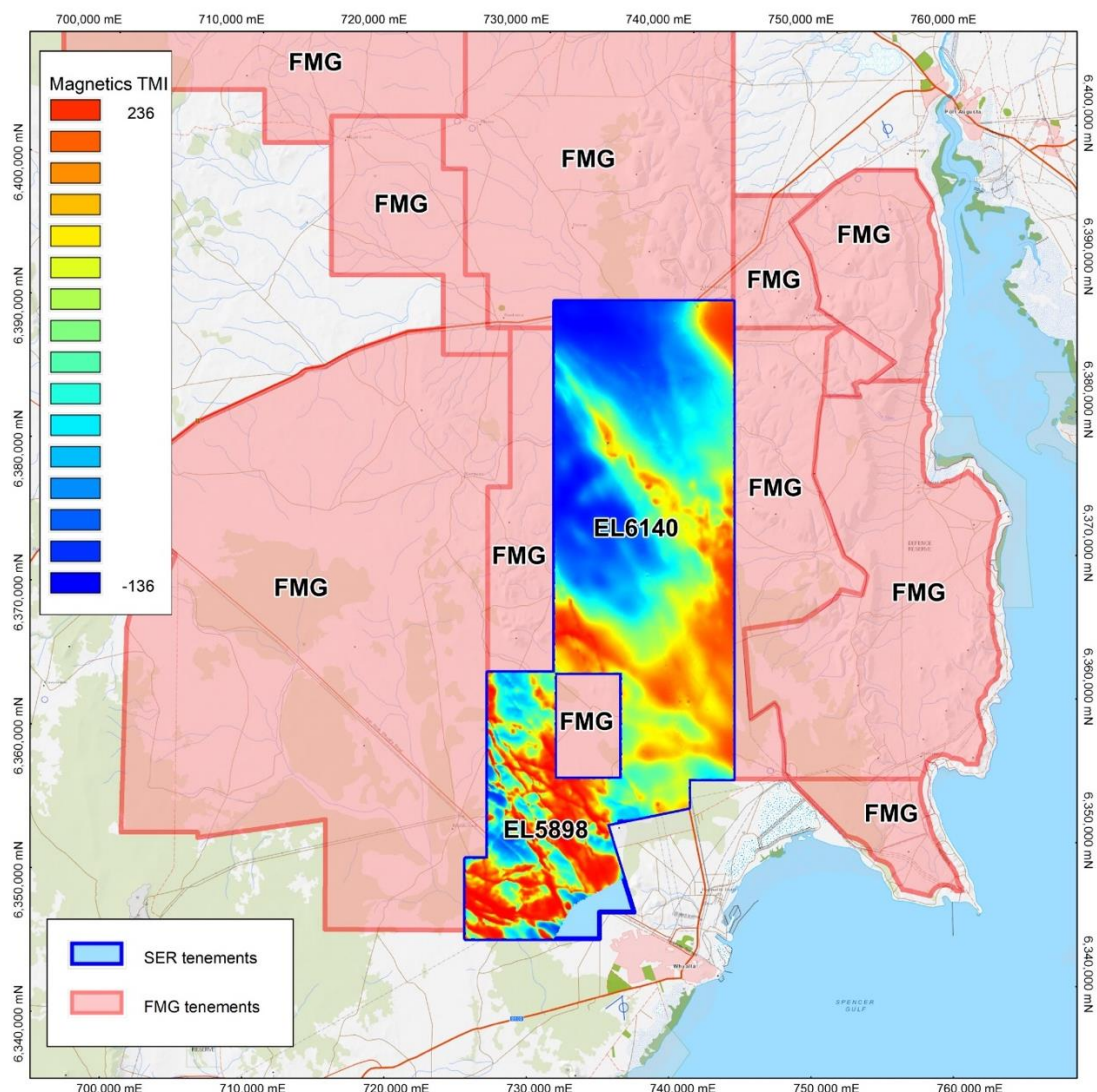
