

27 July 2023

Dear Shareholder,

Re: Notice of Meeting on Friday, 25 August 2023 at 10.00am (AEST)

Notice is hereby given that the Extraordinary General Meeting of Shareholders of Strategic Energy Resources Limited (Company) will be held virtually, at 10.00am (AEST) on Friday, 25 August 2023 (**EGM, Extraordinary General Meeting or Meeting**).

The Company will not be dispatching physical copies of the meeting documents and notices, including the Notice of Meeting for the EGM, unless you request a physical copy to be posted to you.

The Notice of Meeting, accompanying explanatory statement (Meeting Materials) are being made available to shareholders electronically. This means that:

- You can access the Meeting Materials online at the Company's website <https://www.strategicenergy.com.au/> or at or at the Company's share registry's website www.linkmarketservices.com.au.
- A complete copy of the Meeting Materials has been posted to the Company's ASX Market announcements page at www.asx.com.au under the Company's ASX code "SER".
- If you have provided an email address and have elected to receive electronic communications from the Company, you will receive an email to your nominated email address with a link to an electronic copy of the Meeting materials and the voting instruction form.

If you would like to receive electronic communications from the Company in the future, please update your communication elections online at <https://investorcentre.linkgroup.com/Login/Login> if you have not yet registered, you will need your shareholder information including SRN/HIN details.

If you are unable to access the Meeting Materials online please contact our share registry LINK on www.linkmarketservices.com.au or by phone on 1300 554 474 (within Australia) or on +61 1300 554 474 (Outside Australia) between 8:30am and 5:30pm (AEST) Monday to Friday, to obtain a copy.

The Company strongly recommends that Shareholders lodge their completed proxy forms in accordance with the instructions in this Notice of Meeting.

Yours sincerely,



Mathew Watkins
Company Secretary
Strategic Energy Resources Limited



STRATEGIC ENERGY RESOURCES LIMITED
ACN 051 212 429

Notice of Extraordinary General Meeting

Explanatory Statement and Proxy Form

Date of Meeting:
Friday, 25 August 2023

Time of Meeting:
10.00AM (AEST)

The meeting will be held virtually via a webinar conferencing facility. If you are a shareholder who wishes to attend and participate in the virtual meeting, please register in advance as per the instructions outlined in this Notice of Meeting. Shareholders are strongly encouraged to lodge their completed proxy forms in accordance with the instructions in this Notice of Meeting.

The Notice of Meeting has been given to those entitled to receive by use of one or more technologies. The Notice of Meeting is also available on the Australian Securities Exchange Announcement platform and on the Company's website <https://strategicenergy.com.au/>.

This Notice of Extraordinary General Meeting and Explanatory Statement should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor without delay

STRATEGIC ENERGY RESOURCES LIMITED

ACN 051 212 429

Registered Office: Level 4, 100 Albert Road, South Melbourne VIC 3205

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the Extraordinary General Meeting of Shareholders of Strategic Energy Resources Limited (the "Company" or "SER") will be held virtually at 10.00am (AEST) on Friday, 25 August 2023 (General Meeting or EGM or Meeting).

Shareholders are encouraged to submit their proxies as early as possible, and in any event, prior to the cut-off date for proxy voting as set out in the Notice. To lodge your proxy, please follow the directions on your personalised proxy form.

Shareholders attending the EGM virtually will be able to ask questions and the Company has made provision for Shareholders who register their attendance before the start of the meeting to also cast their votes on the proposed resolutions at the EGM.

The virtual meeting can be attended using the following details:

When: Friday, 25 August 2023 at 10.00am (AEST)

Topic: Strategic Energy Resources Limited - Extraordinary General Meeting

Register in advance for the virtual meeting:

https://us06web.zoom.us/webinar/register/WN_hzJTC70AT7efAavjBeP3sg

After registering, you will receive a confirmation email containing information about joining the meeting. As noted previously, the Company strongly recommends its shareholders to lodge a directed proxy as soon as possible in advance of the meeting even if they are planning to attend the meeting online. The Company will conduct a poll on each resolution presented at the meeting. The Company will accept questions during the meeting either by submitting a question through the Q&A box located on screen or by raising the hand function also located on screen at which point the Company will allow your question verbally.

