

27 April 2023

MARCH 2023 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

- Fortescue complete gravity survey at Myall Creek Copper Farm-in Joint Venture
- SER wins \$275,000 in Government funding to drill Nickel-Copper target at Canobie
- Earthworks complete at Achilles 1 Prospect (South Cobar) in preparation for drilling
- Evolution completes targeting review and gravity survey at South Cowal

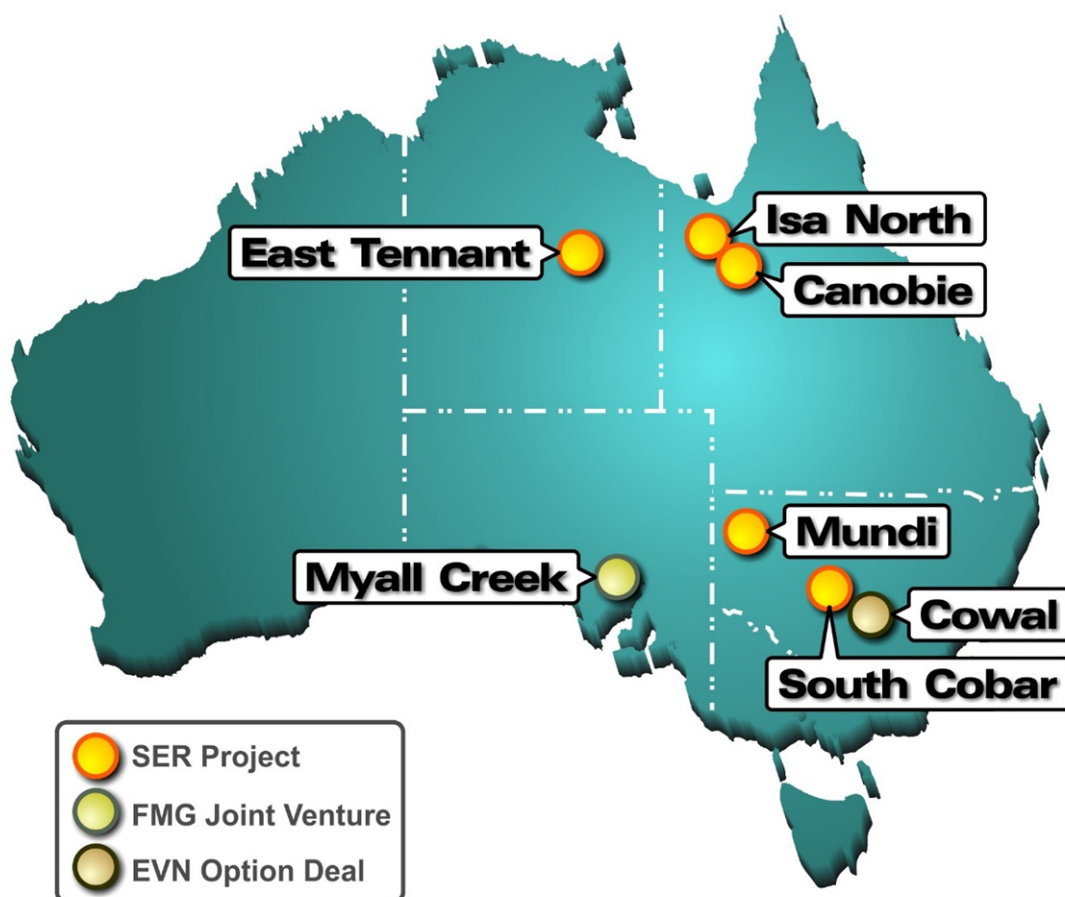


Figure 1: SER Project locations

MYALL CREEK

SOUTH AUSTRALIA (FMG EARNING-IN)

- Farm-in Joint Venture partner Fortescue Metals Group (ASX:FMG) completes gravity survey
- Detailed survey to complement existing magnetic data collected by Fortescue in 2019

The Myall Creek Copper Project is located at the southern end of the Gawler Craton in the Olympic Copper-Gold Province, home to the Olympic Dam, Prominent Hill, Carrapateena mines and the recent Oak Dam discovery (Fig. 1). The exploration licence captures a 15km strike length prospective for sediment hosted copper sulphides hosted in the basal units of the Tapley Hill Formation.

