

29 April 2024

MARCH 2024 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

- Iron Oxide Copper Gold (IOCG) type alteration intersected at the final two holes for the 2023 field season at the Canobie Farm-In and Joint Venture with Fortescue
- Infill Magnetotelluric (MT) survey completed at Mundi to refine location of the intense conductive anomaly identified within the Proterozoic basement; results pending
- New exploration project granted targeting the unexplored rifted extension of the Koonenberry Polymetallic belt in New South Wales
- Cash positive Quarter due to Joint Venture funding and receipt of grants from Queensland and NSW Governments



Figure 1: SER Project locations

CANOBIE Cu-Au PROJECT

QUEENSLAND (FORTESCUE EARNING-IN)

- Final assays received from drilling of the Apollo Bore Prospect (CNDD005) and Sundance Prospect (CNDD006) at the Canobie Farm-In and Joint Venture project with Fortescue
- Intense Iron Oxide Copper Gold (IOCG) type alteration intersected consistent with alteration at other IOCG deposits throughout the district

The Canobie Project in northwest Queensland 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 associated with several significant copper-gold deposits to the south including the Ernest Henry mine and the Mount Margaret (E1), Eloise and Roseby deposits.

During the March quarter assay results for drilling at the Apollo Bore Prospect (CNDD005) and the Sundance Prospect (CNDD006) were received¹. These prospects were Ernest Henry style IOCG targets (Fig. 2). No significant copper intersections were recorded for the Apollo Bore or Sundance targets, however the alteration encountered at each target is consistent with alteration seen in IOCG deposits throughout the district.

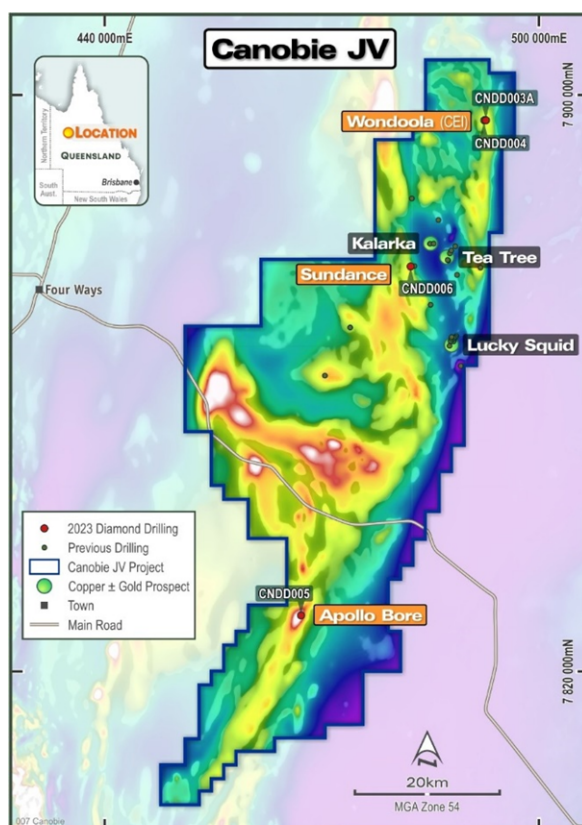


Figure 2: Location of the 2023 drill holes at Canobie JV over gravity image

FUTURE EXPLORATION AT CANOBIE

Further work conducted during the quarter included the relogging of the three drill holes and the collection of samples for petrophysical analysis. Additional geophysical modelling was also undertaken to identify, delineate and prioritise drill targets. In the coming quarter, an extensive geophysical survey has been proposed.

¹ See SER Announcement 7th February 2024

MUNDI Cu-Au PROJECT

NEW SOUTH WALES (SER 100%)

- Infill Magnetotelluric (MT) survey to refine location of intense conductive anomaly completed
- 2D- and 3D- modelling now underway in collaboration with Professor Graham Heinson (University of Adelaide) to provide new scientific model for the highly conductive body at depth

The Mundi Project area spans over 1300 square kilometres of the Curnamona Province, located approximately 115km NNW of Broken Hill. The Curnamona Province is a known iron oxide copper-gold (IOCG) mineral province with the potential for other mineral systems, such as Broken Hill Type Pb-Zn-Ag. The Project area has no known basement outcrop and very limited previous exploration. The Project area captures the shallowest portion of the Curnamona Conductor (CC), a crustal-scale conductivity anomaly that has strong similarities to MT conductivity anomalies that have been interpreted to be associated with IOCG mineralisation in South Australia's Gawler Craton².

