ASX ANNOUNCEMENT

Strategic Energy Resources

7 February 2024

CANOBIE PROJECT UPDATE

HIGHLIGHTS

- **Intense Iron Oxide Copper Gold (IOCG) type alteration intersected across remaining two holes at the Canobie Farm-In and Joint Venture with Fortescue**
- **Datasets collected from this first field season will be assessed to refine the exploration model and select next targets**
- **Geophysical surveys in the first half of 2024 to be followed by drilling of several high priority targets**

Strategic Energy Resources Limited ("**SER**" or "**the Company**") is pleased to provide an update on the final drill results for the first field season at the Canobie Project in northwest Queensland which is being explored under a Farm-in and Joint Venture with FMG Resources Pty Ltd ("**Fortescue"**), a wholly owned subsidiary of Fortescue Ltd.

SER and Fortescue are targeting both Iron Oxide Copper-Gold (IOCG) and nickel-copper sulphide mineralisation west of the Gidyea Suture Zone, a crustal-scale fault system that is associated with several significant copper-gold deposits to the south including the Ernest Henry mine.

Commenting on first field season at Canobie, SER Managing Director, Dr David DeTata said:

"The first field season at the Canobie Project has confirmed our view of the prospectivity of the project to host Ernest Henry style IOCG deposits. All three targets tested this year were magnetite rich with IOCG geochemical pathfinders present. The team has already incorporated these new datasets to design additional geophysical programs to rank the dozens of remaining targets across the project prior to drill testing this year. This is the science driven approach to exploration that SER strives for in search of the next Tier-1 discovery undercover'.

ERNEST HENRY TYPE MAGNETITE IOCG TARGETS

The first field season at Canobie drill tested two Ernest Henry style IOCG targets to provide evidence for the development of IOCG style mineralisation and validate the exploration model. As announced previously[1], the magnetic anomalies targeted at both the Apollo Bore Prospect (CNDD005) and the Sundance Prospect (CNDD006), were explained by intense hydrothermal magnetite and sodic-calcic-iron alteration and veining. Apollo Bore intersected the modelled magnetic body at 898m, with the magnetic response sourced from a magnetite + pyrite rich alteration which was present until end of hole at 1233m, whilst Sundance intersected a magnetite + apatite phase from 585m with a magnetite rich phase underlying from 616m to 661m. No significant copper intersections were recorded for the Apollo Bore or Sundance targets, however the alteration encountered at each target is consistent with precursor alteration in IOCG deposits throughout the district confirming Canobie Project's prospectivity.

FUTURE EXPLORATION WORK PROGRAM

The assays from all drilling undertaken this field season will be used to assist in relogging the core and, combined with all available datasets covering the Project, will be used to refine the exploration model. The

[1] SER Announcement dated 6th December 2023

Exploration Committee has already earmarked additional geophysical surveys scheduled to begin in the second quarter of 2024, which will be used to rank drill targets prior to the completion of a second year of drill testing.

FARM-IN AND JOINT VENTURE KEY TERMS

The key terms of the Agreement include:

1. Fortescue may earn a 51% interest in the Canobie Project (**Stage 1 Interest**) by incurring $4M in expenditure on exploration which will include a minimum of 3,000m of basement drilling within the first three years. This includes a minimum obligation of $2.5M in expenditure on exploration within the first 2 years. **A total of 1467m of basement was drilled in this first field season.**

2. During the Stage 1 Period SER will operate and conduct all exploration activities as directed by the Exploration Committee which will comprise two members from each Party.

3. Fortescue may earn an additional 29% interest (for a total interest of 80%) (**Stage 2 Interest**) by incurring an additional $4M in expenditure on exploration over an additional 3 years which shall include a minimum of 3,000m of basement drilling (Stage 2 Period).

4. Co-contribution to expenditure may occur after Fortescue earns the Stage 1 Interest (Fortescue 51%: SER 49%) or the Stage 2 Interest (Fortescue 80%: SER 20%). If SER elects not to contribute, its JV Interest will be diluted according to industry formula.

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Stuart Rechner BSc (Geology) MAIG MAusIMM, a Member of the Australian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy. Mr Rechner is a Director and shareholder of Strategic Energy Resources Ltd. Mr Rechner has sufficient experience which is relevant to the styles of mineralisation and types of deposits 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 this report of the matters based on his information in the form and context in which it appears.

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 industry partners in our search for the next major mineral deposit.