In 2019 Fortescue entered into a Farm-in and Joint Venture (FJV) covering Myall Creek which requires Fortescue to fund \$1.5m in exploration including 1,500m of drilling over a five year period. During the quarter 1968 gravity recordings were taken across both tenements at 500m x 500m spacing. Initial interpretation and modelling of the gravity data has commenced and will continue into the next quarter. SER will continue to update shareholders on the results of the gravity modelling and any subsequent drill program.

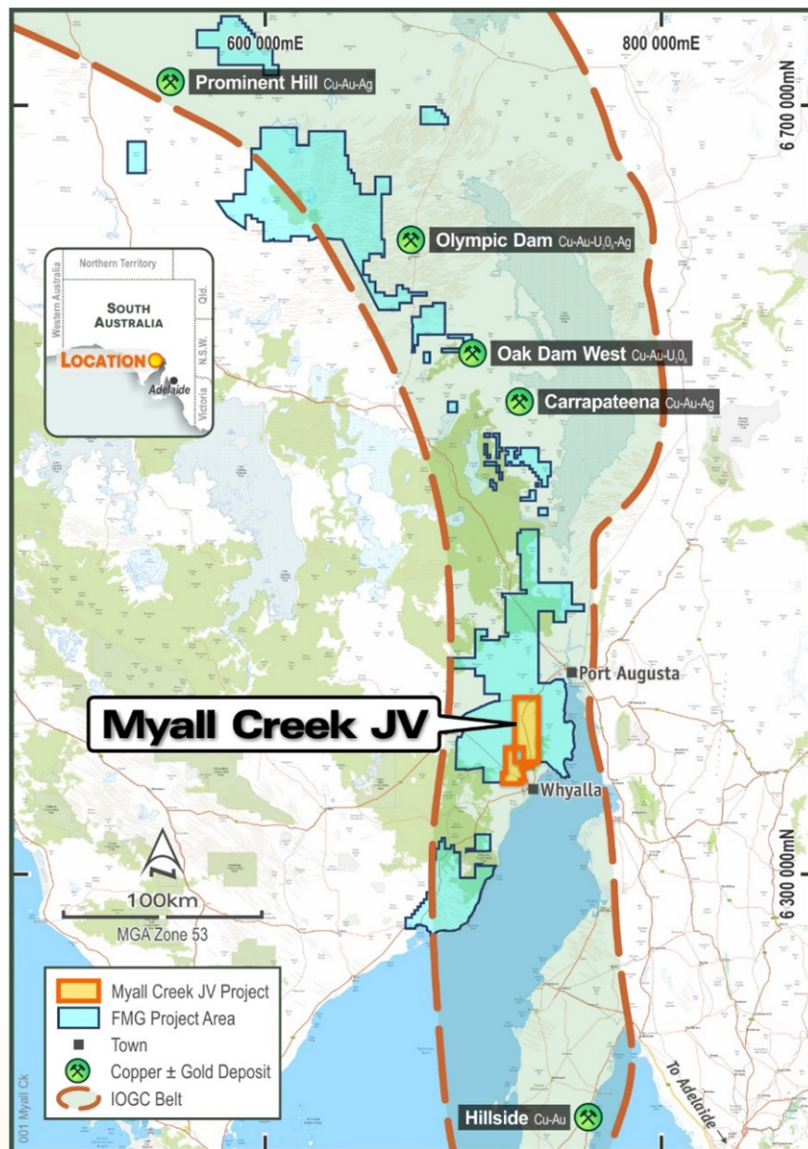


Figure 1: Myall Creek Project

ISA UNDERCOVER INITIATIVE

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QUEENSLAND (SER 100%)

- \$275,000 in Queensland Government funding to drill compelling Ni-Cu target at Canobie
- Drill planning underway to follow-up Newcrest Iron Oxide Copper-Gold near miss at Isa North
- Planning complete for Magnetotelluric (MT) survey at Isa North to test sediment-hosted Cu potential

The Isa Undercover Initiative consists of two Greenfield Projects located in the undercover extensions of the world-class Mt Isa Province in northwest Queensland (Fig. 2).