The Company is happy to accept and answer questions submitted prior to the meeting by email to mathew.watkins@vistra.com. The Company will address relevant questions during the meeting or by written response after the Meeting (subject to the discretion of the Company not to respond to unreasonable and/or offensive questions).

Any shareholders who wish to attend the EGM online should monitor the Company's website and its ASX announcements for any updates about the AGM. If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the meeting, the Company will make further information available through the ASX website at asx.com.au (ASX: SER) and on its website at <https://strategicenergy.com.au/>.

STRATEGIC ENERGY RESOURCES LIMITED

ACN 051 212 429

Registered Office: Level 4, 100 Albert Road, South Melbourne VIC 3205

Notice is hereby given that the Extraordinary General Meeting of Shareholders of Strategic Energy Resources Limited (the "Company" or "SER") will be held online at 10.00am (AEST) on Friday, 25 August 2023 (General Meeting or EGM or Meeting).

AGENDA

The Explanatory Statement and Proxy Form which accompany and form part of this Notice, include defined terms and describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the Proxy Form in their entirety.

ORDINARY BUSINESS

Resolution 1: Ratify the prior issue of 71,428,571 shares of a Placement

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve, ratify and confirm the allotment and issue of 71,428,571 fully paid ordinary shares (Shares) in the Company on 3 July 2023 at an issue price of \$0.014 (1.4 cents) per Share in relation to the Placement to institutional and sophisticated investors as described in the Explanatory Statement."

Resolution 2: Ratify issue of 2,500,000 shares to Corporate Advisor

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve, ratify and confirm the allotment and issue of 2,500,000 fully paid ordinary shares (Shares) in the Company on 3 July 2023 at an issue price of \$0.02 (2 cents) per Share to Sternship Advisors Pty Ltd as described in the Explanatory Statement."

Resolution 3: Approval to issue of 97,571,429 shares as part of tranche 2 under Placement

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve, the allotment and issue of 97,571,429 fully paid ordinary shares in the Company (Shares) at an issue price of \$0.014 (1.4 cents) per Share to institutional and sophisticated investors, as described in the Explanatory Statement accompanying the Notice of Meeting."

Resolution 4: Approval of Issue of Shares to Director Mr Stuart Rechner (or his nominee) under Placement

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval be given to issue 3,000,000 Shares at an issue price of \$0.014 (1.4 cents) per Share in the Company to Mr Stuart Rechner (Executive Chairman of the Company), or his nominee(s), as part of the Placement announcement on 27 June 2023 on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."

Resolution 5: Approval of Issue of Shares to Director Dr David DeTata (or his nominee) under Placement

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval be given to issue 3,000,000 Shares at an issue price of \$0.014 (1.4 cents) per Share in the Company to Dr David DeTata (Managing Director of the Company), or his nominee(s), as part of the Placement announcement on 27 June 2023 on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."

Resolution 6: Approval of Issue of Shares to Director Mr Anthony McIntosh (or his nominee) under Placement

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval be given to issue 3,571,428 Shares at an issue price of \$0.014 (1.4 cents) per Share in the Company to Mr Anthony McIntosh (Non-Executive Director of the Company), or his nominee(s), as part of the Placement announcement on 27 June 2023 on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."

Resolution 7: Approval of the Issue of 3,000,000 Unlisted Options to the Lead Manager in connection with the Placement

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval be given to grant up to 3,000,000 Unlisted Options in the Company to the Lead Manager of the Share Placement announced on 27 June 2023, Bell Potter Securities Ltd, (or their nominee(s)), on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."

By order of the Board



Mathew Watkins
Company Secretary
20 July 2023

Notes

1. **Entire Notice:** The details of the resolutions contained in the Explanatory Statement accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
2. **Record Date:** The Company has determined that for the purposes of the Extraordinary General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7:00pm on the date 48 hours before the date of the Extraordinary General Meeting. Only those persons will be entitled to vote at the Extraordinary General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Extraordinary General Meeting.

3. Proxies

- a. Votes at the Extraordinary General Meeting may be given personally or by proxy, attorney or representative.
- b. Each shareholder has a right to appoint one or two proxies.
- c. A proxy need not be a shareholder of the Company.
- d. If a shareholder is a company it must execute under its common seal or otherwise in accordance with its constitution or the Corporations Act.
- e. Where a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
- f. If a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes. If a shareholder appoints two proxies, neither proxy may vote on a show of hands.
- g. A proxy form must be signed by the shareholder or his or her attorney who has not received any notice of revocation of the authority.
- h. To be effective, proxy forms must be received by the Company's share registry (Link Market Services Limited) no later than 48 hours before the commencement of the Annual General Meeting, this is no later than 10.00am (AEST) on Wednesday, 23 August 2023. Any proxy received after that time will not be valid for the scheduled meeting.