During the quarter two infill MT lines were completed between lines B and C to close the current line spacing from 5700m to 1900m allowing the model to better define the shallow structure of the conductive body (Fig. 3). The additional data is required over the shallowest portion of the conductive anomaly to better constrain its geometry and near-surface expression. In the coming quarter the new data will be integrated with other available geological and geophysical datasets to refine the 3D model of the conductor and to inform the future work program which aims to generate one or more targets for drill testing within the next 12 months.

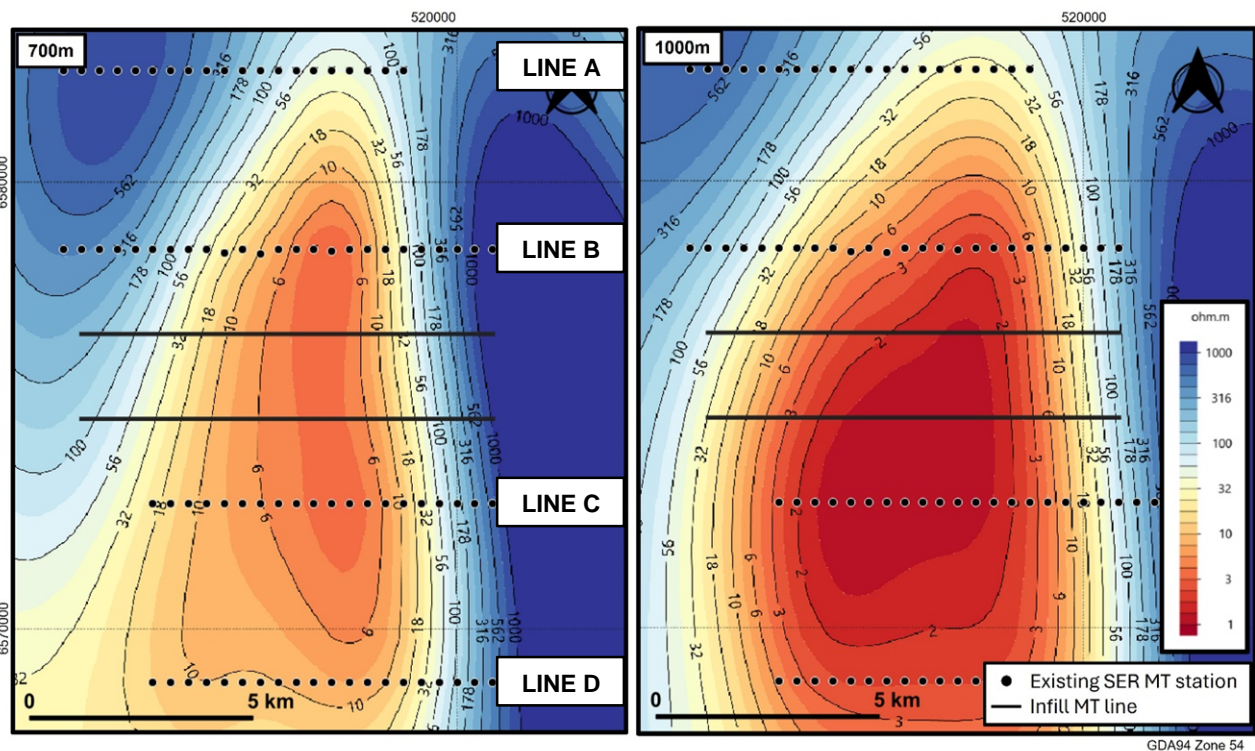


Figure 3: Plan view of 700m and 1000m resistivity depth slices of the current 3D conductivity model, showing the location of existing SER MT recording stations and the two infill lines.

