

29 October 2024

## FIRST ASSAYS RETURNED FROM ACHILLES 1

### HIGHLIGHTS

- 25-hole reconnaissance drill program completed at Achilles 1 Polymetallic Prospect
- Assay results for the first 15 holes identify shallow silver-lead-zinc mineralisation
- Encouraging intercepts include:
  - A1RC003: 6m at 5.1g/t Ag & 1.5% Pb + Zn from 47m
    - including 1m at 8.8g/t Ag & 3.4% Pb + Zn from 48m
  - A1RC003: 11m at 1.7g/t Ag & 0.7% Pb + Zn from 61m
    - including 1m at 3.3g/t Ag & 2.0% Pb + Zn from 70m
  - A1RC009: 1m at 0.65g/t Au and 9.66g/t Ag from 143m
  - A1RC0012: 2m at 15.9g/t Ag & 0.22% Pb + Zn from 123m
  - A1RC0015: 9m at 0.84% Zn from 69m
    - including 1m at 2.41% Zn from 76m
- Assays from the remaining nine holes A1RC016-025 are expected in the coming weeks

Strategic Energy Resources Limited (“SER” or “the Company”) is pleased to announce assay results from the first fifteen Reverse Circulation (RC) drill holes at the 100% owned Achilles 1 Polymetallic Prospect in South Cobar, NSW. The 25-hole reconnaissance program (4,254m) was designed as three E-W traverses to test the relationship between the strong polymetallic soil anomaly, the prospective Achilles Shear and the intersecting prominent NE-trending magnetic highs<sup>1</sup>. In addition to the E-W traverses, a further three holes between the southern and central traverses were completed to test the peak of the soil anomalism and follow up observations made during drilling. Assays from the first 15 holes show low to moderate grade polymetallic (Pb-Zn-Ag-Cu-Au) mineralisation in multiple zones across the prospect confirming the metal fertility of the South Cobar Project.

**Commenting on the first assays of the drill program, SER Managing Director, Dr David DeTata said:**

*“This drill program was designed as a series of east-west traverses to determine the spatial relationship between the surface soil geochemical anomaly and any underlying mineralisation given historical drilling at Achilles has shown that the stratigraphy dips to the east. This first pass program has successfully tested across the outcropping hill; to the east across strike; and off the northern end of the hill along strike of the dominant N/S structural trend. Early results suggest that polymetallic Pb-Zn-Ag mineralisation is present beneath the outcropping hill with a possible parallel structure east of the hill, providing scope for further target areas in coming programs. Assays from the remaining holes are expected in the coming weeks and will inform the next stage of exploration at Achilles.*”

<sup>1</sup> See SER Announcement 17<sup>th</sup> June 2024

# ACHILLES DRILL PROGRAM

The South Cobar Project lies along the eastern margin of the Siluro-Devonian Rast Trough at the southern end of the Cobar Basin (Figure 1). The Project captures over 270km<sup>2</sup> of fertile sequences of the Cobar Supergroup and contains multiple gold and base metal occurrences that exist along prospective north-east trending reactivated growth faults between basement and basin infill sequences. The Achilles 1 Prospect is located at the northern edge of the South Cobar Project and lies along the Achilles Shear Zone, host to the recent Achilles 3 polymetallic (Au-Ag-Pb-Zn-Cu) discovery by Australian Gold & Copper (ASX:AGC) just 7km to the north<sup>2</sup>. The project also captures the northern and southern extensions of the Woorara fault, directly along strike from Eastern Metals' (ASX: EMS) Brown's Reef polymetallic deposit<sup>3</sup>.