The **Canobie Project** covers over 1,800km² within the Mt Isa Eastern Succession, bounded to the east by the Quamby fault zone / Gidyea Suture Zone. The fault system hosts several significant deposits to the south including the giant Evolution-owned Ernest Henry Cu-Au Gold mine as well as significant Cu-Au projects such as the Mount Margaret Mine, Rocklands and Roseby projects, and the Dugald River Ag-Pb-Zn deposit.

The **Isa North Project** covers over 900km² along the projected northern extension of the mineralised Mt Gordon fault, host to several large deposits to the south, including the Mt Isa, Mt Oxide and Gunpowder copper deposits and the Mt Isa, Hilton and George Fisher Pb-Zn deposits.

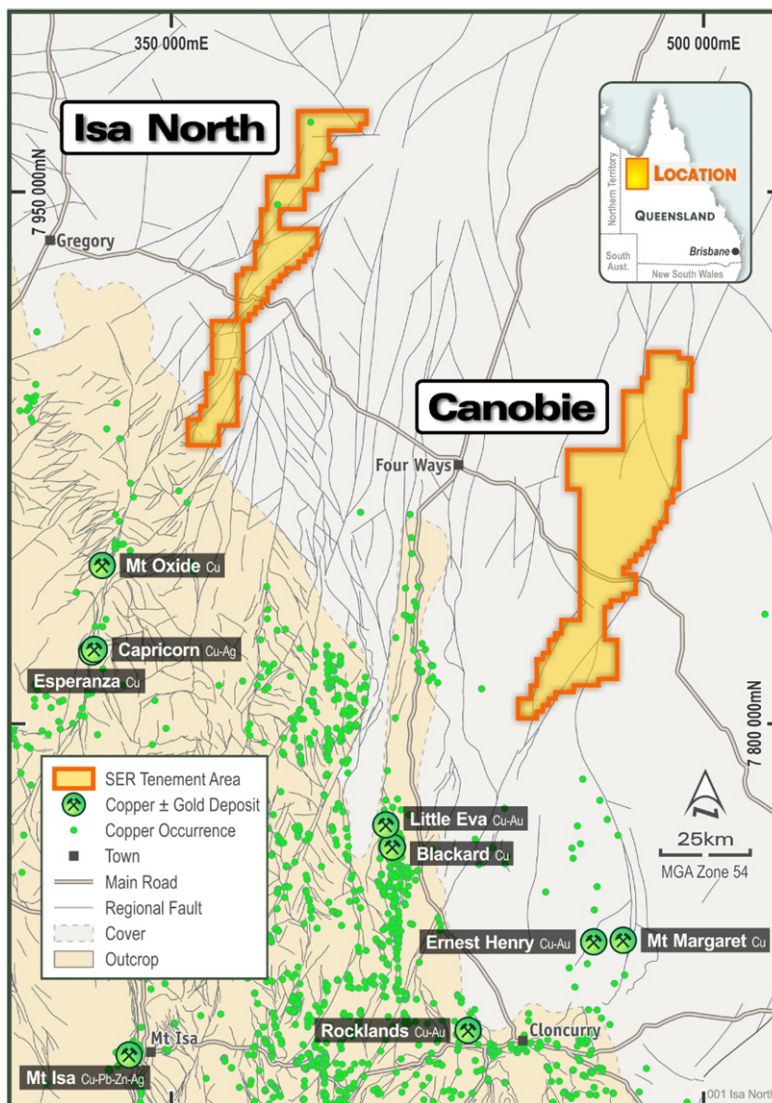


Figure 2: The location of the Canobie Domain and Isa North Projects

During the quarter SER was awarded a \$275,000 Queensland Government Collaborative Exploration Initiative (CEI) grant. The direct cash funding will be used to drill a single deep hole at the **Canobie Project** where SER has defined a compelling intrusion related nickel-copper sulphide target.

Recent unconstrained inversion modelling of a detailed ground gravity survey conducted last year identified a potential north-south striking mafic intrusion, possibly coring a tight fold adjacent to the major Quamby fault. Within this intrusion there appears to be tube-like zones which have sharp steep contacts and appear to be flat lying with an identifiable base (Fig. 3). These geometries are indicative of 'chonoliths', mafic intrusions with sub-horizontal tube geometries where magma and sulphides could be concentrated, and the northern region is the target that will be tested using the grant funds.

The identification of potential chonoliths is significant, as globally large nickel-copper deposits are known to be hosted within narrow zones (chonoliths) of mafic/ultramafic intrusions. World-class mineral deposits hosted in chonoliths include Noril'sk – Talnakh (Russia), and Nova-Bollinger (Western Australia).