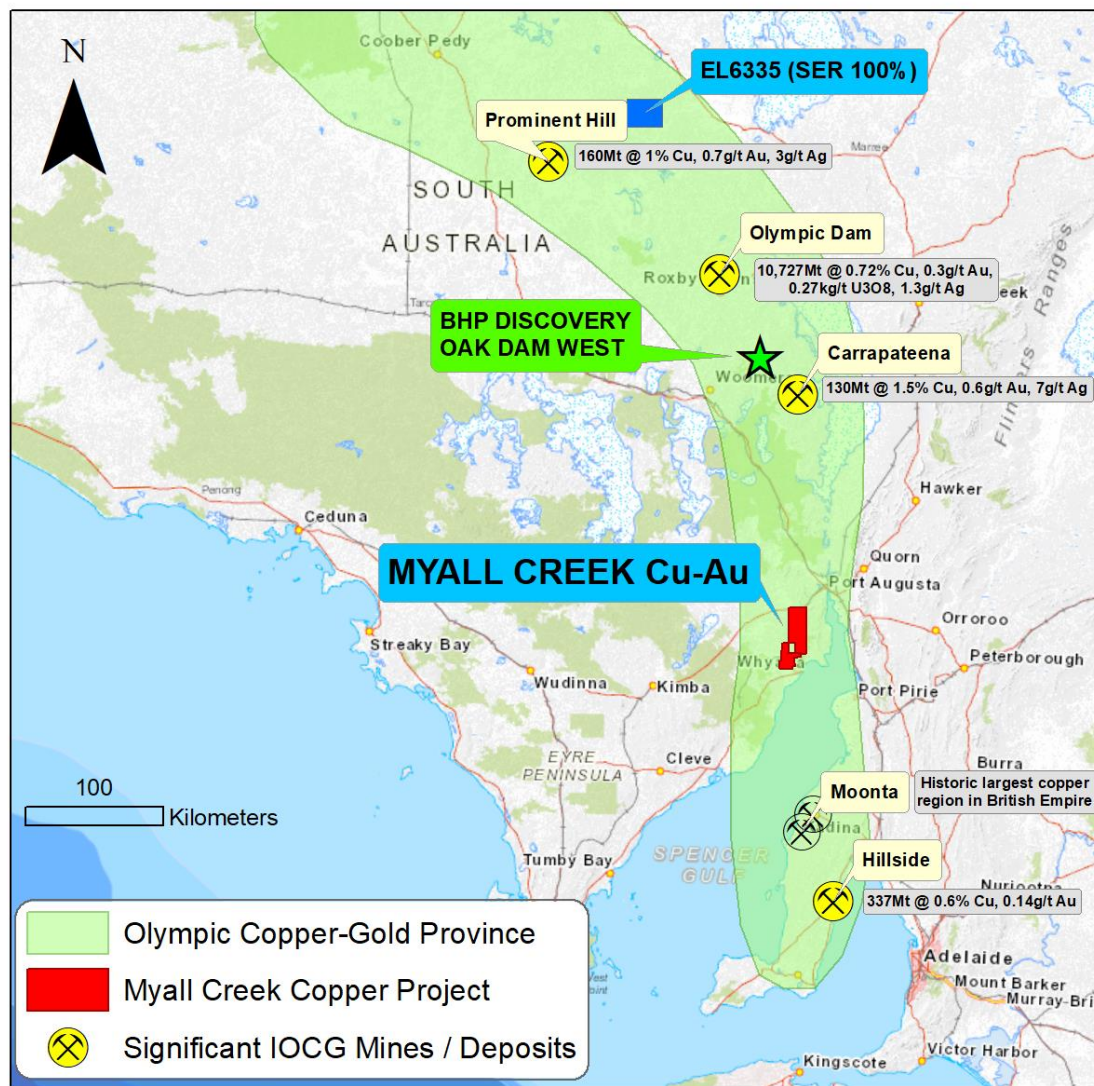