4. Corporate Representative

Any corporate shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

5. How the Chair will vote Undirected Proxies

Subject to the restrictions set out in Note 6 below, the Chair of the meeting will vote undirected proxies in favour of all of the proposed resolutions. In exceptional circumstances, the Chair may change his or her voting intention on the Resolution, in which case an ASX announcement will be made. Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

6. Voting Exclusion Statement:

Resolutions 1-3 & 7

The Company will disregard any votes cast in favour of these resolutions by or on behalf of any persons who participated or are expected to participate or who will obtain a material benefit as a result of the issue of securities or any associates of that person or those persons.

However, this does not apply to a vote cast in favour of these resolution by:

- a) a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 4 to 6

The Company will disregard any votes cast in favour of each of Resolutions 4 to 6 (respectively and separately) by or on behalf of :

- Mr Stuart Rechner, Dr David DeTata and Mr Anthony McIntosh or any person(s) who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity), or
- an associate of person referred to in the preceding paragraph.

However, this does not apply to a vote cast in favour of the resolution by:

(a) a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or

(b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or

(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
- ii. the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Furthermore, a vote must not be cast as proxy on any Resolutions 4 to 6 by a member of the Key Management Personnel (as defined by the Corporations Act) or a closely related party of Key Management Personnel.

However, a person described above (a "Restricted Voter") may cast a vote on any Resolutions 4 through to 6, as a proxy if:

- a. The Restricted Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution(s); or

b. The Chairman is the Restricted Voter and the written appointment of the Chairman as proxy does not specify the way the proxy is to vote on the Resolution(s) or expressly authorises the Chairman to exercise the proxy even though the Resolution(s) is or are connected with the remuneration of a member of the Key Management Personnel.

If you appoint the Chairman as your proxy and you do not direct the Chairman how to vote, you will be expressly authorising the Chairman to exercise the proxy even if the relevant resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

7. Enquiries

Shareholders are invited to contact the Company Secretary, Mathew Watkins on (03) 9692 7222 if they have any queries in respect of the matters set out in these documents.

EXPLANATORY STATEMENT

Purpose of Information

This Explanatory Statement ("**Statement**") accompanies and forms part of the Company's Notice of Extraordinary General Meeting ("**Notice**") for the Extraordinary General Meeting ("**Meeting**") will be held online, at **10.00am (AEST) on Friday, 25 August 2023**.

The Notice incorporates, and should be read together, with this Statement.

Background to Resolutions 1 to 7 (excluding resolution 2)

On 27 June 2023, the Company announced that it had raised \$2.5 million via a placement to institutional and sophisticated investors. The Placement will result in the issue of 178,571,428 fully paid ordinary shares at \$0.014 (1.4 cents) per share. The issue price represented a discount of 7% to the Company's last traded price prior to the Placement of \$0.015 immediately prior to the Placement.

The Placement of shares would be undertaken in two tranches. Tranche 1 resulted in 71,428,571 Shares being issued within the Company's existing placement capacity under Listing Rule 7.1 and 7.1A on Monday, 3 July 2023.

Tranche 2 is subject to shareholder approval and if approved will result in 107,142,857 Shares being issued. Each of the Directors have provided firm commitments to participate in the Placement subject to shareholder approval with approval sought under Resolutions 4-6.

Bell Potter Securities Ltd was sole lead manager and bookrunner to the Placement. The fees of the lead manager were 2% Management Fess plus 4% Selling Fees for proceeds raised from new shareholders. In addition, 3,000,000 unlisted Options at an exercise price of \$0.021 to be issued to the lead Manager subject to shareholder approval.