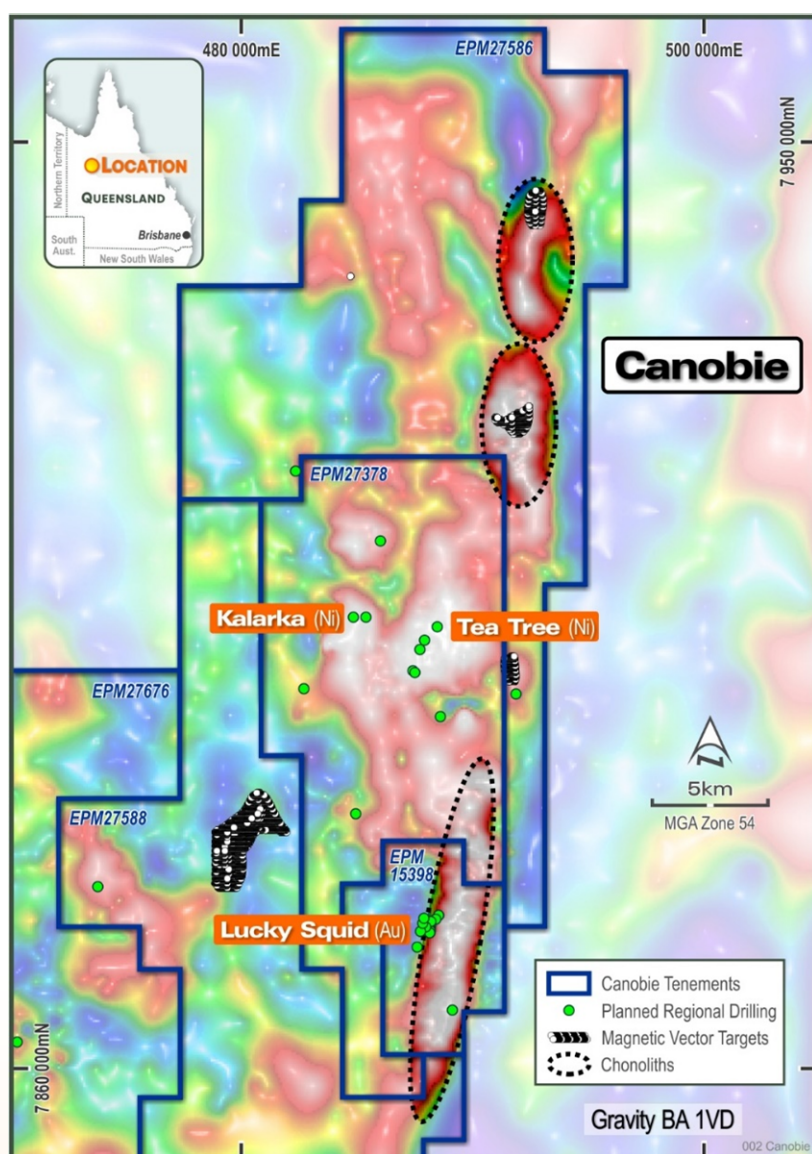


Figure 3: Gravity 1VD grid with potential chonoliths highlighted.

At the **Isa North Project**, planning is underway to conduct follow up drilling proximal to drillhole INMD001 drilled by Newcrest which was identified as a 'near-miss' based on the identification of Iron Oxide Copper-Gold (IOCG) alteration and pathfinder elements indicating the outer halo of a potential IOCG system. SER has also completed planning to conduct a MT survey across selected areas of the project in a bid to understand the potential for alternative mineralisation styles (particularly sediment-hosted copper mineralisation) noting that several major mining companies which now surrounded SER's project area (Fig. 4).