Figure 1: New magnetic data (TMI image) over SER tenements and surrounding FMG tenements



Sources: BHP Annual Report 2018; OZL Annual Report 2017; RXM Web Site

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

SER will keep shareholders informed of further developments at Myall Creek.

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

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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.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	Commentary
Sampling techniques	<ul style="list-style-type: none"> An airborne survey was conducted on 100m line spacing and 50m sensor height by MAGSPEC Airborne Surveys using a Cessna 210 The magnetic data was collected using a Geometrics GR823 caesium vapour tail sensor. The magnetometer has a 0.001nT resolution, 0.01nT sensitivity, a 20Hz (approximately 3.5m) sample rate and a 3-axis fluxgate magnetometer compensation. The radiometric data was collected using a RSI RS-500 gamma ray spectrometer incorporating 2* RSX-4 detector packs. The spectrometer has a 32L total crystal volume, 1024 channels, a 2Hz (approximately 35m) sample rate and a multi-peak automatic gain stabilisation.
Drilling techniques	<ul style="list-style-type: none"> Not applicable
Drill sample recovery	<ul style="list-style-type: none"> Not applicable
Logging	<ul style="list-style-type: none"> Not applicable
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> Not applicable
Quality of assay data and laboratory tests (Equipment used)	<ul style="list-style-type: none"> MAGSPEC flew a compensation box prior to the survey to remove manoeuvre effects and heading errors from the magnetometer readings Altimeters were also calibrated prior to survey
Verification of sampling and assaying	<ul style="list-style-type: none"> Not applicable
Location of data points	<ul style="list-style-type: none"> Magnetic survey locations were measured with a Novatel L1/L2 OEM 719 DGPS receiver Altitude measurements were measured with a Renishaw ILM-500-R laser altimeter and an additional barometric sensor
Data spacing and distribution	<ul style="list-style-type: none"> The survey was flown at 100m line spacing (E/W) with 1000m tie lines (N/S), with a nominal survey height of 50m.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Survey data was designed to fit seamlessly with the Gawler Craton Airborne Survey
Sample security	<ul style="list-style-type: none"> All data has been stored digitally by the contractor and FMG.
Audits or reviews	<ul style="list-style-type: none"> All data has been checked internally by FMG

JORC Code, 2012 Edition – Table 1

Section 2 Reporting of Exploration Results

Criteria	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> • EL 6140 & EL 5898 (granted 13 September 2017 & 12 of December 2016; 100% SER with FMG earning-in to 80%) • Area and Location: 536km² in Myall Creek (50km SW of Port Augusta) • Landholder: Department of Defence • Determined Native Title holder: Barngarla People • Conditions: within Cultana Training Area • Tenement in good standing with no known impediments
Exploration done by other parties	<ul style="list-style-type: none"> • Previous explorers targeted sediment hosted copper mineralisation at the base of the Tapley Hill Formation (Myall Creek style) and IOCG mineralisation in the underlying basement rocks of the Gawler Craton • The Myall Creek area has been extensively explored since the 1970s. 115 drillholes are recorded from with EL6140 since 1976 drilled by Australian Selection Pty Ltd, Dampier Mining, Merritt Mining, Pacminex, Eagle Bay Resources, Minotaur Exploration and Strategic Energy Resources. The holes have predominantly tested the sedimentary hosted copper-lead-zinc mineralisation at the base of the Neoproterozoic Tapley Hill Formation. Mineralisation at the base of the Tapley Hill Formation has been extensively intersected within the project, typically in thin <2m lenses at the base of the formation with up to 1% Cu and 0.5% Pb and Zn. There is limited information on the basement underlying the Myall Creek Formation due to no (or very few) holes penetrating basement. • Numerous geophysical surveys have been undertaken in the project area including gravity, magnetics, IP and seismic.
Geology (Target deposit type)	<ul style="list-style-type: none"> • Iron Oxide Copper-Gold (IOCG) mineralisation in the Gawler Craton
Drill hole Information	<ul style="list-style-type: none"> • Not applicable
Data aggregation methods	<ul style="list-style-type: none"> • Not applicable
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • Not applicable
Diagrams	<ul style="list-style-type: none"> • See figures in release
Balanced reporting	<ul style="list-style-type: none"> • Complete image for SER tenements has been included
Other substantive exploration data	<ul style="list-style-type: none"> • All relevant finalised exploration data has been included
Further work	<ul style="list-style-type: none"> • Further work to be conducted by JV operator FMG