JORC Code, 2012 Edition – Table 1
Section 1 Sampling Techniques and Data

Criteria	Commentary
Sampling techniques	• Diamond core samples are obtained from diamond drilling in basement lithologies • Core was cut and half core sampled on selected 1m or 2m intervals, with occasional <1m samples in mineralised sections using significant mineralisation contacts which were recorded in the sampling data • CNDD003A through CNDD006 2023 diamond drillholes (mud-rotary pre collar) by SER in JV with Fortescue
Drilling techniques	• Cover sequences were drilled by mud rotary drilling until intersecting basement • Diamond core drilling was used to collect HQ and NQ diameter core of basement • Downhole surveys of diamond core drilling were conducted approximately every 30m
Drill sample recovery	• Drillers core blocks indicate the length of a run and the amount of recovered core • When core recovery has been recorded by field geologist prior to sampling it has been described as typically 100% • No relationship between recovery and grade was observed • Recovery of cover sequence samples drilled by mud rotary was not recorded
Logging	• SER has undertaken an initial quantitative geological log of the lithologies, mineralisation and alteration. Petrology is planned to better understand the geological units and sulphide associations. • SER has compiled all available logging data into a comprehensive database capturing collar, survey, lithology, mineralisation, alteration, veining, structural data (when available) and recovery (when recorded) • Photos (wet and dry) were taken of all core trays for later review • SER recorded magnetic susceptibility measurements of core every meter and collected Specific Gravity (SG) measurements on average every 5m
Sub-sampling techniques and sample preparation	• SER: samples were crushed to 90% passing 4mm, then split and pulverised to better than 85% passing 75 microns
Quality of assay data and laboratory tests (Equipment used)	• SER's laboratory analysis included fire assay analysis with AAS finish for Au, Pt and Pd and four acid digest followed by ICP-MS for 31 element package, undertaken by ALS. CNDD006 was analysed using ME-MS61r to collect a 60 element package including the full suite of rare earth elements. SER inserted certified reference material and blanks every 40 samples. • QAQC analysis of assay results indicates an acceptable level of accuracy and precision • Laboratory in-house QAQC includes the use of internal lab standards, splits and duplicates and participation in external umpire laboratory assessments
Verification of sampling and assaying	• Sample intervals defined by field geologist are assigned a sample identification number prior to core cutting and dispatch to laboratory • Assessment of reported significant assays are verified by review of core photography
Location of data points	• Drill collar location surveyed using a handheld GPS • Locations are reported in metres in GDA94 MGA Zone 54
Data spacing and distribution	• Drilling sampling is adequate for early exploration • Information available is not sufficient for the estimation of a Mineral Resource
Orientation of data in relation to geological structure	• Downhole lengths are not considered true widths given limited geological understanding
Sample security	• SER samples were collected, sealed and delivered to laboratory by company personnel
Audits or reviews	• None undertaken

JORC Code, 2012 Edition – Table 1
Section 2 Reporting of Exploration Results

Criteria	Commentary
Mineral tenement and land tenure status	• SER drilling occurred on EPM27586, EPM27587 and EPM27378 which are 100% owned granted licences • Canobie Project comprises 8 granted tenements 100% owned by SER EPM15398, EPM27378, EPM27586, EPM27587, EPM27588, EPM27638, EPM27676 & 28180 • The project is located 165km NNE of Cloncurry • Conduct and Compensation Agreement executed with landholders • Exploration Agreement executed with Traditional Owners • Tenements in good standing with no known impediments
Exploration done by other parties	• In 1994 MIM Exploration was targeting IOCG mineralisation by drilling magnetic / gravity anomalies when TT001D intersected 10m @ 0.28% Cu and 0.25% Ni • In 2004, Falcon Minerals drilled two further holes (SMD01 & SMD02) targeting Ni sulphides at Tea Tree • In 2008, Anglo American was targeting magmatic Ni-Cu-PGE mineralisation by drill testing bedrock electromagnetic conductors (7 holes SXDD001-SXDD007) hole SXDD005 hit high grade gold including 17m @ 6.75g/t Au from 631m at Lucky Squid/Saxby Prospect • In 2010, AngloGold Ashanti drilled five holes (SXDD011-015) to test for gold mineralised structures with best results in SXDD014 including 15m @ 9.09 g/t Au (Lucky Squid) • In 2012, Falcon Minerals drilled four further holes (SXDD0016-0019) with disappointing results. The best result was from hole SXDD016 which included 1m @ 26.1 g/t gold (Lucky Squid) • In 2019-2020 SER drilled a further four diamond drillholes at SXDD020-SXDD023 targeting Cu-Au mineralisation at Lucky Squid/Saxby. Best result was SXDD020 6m @ 12.08g/t Au from 519m. • In 2021 SER drilled 2 diamond drillholes (CNDD001A, CNDD002) at Kalarka intersecting thick ultramafics with disseminated and semi massive sulphide zones
Geology (Target deposit type)	• SER is targeting IOCG and Ni-Cu-PGE sulphide mineralisation hosted in basement rocks of the Eastern Succession of the Mt Isa Province buried beneath younger sedimentary cover of the Carpentaria Basin • There is very limited knowledge of the northeast Mt Isa Province, the small amount of drilling in this virgin terrain has a high strike ratio of mineralisation
Drill hole Information	• Please see table in SER Announcement dated 6th December 2023
Data aggregation methods	• Significant intersections: average grades are weighted by the sample width of each assay within the intersection • No metal equivalence calculations are used in reporting
Relationship between mineralisation widths and intercept lengths	• Downhole lengths are not considered true widths given limited geological understanding
Diagrams	• Not applicable
Balanced reporting	• This report describes all relevant historical exploration and SER's planned work
Other substantive exploration data	• All relevant finalised exploration data has been included
Further work	• SER and Fortescue will thoroughly review the results from the initial drill program when received and will identify drill targets for the 2024 drilling season