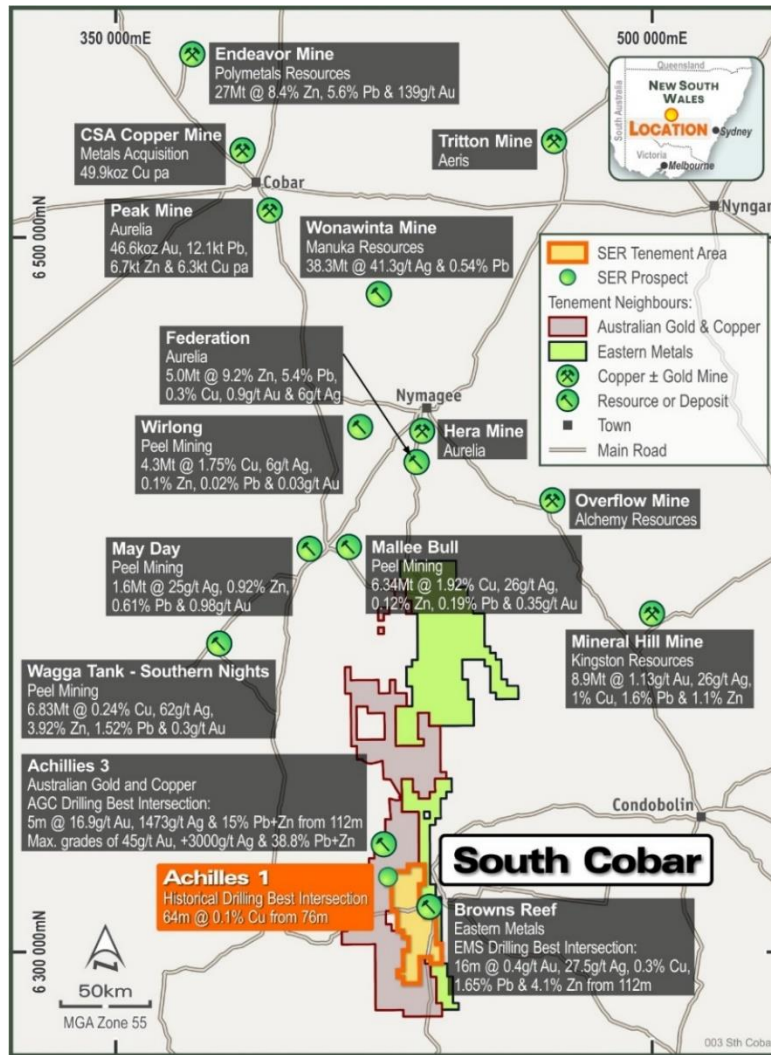


Figure 1: South Cobar regional map showing nearby mines and mineral deposits\*

This initial reconnaissance drilling program was designed in 600m spaced E/W traverses to test across strike of the interpreted east dipping stratigraphy and N/S structures at Achilles 1 (Figure 2). Achilles 1 comprises a 1.5km N/S-trending hill with outcropping foliated rhyolitic to intermediate volcanic and volcanoclastic rocks with

<sup>2</sup> See AGC Announcement 15<sup>th</sup> May 2024

<sup>3</sup> See EMS Announcement 23<sup>th</sup> October 2024

\*Information extracted from each company's website, market announcements, company presentations and reports lodged during the FY2023 and FY2024 periods

an evident sericite dominant alteration assemblage associated with the main N/S structural fabric. The outcropping hill hosts the peak of the soil anomalism (Pb-Cu), whilst second order soil anomalism was identified through a recent *UltraFine+* soils program east and north of the hill. The reconnaissance drill program traversed the hill and tested volcanic basement underneath the alluvial soil profiles east and north of the hill.

The drilling was completed using a KWL700 reverse circulation drill rig, with downhole surveys collected every 30m. Azimuth swing and lift were identified in most holes however it was within expectation and the holes successfully tested across the N/S strike as designed (Figure 2). The drill holes consistently reached pre planned target depth, with minor extensions when prospective geology was identified (see Table 1). Minor variations in the hole collar locations on the hill were necessary due to the terrain. The depth of the cover sequence increased east off the hill to almost 90m, possibly due to the existence of a paleochannel.

Mineralisation when present appears to be associated with a sericite-pyrite ± silica (quartz) alteration of intermediate volcanics with galena and sphalerite observed in the chips. Whilst Pb-Zn-Ag have been identified together (i.e. A1RC003) and are interpreted to be part of the same mineralising event, early results have identified more Zn rich zones (A1RC015) as well as high Ag zones (A1RC012) relative to base metals. Mineralisation was hosted in both the upper oxidized zone and fresh rock, which may contribute to the varied base and precious metal ratios, and this will be investigated once all results are received. A systematic petrological investigation to fully understand the alteration assemblage will also be undertaken.