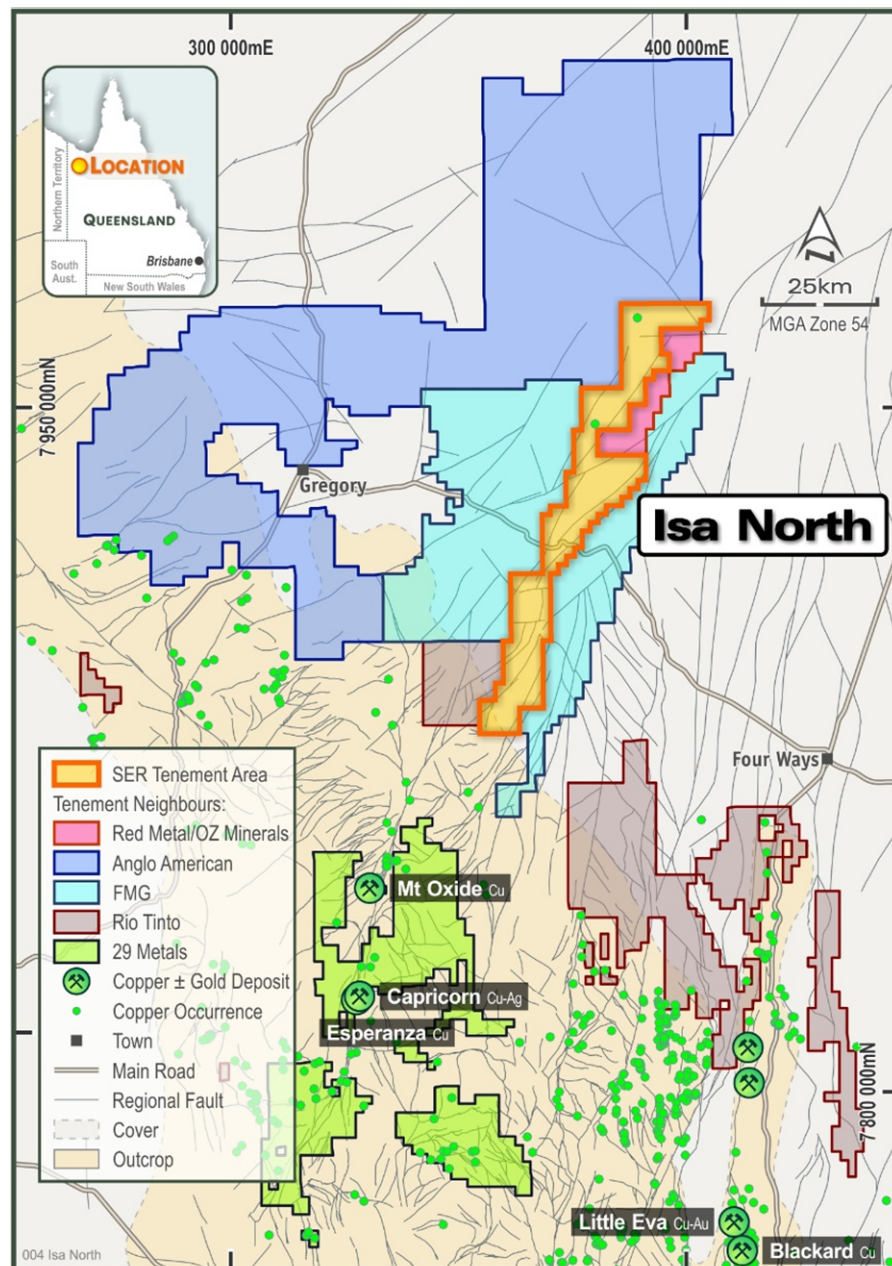


Figure 4: The Isa North Project and surrounding applications.

SOUTH COBAR

NEW SOUTH WALES (SER 100%)

- Drilling permits approved for a diamond drill program at the Achilles 1 Cu-Au Prospect
- Site preparations completed and drill pads cleared

The South Cobar Project is located along the eastern margin of the Rast Trough at the southern end of the Cobar Basin. The project captures the northern and southern extensions of the Woorara fault, along strike from Eastern Metals' (ASX: EMS) Brown's Reef polymetallic deposit and the Achilles shear zone, hosting Australian Gold and Copper's (ASX: AGC) Achilles 2 & 3 Prospects (Figure 5).

The most advanced Prospect at South Cobar is the Achilles 1 Cu-Au Prospect which was previously drilled by Western Plains Gold (WPG) in 2005. During the quarter a site visit was completed and multiple drill pads were cleared in anticipation for a diamond drill program to be conducted during the coming quarter. Financial assistance has already been secured as part of an NSW New Frontiers Cooperative Drilling Grant.