The two tranche Placement and associated resolutions are summarised below:

- Resolution 1 to ratify the issue of 71,428,571 shares under the Placement Tranche 1
- Resolution 3 to approve the issue of 97,571,429 shares under the Placement Tranche 2
- Resolutions 4-6 to the seek approval for the Directors to participate in the Placement on the same terms as the institutional and professional investors
- Resolution 7 to seek approval for the issue of 3,000,00 unlisted options to the lead manager in connection with the Placement

Resolution 1: Ratify the Prior Issue of Shares of a Placement

Background

As noted above, the Company is seeking shareholder approval pursuant to ASX Listing Rule 7.4 to ratify the issue of 71,428,571 fully paid ordinary shares in the Company (Shares) on 3 July 2023 at an issue price of \$0.014 (1.4 cents) per Share on the terms as announced on 27 June 2023.

The Shares were issued without shareholder approval from the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1 and 10% placement capacity pursuant to ASX Listing Rule 7.1A.

ASX Listing Rules

ASX Listing Rules 7.1 allows the Company to issue new securities up to 15% of the existing capital of the Company in any 12-month period without the prior approval of Shareholders, excluding any issues that are subject to one of the exceptions in ASX Listing Rule 7.2 applies. The issue of the Shares was within the Company's available placement capacity under ASX Listing Rules 7.1.

ASX Listing Rule 7.1A provides that a Company may seek shareholder approval at its annual general meeting to issue additional quoted securities up to 10% of its issued capital, provided that it is an eligible entity (Eligible Entity).

An Eligible Entity is one that, as at the date of the relevant annual general meeting –

- a) it must have a market capitalisation of \$300 million or less.
- b) it must not be included in the S&P/ASX 300 Index.

At the time the approval was obtained (the Company's last Annual General Meeting 16 November 2022), the Company was an Eligible Entity.

Under ASX Listing Rule 7.4 an issue of securities will be treated as having been made with the approval of shareholders for the purposes of ASX Listing Rule 7.1 and 7.1A if the issue did not breach ASX Listing Rule 7.1 and 7.1A at the time and shareholders subsequently approve it. The issue of the Shares was within the Company's ASX Listing Rules 7.1 and 7.1A placement capacity and the Company now seeks Shareholder ratification of the issue pursuant to ASX Listing Rule 7.4 so as to refresh its capacity to make further issues (if required) without shareholder approval under Listing Rules 7.1 & 7.1A.

If this Resolution is approved, the prior issue of 71,428,571 Shares may be treated by the Company as having been made with Shareholder approval under ASX Listing Rule 7.1 & 7.1A. The Company will therefore have the flexibility, if required, to issue additional equity securities without the 71,428,571 Shares counting towards the 25% threshold for the purposes of ASX Listing Rules 7.1 & 7.1A.

If this Resolution is not approved, the prior issue of 71,428,571 Shares will not be treated by the Company as having been made with Shareholder approval under ASX Listing Rules 7.1 and 7.1A. The Company will therefore have the 71,428,571 Shares as counting towards the 25% threshold for the purposes of ASX Listing Rule 7.1 & 7.1A. This will limit the Company's placement capacity under the Listing Rule 7.1 & 7.1A.

ASX Listing Rule 7.5 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to ASX Listing Rule 7.4:

- a) The Shares were issued to institutional and sophisticated investors, who are not related parties;
- b) the number and class of securities issued was 71,428,571 fully paid ordinary shares in the Company;
- c) the Shares were issued on 3 July 2023;
- d) the Shares were issued at a price of \$0.014 (1.4 cents) per Share; and
- e) the purpose of the issue was to raise fund for the diamond drill program and magnetotelluric (MT) survey at the Isa North Project in northwest Queensland, the diamond drill program at the Achilles Cu-Au Prospect in NSW and the MT survey at the Mundi project in NSW as well as working capital.

Board Recommendation

The Board recommends that shareholders vote in favour of Resolution 1.

The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

Voting Exclusions

Refer to Note 6 for voting exclusions.

Resolution 2: Ratify the prior issue of issue of 2,500,000 shares to Corporate Advisor

Background

The Company is seeking shareholder approval pursuant to ASX Listing Rule 7.4 to ratify the issue of 2,500,000 fully paid ordinary shares in the Company (Shares) to Sternship Advisors Pty Ltd on 3 July 2023, as consideration for the provision of their service, on the terms as announced on 26 October 2022.

ASX Listing Rules

ASX Listing Rules 7.1 allows the Company to issue new securities up to 15% of the existing capital of the Company in any 12-month period without the prior approval of Shareholders, excluding any issues that are subject to one of the exceptions in ASX Listing Rule 7.2 applies. The issue of the Shares was within the Company's available placement capacity under ASX Listing Rules 7.1.