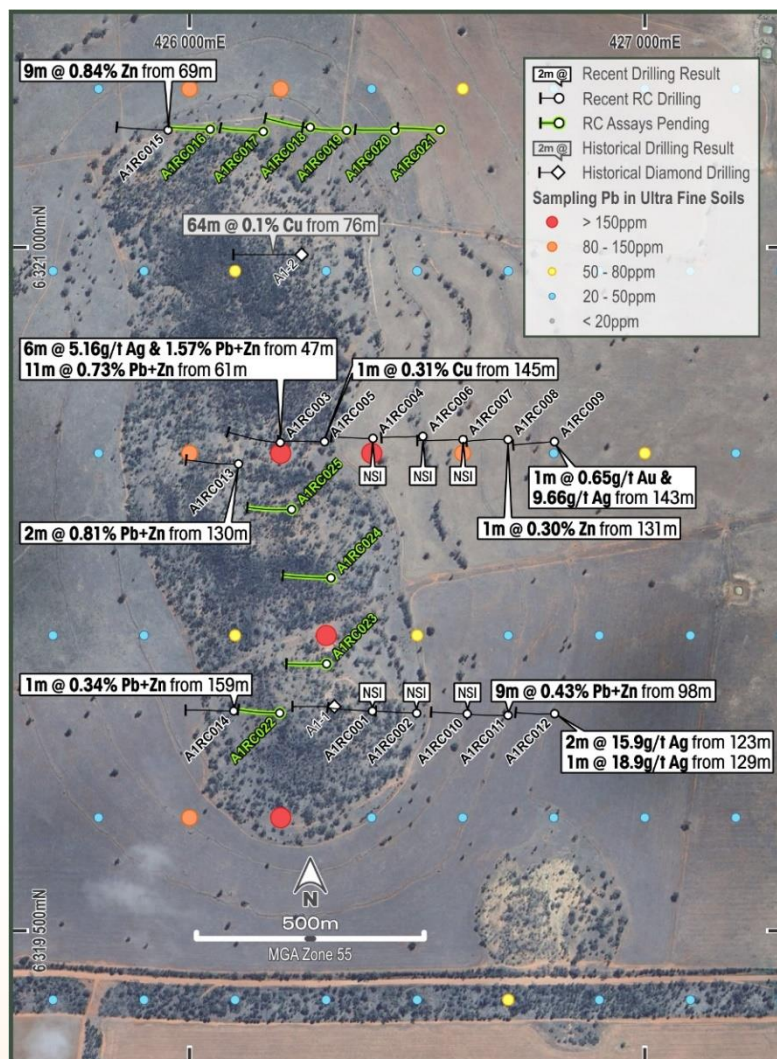


Figure 2: Location of the drill collar and significant intersections at Achilles 1

## ASSAY RESULTS

The assay results from the first fifteen holes (2,538m) have now been received with mineralisation intersected directly beneath the soil anomaly on the Achilles hill and further to the east as summarised in Tables 1 & 2.

Drill hole A1RC003, collared on the hill and testing under the peak soil anomalism, intersected a 6m zone with 5.16g/t Ag and 1.57% Pb+Zn from 47m with a second zone of 11m of 1.74g/t Ag and 0.73% Pb+Zn from 70m.

The mineralisation intersected in holes A1RC008 and A1RC009 located at the far eastern edge of the central line broadly corresponds to a surface soil *UltraFine+* lead anomaly and intersected 1m at 0.3% Zn from 131m and 1m at 0.65g/t Au and 9.66g/t Ag from 143m, respectively. The higher precious metal tenor at depth under transported cover is of interest.

Holes A1RC011 and A1RC012 lie directly south of this possible precious metal zone on the eastern edge of the southern traverse. These holes intersected the highest tenor Ag mineralisation in fresh volcanic basement underneath approximately 90m of alluvial cover. The thicker depth to basement likely explains the lack of corresponding surface soil anomalism. These results and those directly north from A1RC008 and A1RC009 highlight the potential for significant undercover mineralisation to the east of Achilles hill and follow up geophysics will be considered to identify potential future drill targets.

Table 1: Significant intercepts received to date for reconnaissance reverse circulation drilling at Achilles 1. Downhole drilled widths provided; true widths estimated to be reflective of downhole width due to easterly dip (true widths 80-95% of downhole widths). Minimum cut-offs used 0.2g/t Au or 10g/t Ag or 0.25% of any one of Cu, Pb or Zn, with an internal dilution of no more than 2m.