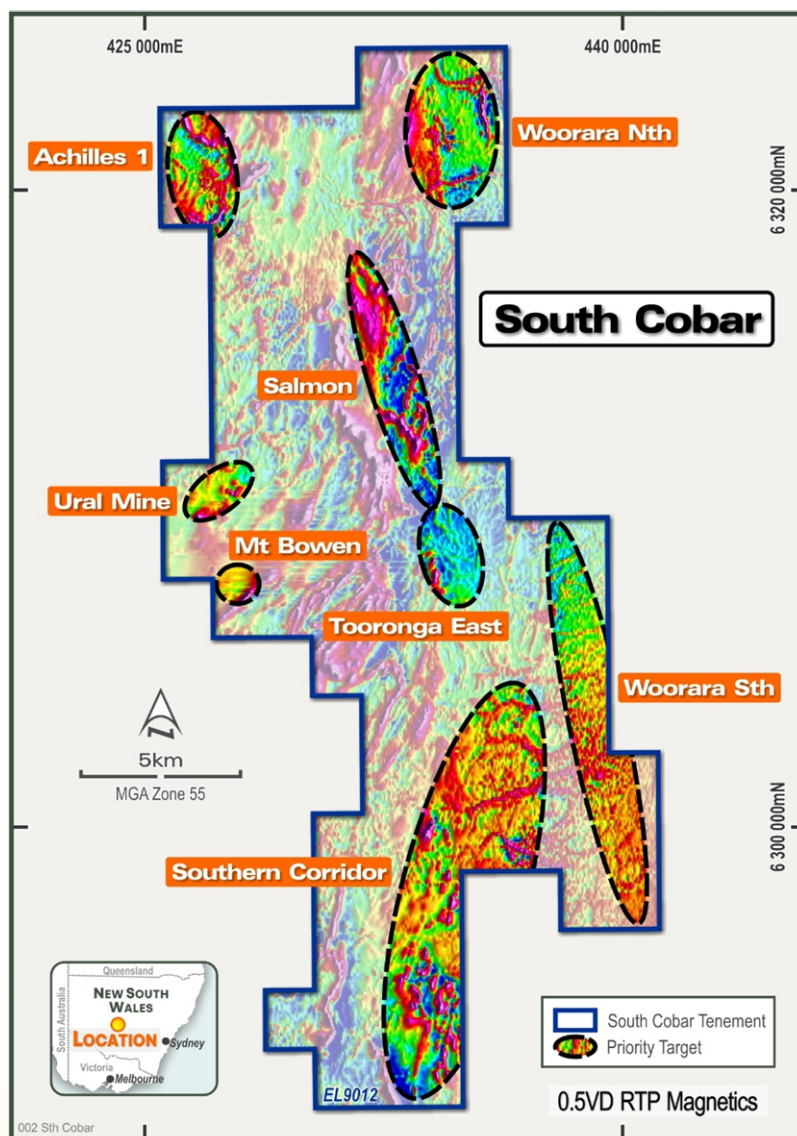


Figure 5: Achilles 1 Prospect at South Cobar

COWAL PROJECT

NEW SOUTH WALES (Evolution Option to purchase)

- Evolution targeting review completed; landholder agreement signed
- Evolution gravity survey completed and drill targeting underway

The Cowal Project is located within the Cowal Igneous Complex, nearby Evolution Mining's >11Moz Cowal Gold Mine and the >1Moz Marsden Cu-Au deposit. Evolution have a 2-year Option to purchase the South Cowal from SER.

During the quarter Evolution completed a targeting review at South Cowal, negotiated a landholder agreement and completed a detailed ground gravity survey.

CORPORATE AND INVESTMENTS

SER currently holds investments in both listed and unlisted companies. This includes 13,273,778 shares in Resolution Minerals Ltd (ASX: RML) and 87,155,625 shares in Ionic Industries Limited (an unlisted company).

Payments to related parties of the entity and their associates during the quarter were \$116k comprising Director and consulting fees as outlined in the Appendix 5B.

The Company's major cashflow movements for the quarter included:

- Exploration & Evaluation expenditure - \$312k; and
- Employee, administration and corporate costs - \$142k.

This announcement is authorised by the Strategic Energy Resources Limited Board.