Under ASX Listing Rule 7.4 an issue of securities will be treated as having been made with the approval of shareholders for the purposes of ASX Listing Rule 7.1 if the issue did not breach ASX Listing Rule 7.1 at the time and shareholders subsequently approve it. The issue of the Shares was within the Company's ASX Listing Rules 7.1 placement capacity and the Company now seeks Shareholder ratification of the issue pursuant to ASX Listing Rule 7.4 so as to refresh its capacity to make further issues (if required) without shareholder approval under Listing Rules 7.1.

If this Resolution is approved, the prior issue of 2,500,000 Shares may be treated by the Company as having been made with Shareholder approval under ASX Listing Rule 7.1. The Company will therefore have the flexibility, if required, to issue additional equity securities without the 2,500,000 Shares counting towards the 15% threshold for the purposes of ASX Listing Rules 7.1.

If this Resolution is not approved, the prior issue of 2,500,000 Shares will not be treated by the Company as having been made with Shareholder approval under ASX Listing Rules 7.1. The Company will therefore have the 2,500,000 Shares as counting towards the 15% threshold for the purposes of ASX Listing Rule 7.1. This will limit the Company's placement capacity under the Listing Rule 7.1.

ASX Listing Rule 7.5 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to ASX Listing Rule 7.4:

- a) the Shares were issued to Sternship Advisors Pty Ltd;
- b) the number and class of securities issued was 2,500,000 fully paid ordinary shares in the Company;
- c) the Shares were issued on 3 July 2023;
- d) the Shares were issued as consideration for services provided and valued at \$0.02 (2 cents) each;
- e) the purpose of the issue was to compensate the Corporate Advisor, for the provision of services; and
- f) no funds were raised from the issue of securities.

Board Recommendation

The Board recommends that shareholders vote in favour of Resolution 2.

The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

Voting Exclusions

Refer to Note 6 for voting exclusions.

Resolution 3: Approval to issue of 97,571,429 shares as part of tranche 2 under Placement

Background

The Company is seeking Shareholder approval pursuant to ASX Listing Rule 7.1, to allot, 97,571,429 fully paid ordinary shares in the Company at \$0.014 (1.4 cents) per share, as part of the tranche 2 placement of Shares, announced on 27 June 2023 to institutional and sophisticated investors under the Placement.

A further 9,571,428 Shares are to be issued to Directors on the same terms and approval for those issues is sought under resolutions 4 through to 6.

ASX Listing Rules

ASX Listing Rule 7.1 provides that a company must not, without shareholder approval, issue or agree to issue more securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. As the issue of 97,571,429 fully paid ordinary shares, without shareholder approval, exceed that 15% limit, the Company proposes Resolution 3 to seek shareholder approval under Listing Rule 7.1.

If Resolution 3 is passed, the Company will issue the 97,571,429 fully paid ordinary shares without using any of its placement capacity under Listing Rule 7.1, retain the flexibility to make future issues of equity securities up to the 15% limit and raise approximately \$1,366,000 before issue costs. If Resolution 3 is not passed, the Company will not be able to issue the 97,571,429 Shares under the Placement.

ASX Listing Rule 7.3 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to ASX Listing Rule 7.1:

- a) The Shares will be issued to institutional and sophisticated who are not related parties;
- b) the number and class of securities issued was 97,571,429 fully paid ordinary shares in the Company;
- c) the date by which the Company will issue the securities will be no later than three (3) months after the date of this Meeting (or such later date as may be approved by ASX). The Company however expects to issue the shares on or around 1 September 2023;
- d) the issue price of the Shares will be \$0.014 (1.4 cents); and
- e) the purpose of the issue was to raise fund for the diamond drill program and magnetotelluric (MT) survey at the Isa North Project in northwest Queensland, the diamond drill program at the Achilles Cu-Au Prospect in NSW and the MT survey at the Mundi project in NSW as well as working capital.

Board Recommendation

The Board recommends that shareholders vote in favour of Resolution 3.

The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

Voting Exclusions

Refer to Note 6 for voting exclusions.