Drillhole ID	Depth from (m)	Depth to (m)	Interval (m)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)	Pb + Zn (%)
A1RC003	47	53	6	0.05	5.16	0.07	0.59	0.98	1.57
including	48	49	1	0.07	8.85	0.13	1.3	2.18	3.48
A1RC003	61	72	11	0.03	1.74	0.02	0.1	0.63	0.73
including	70	71	1	0.06	3.38	0.07	0.19	1.85	2.03
A1RC005	145	146	1	0.01	1.52	0.31	0	0.04	0.04
A1RC008	131	132	1	0.02	0.86	0.04	0.14	0.3	0.44
A1RC009	143	144	1	0.65	9.66	0	0.03	0.02	0.05
A1RC011	98	107	9		0.07	0.05	0.02	0.4	0.43
A1RC012	97	98	1		0.43	0.04	0.08	0.56	0.64
A1RC012	120	122	2	0.01	1.05	0.01	0.42	0.02	0.43
A1RC012	123	125	2	0.07	15.9	0.05	0.19	0.04	0.22
A1RC012	129	130	1	0.05	18.9	0.1	0.15	0.11	0.25
A1RC012	133	137	4	0.02	0.49	0.02	0.04	0.3	0.34
A1RC012	146	147	1	0.01	1.72	0.02	0.13	0.28	0.42
A1RC013	130	132	2		1.89	0.01	0.46	0.35	0.81
A1RC014	159	160	1		0.72	0.01	0.06	0.28	0.34
A1RC015	53	55	2		0.91	0.05	0.03	0.43	0.46
A1RC015	69	78	9		0.1	0.02	0.01	0.84	0.84
including	76	77	1		0.1	0.01	0.01	2.41	2.42

Results from drillhole A1RC015 returned 9m at 0.84% Zn from 69m which is encouraging given it was collared on the western end of the northern traverse, and it may mark the continuation and strengthening of a parallel mineralised structure on the western flank of the hill.

Table 2: Details for RC drill collars at Achilles 1

Hole_ID	MGA94_East	MGA94_North	RL	Dip	Azimuth	Max depth
A1RC001	426401	6319982	199	-60	270	168
A1RC002	426499	6319978	187	-60	270	162
A1RC003	426199	6320572	200	-60	270	198
A1RC004	426403	6320581	186	-60	270	162
A1RC005	426296	6320574	192	-60	270	180
A1RC006	426513	6320585	181	-60	270	162
A1RC007	426601	6320578	177	-60	270	174
A1RC008	426700	6320578	176	-60	270	162
A1RC009	426801	6320574	172	-60	270	162
A1RC010	426610	6319976	179	-60	270	150
A1RC011	426699	6319973	176	-60	270	162
A1RC012	426802	6319976	172	-60	270	168
A1RC013	426108	6320525	216	-60	270	180
A1RC014	426097	6319982	203	-60	270	168
A1RC015	425953	6321258	166	-60	270	180
A1RC016	426045	6321260	168	-60	270	162
A1RC017	426162	6321255	169	-60	270	180
A1RC018	426265	6321264	168	-60	270	186
A1RC019	426345	6321257	170	-60	270	180
A1RC020	426451	6321257	173	-60	270	168
A1RC021	426550	6321259	169	-60	270	162
A1RC022	426198	6319978	161	-60	270	168
A1RC023	426301	6320086	170	-60	270	162
A1RC024	426311	6320274	198	-60	270	180
A1RC025	426224	6320425	174	-60	270	168

## NEXT STEPS

The assay results from this first pass drill program have confirmed the fertility of the South Cobar Project by demonstrating that mineralisation exists at relatively shallow depth along the Achilles Shear directly beneath the strong polymetallic soil anomaly on the Achilles hill. Furthermore, mineralisation was intersected to the north, east and west of the Achilles hill, opening new exploration search spaces that will be investigated for the presence of higher-grade mineralisation.

The results from the remaining drillholes which include those from holes A1RC022-025 which lie directly beneath the peak soil anomaly will guide future exploration programs which may include an Induced Polarisation survey to identify blind conductive sulfide-rich bodies at depth and beneath cover, and further RC drilling.

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### **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.*

### **About Strategic Energy Resources**

Strategic Energy Resources is a specialised undercover mineral explorer and project generator focused on the discovery of world class base and precious metal deposits in the greenfield frontiers of Australia. SER is actively exploring the undercover extensions of the Mt Isa Province in northwest Queensland as part of a Joint Venture with Fortescue at Canobie, and at our Isa North Project. In New South Wales, SER is exploring the South Cobar Project and the Mundi and West Koonenberry projects which are located north of Broken Hill.