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About Strategic Energy Resources

Strategic Energy Resources is a specialised undercover mineral explorer and project generator focused on discovery in the Greenfield frontiers of Australia. Our science driven, expert technical team leverages collaborations with government and private partners in our search for the next major mineral deposit.

INTERESTS IN MINING TENEMENTS

Mining Tenement	Location	Beneficial Percentage held	License Description / Notes	Interest acquired/farm-in or disposed/farm-out during the quarter
EL6140	South Australia	100%	Farm-In Agreement with FMG	-
EL5898	South Australia	100%	Farm-In Agreement with FMG	-
EL6626	South Australia	80%	Mabel Creek	-
EPM15398	Queensland	100%	Saxby	-
EPM27378	Queensland	100%	Saxby North	-
EPM27586	Queensland	100%	Canobie 1	-
EPM27587	Queensland	100%	Canobie 2	-
EPM27588	Queensland	100%	Canobie 3	-
EPM27638	Queensland	100%	Canobie 4	-
EPM27676	Queensland	100%	Canobie 5	-
EPM28180	Queensland	100%	Canobie 6	-
EPM26439	Queensland	100%	Isa North 1	-
EPM26440	Queensland	100%	Isa North 2	-
EPM26442	Queensland	100%	Isa North 3	-
E70/4793	Western Australia	100%	Ambergate	-
E70/5012	Western Australia	100%	Ambergate West	-
E70/5344	Western Australia	100%	Ambergate Far West	-
E38/3508	Western Australia	100%	Application only	-
E38/3564	Western Australia	100%	Application only	-
EL32109	Northern Territory	100%	East Tennant 1	-
EL32306	Northern Territory	100%	East Tennant 2	-
EL32307	Northern Territory	100%	East Tennant 3	-
EL32809	Northern Territory	100%	East Tennant 4	-
EL32617	Northern Territory	100%	Barkly 1	-
EL32670	Northern Territory	100%	Barkly 2	-
EL9012	New South Wales	100%	South Cobar	-
EL9057	New South Wales	100%	East Cowal	-
EL9362	New South Wales	100%	Mundi 1	-
EL9367	New South Wales	100%	Garema	-
EL9368	New South Wales	100%	Option Agreement for sale with EVN	-
EL9373	New South Wales	100%	Nymagee	-
EL9388	New South Wales	100%	Mundi 2	-

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

STRATEGIC ENERGY RESOURCES LIMITED

ABN

14 051 212 429

Quarter ended ("current quarter")

31 March 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(12)	(39)
(b) development	-	-
(c) production	-	-
(d) staff costs	(29)	(99)
(e) administration and corporate costs	(113)	(339)
1.3 Dividends received (see note 3)		
1.4 Interest received	2	5
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	64	64
1.8 Other (provide details if material)	-	300
1.9 Net cash from / (used in) operating activities	(88)	(108)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(300)	(903)
(e) investments	-	16
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	(1)
2.6	Net cash from / (used in) investing activities	(300)	(888)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	875
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	875

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	872	605
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(88)	(108)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(300)	(888)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	875

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	484	484

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	484	872
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	484	872

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	30
6.2	Aggregate amount of payments to related parties and their associates included in item 2	86
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	N/A		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(88)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(300)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(388)
8.4	Cash and cash equivalents at quarter end (item 4.6)	484
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	484
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.25
<p><i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i></p>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	<p>Answer: Yes, however the Company's cash position will substantially dictate the exploration programmes undertaken in future periods noting the Company has the ability to defer work programs where required to manage working capital.</p>	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	<p>Answer: The Company will continue to assess the merits of various fundraising initiatives to ensure it has the financial capacity to progress its exploration program at an appropriate rate and will also examine alternative means of progressing exploration programs. SER is prepared to make additional sale of investments including the sale of its shares in ASX companies. The Company will also consider the sale, farming out or joint venture arrangements in relation to its exploration tenements if necessary.</p>	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	<p>Answer:</p> <p>The Company's cash position substantially dictates the quantum of its exploration and evaluation expenditure and the Company has the capacity to control the level of expenditure based on its financial position.</p> <p>The Company's Board and Management continue to be focussed on meeting its stated objectives and are cognisant of the funding requirements required to meet those objectives. The Company has a track record of successfully raising capital to continue to pursue its exploration programmes.</p>	
<p><i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i></p>		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 27 April 2023

Authorised by: The Board

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.