Resolutions 4, 5 and 6: Approval of Issue of Shares to Directors, Mr Stuart Rechner, Dr David DeTata and Mr Anthony McIntosh (or their nominees) under Placement

Background

The Company is seeking shareholder approval to allow the Company's Directors, Mr Stuart Rechner, Dr David DeTata and Mr Anthony McIntosh (or their respective nominees) to participate in Tranche 2 of the Placement as announced on 27 June 2023 and pursuant to ASX Listing Rule 10.11 to allot and issue 9,571,428 fully paid ordinary shares in the Company (Shares) at an issue price of \$0.014 (1.4 cents) per Share to each Director. The issue price of \$0.014 (1.4 cents) per Share is same as the issue price at which the Shares have been offered to institutional and sophisticated investors under the Placement outlined in Resolutions 1 and 3.

The details of the Shares proposed to be issued under Resolutions 4, 5 and 6 are as follows:

Resolution	Name of the Director	Number of Shares	Issue Price	Funds Raised
Resolution 5	Mr Stuart Rechner	3,000,000	\$0.014	\$42,000
Resolution 6	Dr David DeTata	3,000,000	\$0.014	\$42,000
Resolution 7	Mr Anthony McIntosh	3,571,428	\$0.014	\$50,000
	Total	9,571,428		\$134,000

ASX Listing Rules

ASX Listing Rule 10.11 provides that a listed company must not (subject to specified exceptions) issue or agree to issue equity securities to a related party without shareholder approval. Directors of the Company are related parties of the Company and therefore Shareholder approval for the participation of the abovenamed Director of the Company in the Placement is required under ASX Listing Rule 10.11.

Resolutions 4, 5 and 6 seek the required shareholder approval to the issue under and for the purposes of Listing Rule 10.11.

If Resolutions 4, 5 and 6 are passed, the Company will be able to proceed with the issue of the Shares and each of Mr Stuart Rechner, Dr David DeTata and Mr Anthony McIntosh, the Directors (or their nominee(s)) will receive 3,000,000, 3,000,000 and 3,571,428 Shares respectively at an issue price of \$0.014 per share. The willingness of the Directors to subscribe for Shares under the Placement is confirmation of their faith in the Company and its business.

If all or any of Resolutions 4, 5 and 6 are not passed, the Company will not proceed with the issue of the Shares to the applicable Director(s), and the applicable Director(s) (or their nominee(s)) will not receive the Shares as described above.

If approvals are given under ASX Listing Rule 10.11, approvals are not required under ASX Listing Rule 7.1.

The following information is given under ASX Listing Rule 10.13 in respect of the proposed issues of Shares to each Director under Resolutions 4, 5 and 6 (respectively):

- the proposed recipients are Mr Stuart Rechner, Dr David DeTata and Mr Anthony McIntosh, each of whom is a Director of the Company, or their respective nominee(s) (each of which would be an associate of the respective Director);
- each of the proposed recipients are related parties of the Company as each of them is a Director of the Company and thus fall into 10.1.1;
- 3,000,000 Shares are proposed to be issued to Mr Stuart Rechner, 3,000,000 Shares are proposed to be issued to Dr David DeTata and 3,571,428 shares are proposed to be issued to Mr Anthony McIntosh, being a total of 9,571,428 Shares;
- the Shares will be issued no later than one month after the date of the Meeting however are expected to be issued on or around 1 September 2023;

- e) the issue price of the Shares will be \$0.014 (1.4 cents); and
- f) the purpose of the issue was to raise funds for the diamond drill program and magnetotelluric (MT) survey at the Isa North Project in northwest Queensland, the diamond drill program at the Achilles Cu-Au Prospect in NSW and the MT survey at the Mundi project in NSW as well as working capital.

Board Recommendation

The Board (with the respective directors abstaining in relation to the relevant Resolution regarding their own proposed Shares) recommends that shareholders vote in favour of Resolutions 4, 5 and 6.

The Chair of the Meeting intends to vote undirected proxies in favour of these Resolutions.

Voting Exclusions

Refer to Note 6 for voting exclusions.

Resolutions 7: Approve issue of 3,000,000 Options to Lead Manager

Background

Resolution 7 seeks shareholder approval for the purpose of Listing Rule 7.1 and all other purposes for the issue of Unlisted 3,000,000 Options, exercisable 2 years from the date of grant and \$0.021 (2.1 cents) to Bell Potter Securities Limited (or their nominees(s)), the Lead Manager of the Placement announced by the Company on 27 June 2023. Refer to Annexure 1 for the detailed terms of the Options.