² Heinson, G., Didana, Y., Soeffky, P., Thiel, S., Wise, T., 2018, The crustal geophysical signature of a world-class magmatic mineral system. Scientific Reports, 8:10608, p6.

WEST KOONENBERRY Cu-Ni PROJECT

NEW SOUTH WALES (SER 100%)

- Exploration licence granted (EL9621) targeting the unexplored rifted extension of the Koonenberry Polymetallic belt in New South Wales
- Land access discussions underway for surface mapping of exposed geology at southern end of the project area scheduled for this year

The West Koonenberry Project area covers over 480 square kilometres of unexplored ground that SER interprets as a rifted portion west of the Koonenberry Cu-Ni belt. The Koonenberry belt has previously been explored by INCO/Vale and IGO and is currently being explored by S2 Resources³ (ASX:S2R) due to its prospectivity for Cu-Ni rich massive sulphides. SER is targeting the equivalent mafic host rocks on the eastern edge of the Curnamona block, rifted from the Koonenberry belt during the formation of the Bancannia Trough. The Koonenberry belt is interpreted to be analogous to the Pechenga Copper-Nickel camp in Russia.

During the coming quarter SER anticipates land access discussions to conclude. This will enable detailed reconnaissance mapping and sampling of the exposed geology at the southern end of the project to delineate the prospective intrusions. Furthermore, a detailed airborne magnetic survey has been designed and is scheduled to be undertaken in the coming quarter.

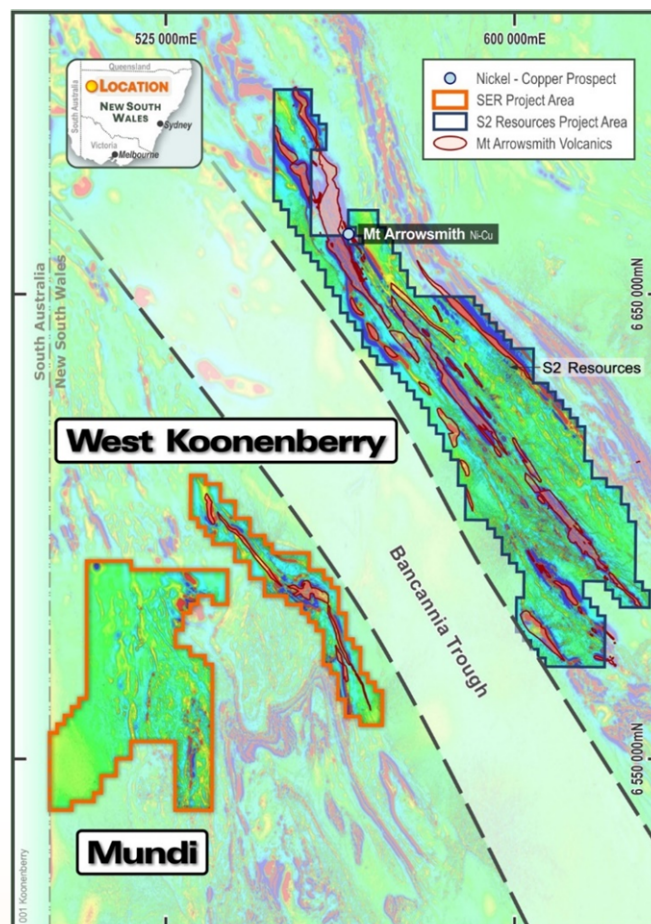


Figure 4: The West Koonenberry Project over magnetic image

³ S2 Resources (ASX: S2R) Announcement October 2023

ISA NORTH Cu-Au PROJECT

QUEENSLAND (SER 100%)

The Isa North project comprises three granted exploration licences covering an underexplored 976 square kilometre belt considered highly prospective for Iron Oxide Copper-Gold (IOCG) mineralisation. The project area is located along the projected northern extension of the mineralised Mt Isa – Gunpowder Fault Zone. Several large deposits lie on or adjacent to this fault system, including the Mt Isa, Mt Oxide and Gunpowder copper deposits and the Mt Isa, Hilton and George Fisher lead-zinc-silver deposits.