ASX Listing Rules

Subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary shares it had on issue at the start of that period. The Issue does not fall within any of the relevant exceptions. As the issue of 3,000,000 Options, without shareholder approval, exceed that 15% limit, the Company proposes Resolution 7 to seek shareholder approval under Listing Rule 7.1.

If this Resolution is passed, the Company will be able to proceed with the issue of up 3,000,000 Options to Bell Potter.

If this Resolution is not passed, the Company would not be able to proceed with the issue of up 3,000,000 Options to its 3,000,000 with shareholder approval however may consider issuing the securities out of its placement capacity under ASX Listing Rule 7.1, subject to the approval of Resolution 1.

ASX Listing Rule Disclosure Requirements

The following information is provided in relation to this Resolution, as required by ASX Listing Rule 7.3:

- a) the Options will be issued to Bell Potter Securities Limited (or their nominees(s));
- b) the number and class of securities being issued is up to 3,000,000 Options in the Company;
- c) a summary of the material terms of the Options are included within Annexure 1;
- d) the Options will be issued by no later than three months after the date of this Meeting however are expected to be issued on or around 1 September 2023;
- a) the Options will be exercisable at \$0.021 (2.1 cents);
- e) the purpose of the issue is payment of consideration for services provided by Bell Potter in connection with the Placement announced on 27 June 2023; and
- f) the issue of options will not raise any funds however, if any options are exercised in the future, the funds raised will be used to advance projects or working capital at the time of any such exercise.

Board Recommendation

The Board recommends that shareholders vote in favour of Resolution 7.

The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

Voting Exclusions

Refer to Note 6 for voting exclusions.

GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“\$” means Australian Dollars;

“**ASX**” means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

“**AEST**” means Australian Eastern Standard Time.

“**Board**” means the Directors acting as the board of Directors of the Company;

“**Chair**” means the person appointed to chair the Meeting of the Company convened by the Notice;

“**Closely Related Party**” means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

“**Company**” means Strategic Energy Resources Limited ACN 051 212 429;

“**Constitution**” means the constitution of the Company as at the date of the Meeting;

“**Corporations Act**” means the Corporations Act 2001 (Cth);

“**Director**” means a Director of the Company;

“**Directors Report**” means the annual directors’ report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**Equity Security**” has the same meaning as in the Listing Rules;

“**Explanatory Statement**” means the explanatory statement which forms part of the Notice;

“**Key Management Personnel**” means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

“**Listing Rules**” means the Listing Rules of the ASX;

“**Meeting**” has the meaning given in the introductory paragraph of the Notice;

“**Notice**” means the Notice of Meeting accompanying this Explanatory Statement;

“**Proxy Form**” means the proxy form attached to the Notice;

“**Resolution**” means a resolution referred to in the Notice;

“**Share**” means a fully paid ordinary share in the capital of the Company;

“**Shareholder**” means shareholder of the Company;

“**Trading Day**” means a day determined by ASX to be a trading day in accordance with the Listing Rules; and

“**VWAP**” means volume weighted average price.

Annexure 1 – Terms of Options in connection with Resolution 7

The Options to be issued to Bell Potter Securities Limited (or their nominee(s)), entitle the holder to subscribe for Shares on the following terms and conditions.

(a) Entitlement

- (i) Each Option entitles the Option holder to subscribe for, and be allotted, one ordinary Share in the capital of the Company.
- (ii) Shares issued on the exercise of Options will rank equally with all existing Shares on issue, as at the exercise date, and will be subject to the provisions of the Constitution of the Company and any escrow restrictions imposed on them by the ASX.

(b) Exercise of Option

- (i) The Options are exercisable at any time from the issue date.
- (ii) The Options expire at the end of two years from the date of grant.
- (iii) The exercise price per option is \$0.021.
- (iv) Each Option is exercisable by the Option holder signing and delivering a notice of exercise of Option together with the exercise price in full for each Share to be issued upon exercise of each Option to the Company's Share Registry. Unless a holder is exercising all of their Options, Options must be exercised in parcels of not less than 1,000.
- (v) The Options cannot be exercised if, as a result of the exercise, the Optionholder or any of its associates would breach the provisions of Chapter 6 (and specifically section 606) of the Corporations Act.
- (vi) Remittances must be made payable to 'Strategic Energy Resources Limited'.
- (vii) All Options will lapse on the earlier of the:
 - (A) receipt by the Company of notice from the Option holder that the Option holder has elected to surrender the Option; and
 - (B) expiry of the final date and time for exercise of the Option.
- (viii) In the event of liquidation of the Company, all unexercised Options will lapse.