Last year SER secured land access agreements across the Isa North Project area. Native Title clearances have been completed at the proposed drill hole locations in anticipation of drilling. SER has committed to testing two magnetic and gravity features within the Nardoo Prospect this year and preparations have been underway during the quarter. The company will provide an update on the drill program in the coming quarter.

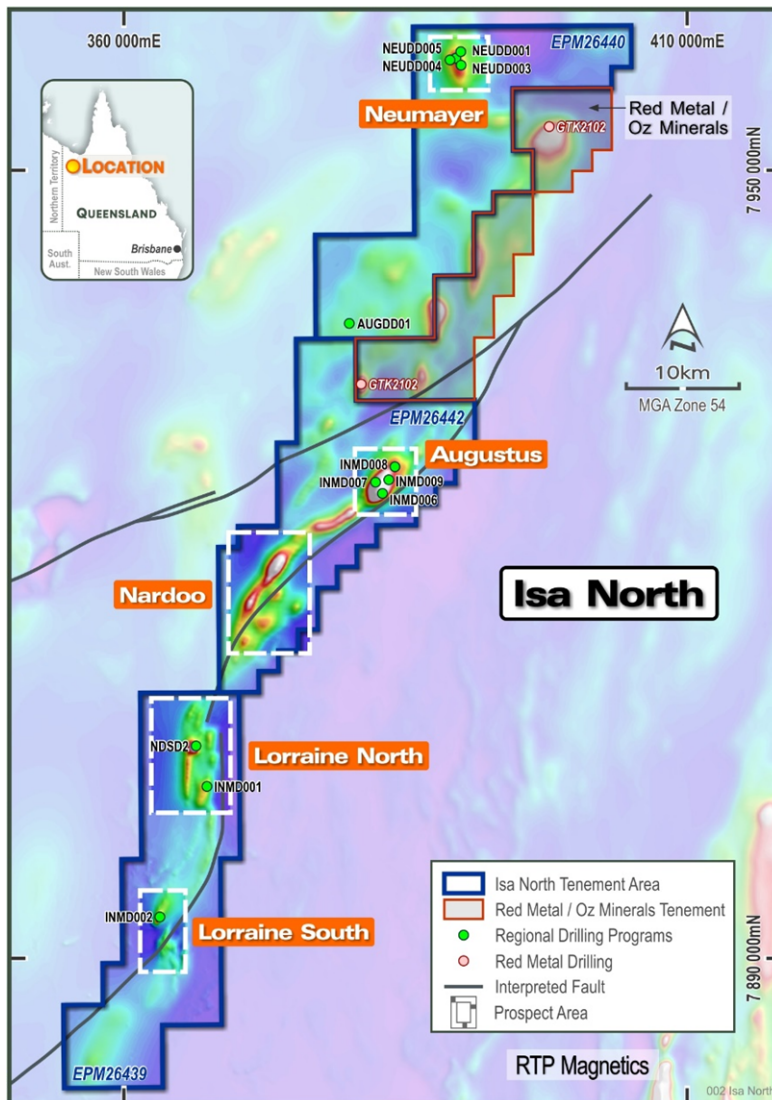


Figure 5: Isa North Project over magnetic image

CORPORATE AND INVESTMENTS

The Company currently holds investments in both listed and unlisted companies. This includes 18,240,000 shares in Middle Island Resources Ltd (ASX:MDI) and 87,155,625 shares in Ionic Industries Limited (an unlisted graphene technology company). During the quarter SER sold 7,066,736 shares in Resolution Minerals Ltd (ASX:RML).

Payments to related parties of the entity and their associates during the quarter were \$144k comprising Director and consulting fees as outlined in the Appendix 5B.

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

- Exploration & Evaluation expenditure - \$307k; and
- Employee, administration and corporate costs - \$177k.

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

For further information please contact:

Investors

Dr David DeTata

Managing Director

T +61 3 9692 7222

E info@strategicenergy.com.au

W www.strategicenergy.com.au

Media

Jonathan van Hazel

Citadel-MAGNUS

T +61 6160 4906

E jvanhazel@citadelmagnus.com

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INTERESTS IN MINING TENEMENTS

Mining Tenement	Location	Beneficial Percentage held	License Description / Notes	Interest acquired/farm-in or disposed/farm-out during the quarter
EPM26439	Queensland	100%	Isa North 1	-
EPM26440	Queensland	100%	Isa North 2	-
EPM26442	Queensland	100%	Isa North 3	-
EPM28855	Queensland	100%	Isa North 4	Application
EL9012	New South Wales	100%	South Cobar	-
EL9057	New South Wales	100%	East Cowal	Disposed
EL9368	New South Wales	100%	Option Agreement for sale with EVN	-
EL9367	New South Wales	100%	Garema	-
EL9373	New South Wales	100%	Nymagee	Disposed
EL9362	New South Wales	100%	Mundi 1	-
EL9388	New South Wales	100%	Mundi 2	-
EL9629	New South Wales	100%	Mundi 3	Granted
EL9621	New South Wales	100%	Koonenberry West	-
EL6626	South Australia	80%	Mabel Creek	-
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	-
EL6140	South Australia	100%	Farm-In Agreement with Fortescue	-
EL5898	South Australia	100%	Farm-In Agreement with Fortescue	-
EPM15398	Queensland	100%	Farm-In Agreement with Fortescue	-
EPM27378	Queensland	100%	Farm-In Agreement with Fortescue	-
EPM27586	Queensland	100%	Farm-In Agreement with Fortescue	-
EPM27587	Queensland	100%	Farm-In Agreement with Fortescue	-
EPM27588	Queensland	100%	Farm-In Agreement with Fortescue	-
EPM27638	Queensland	100%	Farm-In Agreement with Fortescue	-
EPM27676	Queensland	100%	Farm-In Agreement with Fortescue	-
EPM28180	Queensland	100%	Farm-In Agreement with Fortescue	-
EPM28864	Queensland	100%	Farm-In Agreement with Fortescue	Application
EPM28865	Queensland	100%	Farm-In Agreement with Fortescue	Application
EPM28877	Queensland	100%	Bulimba 1	Application
EPM28878	Queensland	100%	Bulimba 2	Application
EPM28879	Queensland	100%	Bulimba 3	Application
EPM28880	Queensland	100%	Bulimba 4	Application

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 2024

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	(67)	(134)
(b) development	-	-
(c) production	-	-
(d) staff costs	(26)	(112)
(e) administration and corporate costs	(151)	(414)
1.3 Dividends received (see note 3)		
1.4 Interest received	16	27
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	20	27
1.9 Net cash from / (used in) operating activities	(208)	(606)
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	(240)	(1,221)
(e) investments – security deposits	(20)	(20)
(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	22	22
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Capital grants and other receipts*	719	719
2.5	FMG JV contribution net of Exploration expenses**	(187)	113
2.6	Net cash from / (used in) investing activities	294	(387)
<p>* Capital grants and other receipts represent the following receipts during the quarter;</p> <ul style="list-style-type: none"> - the Queensland Government Collaborative Exploration Initiative grant of \$250k, - the NSW Government New Frontiers Exploration Program grant of \$50k and; - reimbursements by SER Canobie JV of \$419k related to exploration payments made in the previous quarters. <p>** Amounts represent the contributions net of exploration expenses received from FMG Resources Pty Ltd under the Farm-In and Joint Venture Agreement for the Canobie Project.</p>			

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,500
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	-	(59)
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	-	1,441

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period	Current quarter \$A'000	Year to date (9 months) \$A'000
4.1	Cash and cash equivalents at beginning of period	1,337	975
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(208)	(606)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	294	(387)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1,441
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,423	1,423

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	1,423	337
5.2	Call deposits	-	1,000
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)	1,423	1,337

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	40
6.2	Aggregate amount of payments to related parties and their associates included in item 2	111

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.

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

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		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(208)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(240)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(448)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,423
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,423
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	3.18
<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>	
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?	
Answer:	
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?	
Answer:	
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?	
Answer:	
<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>	

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: 29 April 2024

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.