(c) Quotation

- (i) As at the date of this Notice of Meeting, the Company does not intend to apply for Official Quotation of the Options but may decide to do so at a later date.
- (ii) If the Shares of the Company are quoted on the ASX, the Company will apply to the ASX for, and will use its best endeavours to obtain, quotation of all Shares issued on the exercise of any Options within 10 Business Days (as defined in the ASX Listing Rules) of issue. The Company gives no assurance that such quotation will be granted.

(d) Participation in Securities Issues

Subject to paragraph (e) below, the holder is not entitled to participate in new issues of securities without exercising the Options.

(e) Participation in a Reorganisation of Capital

- (i) In the event of any reconstruction or reorganisation (including consolidation, sub-division, reduction or return of the capital of the Company), the rights of an Option holder will be changed in accordance with the Listing Rules applying to a restructure or reorganisation of the capital at the time of that restructure or reorganisation, provided always that the changes to the terms of the Options do not result in any benefit being conferred on the Option holder which is not conferred on Shareholders of the Company.
- (ii) In any reorganisation as referred to in paragraph (e)(i), Options will be treated in the following manner:
- (A) in the event of a consolidation of the share capital of the Company, the number of Options will be consolidated in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
 - (B) in the event of a subdivision of the share capital of the Company, the number of Options will be subdivided in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
 - (C) in the event of a return of the share capital of the Company, the number of Options will remain the same and the exercise price will be reduced by the same amount as the amount returned in relation to each ordinary share;
 - (D) in the event of a reduction of the share capital of the Company by a cancellation of paid up capital that is lost or not represented by available assets where no securities are cancelled the number of Options and the exercise price of each Option will remain unaltered;
 - (E) in the event of a pro-rata cancellation of shares in the Company, the number of Options will be reduced in the same ratio as the ordinary share capital of the Company and the exercise price of each Option will be amended in inverse proportion to that ratio; and
 - (F) in the event of any other reorganisation of the issued capital of the Company, the number of Options or the exercise price or both will be reorganised (as appropriate) in a manner which will not result in any benefits being conferred on the Option holder which are not conferred on shareholders.

LODGE YOUR VOTE

ONLINE
<https://investorcentre.linkgroup.com>

BY MAIL
Strategic Energy Resources Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
Parramatta Square, Level 22, Tower 6,
10 Darcy Street, Parramatta NSW 2150

ALL ENQUIRIES TO
Telephone: +61 1300 554 474



X999999999999

PROXY FORM

I/We being a member(s) of Strategic Energy Resources Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

☐ the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy. An email will be sent to your appointed proxy with details on how to access the virtual meeting.

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Extraordinary General Meeting of the Company to be held virtually at **10:00am (AEST) on Friday, 25 August 2023 (the Meeting)** and at any postponement or adjournment of the Meeting at https://us06web.zoom.us/webinar/register/WN_hzJTC70AT7efAavjBeP3sg


The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an ☒

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Ratify the prior issue of 71,428,571 shares of a Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Approval of Issue of Shares to Director Dr David DeTata (or his nominee) under Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Ratify issue of 2,500,000 issue of shares to Corporate Advisor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Approval of Issue of Shares to Director Mr Anthony McIntosh (or his nominee) under Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval to issue of 97,571,429 shares as part of tranche 2 under Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Approval of the Issue of 3,000,000 Unlisted Options to the Lead Manager in connection with the Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of Issue of Shares to Director Mr Stuart Rechner (or his nominee) under Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

 * If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

SER PRX2301N

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at registrars@linkmarketservices.com.au prior to admission in accordance with the Notice of Annual General Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am (AEST) on Wednesday, 23 August 2023**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

<https://investorcentre.linkgroup.com>

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link <https://investorcentre.linkgroup.com> into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

Strategic Energy Resources Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
Parramatta Square
Level 22, Tower 6
10 Darcy Street
Parramatta NSW 2150

*During business hours Monday to Friday (9:00am - 5:00pm)