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

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# JORC Code, 2012 Edition – Table 1

## Section 1 Sampling Techniques and Data

Criteria	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>Primary samples were collected at one metre intervals by Reverse Circulation (RC) percussion drilling.</li> <li>Drilling protocols to reduce delimitation errors, optimise recovery and prevent contamination ensure representivity.</li> <li>Primary sample is homogenised via rig-mounted cyclone (ultra fine material is lost).</li> <li>A rig-mounted static cone splitter splits a 2-4kg sub-sample into in a numbered calico bag with the remaining ~30kg sample collected in a numbered plastic bag.</li> <li>Sample quality was recorded for each sample with the majority of samples dry and of approximately expected weight and volume.</li> <li>A &gt;2mm sieve fraction was collected for each interval, washed and stored in chip trays.</li> <li>All samples were analysed by portable X-Ray Fluorescence (pXRF).</li> <li>2m composite samples (2-4kg) were collected by extracting and mixing sub-samples from the 1m plastic bags.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>RC percussion drilling conducted by contractor (Strike Drilling) using a truck mounted KWL700 rig with face-sampling RC hammer, 3½ inch tube and 6m drill rods.</li> <li>Drill holes were 150-200m in length and inclined at 60° to the west.</li> <li>Downhole orientation surveys were conducted every 30m.</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>SER staff monitor the sampling process to ensure consistent sample delivery, limit any sample loss and ensure the cyclone is regularly cleaned to reduce contamination.</li> <li>Recoveries were assessed by qualitative comparison of sample weight / volume to expected weight / volume for each interval. Recoveries were generally good however wet samples recorded poorer recoveries.</li> <li>No observed relationship between sample grade and recovery.</li> </ul>
Logging	<ul style="list-style-type: none"> <li>Representative RC chips are dry and wet sieved then logged (lithology, alteration, mineralisation) by a SER or contract geologist into a field computer during the drilling.</li> <li>Geological logging is qualitative except for estimates of sulphide percentages.</li> <li>Quantitative logging of elemental composition and magnetic susceptibility was obtained by pXRF and hand-held magnetic susceptibility meter. This data was used to inform geological logs.</li> <li>Dry chips were collected in chip trays, photographed and kept for future analysis.</li> <li>All intervals were logged.</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>For each 1m interval, a rig-mounted static cone splitter splits a 2-4kg sub-sample into in a numbered calico bag with the remaining ~30kg sample collected in a numbered plastic bag.</li> <li>2m composite samples (2-4kg) were collected by extracting and mixing sub-samples from the plastic bags.</li> <li>Either 1m or 2m composite subsamples are submitted for assay depending on geology.</li> <li>Field duplicates, blanks and certified standard reference materials (OREAS) were included every 40 samples (every 80m for composite samples).</li> <li>Samples were submitted to ALS Orange where they are dried, crushed, split and pulverised.</li> </ul>
Quality of assay data and laboratory tests (Equipment used)	<ul style="list-style-type: none"> <li>ALS Orange undertook multi-element Inductively Coupled Plasma Mass Spectrometry (ICP-MS) analysis via 4-acid digest.</li> <li>Four acid digest is considered a near total digest for most minerals. ICP-MS produces ultra-low detection analysis and is considered appropriate for exploration sampling.</li> <li>30g Fire Assay Fusion with Atomic Absorption Spectroscopy (AAS) finish technique was used to determine Au of the 1m samples</li> <li>ALS conduct internal QAQC checks every 20 samples.</li> <li>Field duplicates, blanks and certified standard reference materials returned an acceptable level of accuracy and precision.</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>Significant intersections were verified by SER personnel (including visual check of the primary sample) and compiled by the Competent Person.</li> <li>No twinned holes have been completed.</li> <li>Data is recorded directly into a field computer by the on-site field geologist.</li> </ul>

	<ul style="list-style-type: none"><li>• Primary laboratory assay data is kept and not adjusted.</li></ul>
Location of data points	<ul style="list-style-type: none"><li>• All coordinates are based on Map Grid of Australia 1994 Zone 55, using a handheld Garmin GPS with an accuracy of +/- 5m.</li></ul>
Data spacing and distribution	<ul style="list-style-type: none"><li>• RC drillholes were collected in E/W orientated traverses, as displayed in Figure 1. Holes were spaced every 100m and drilled toward the west at -60°.</li><li>• SER collected 2m composite samples for the entire length of every hole.</li></ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"><li>• The strike of the geology is approximately N-S. Based on surface observation and two historical diamond drillholes, stratigraphy is interpreted to dip 60°-70° to the east and the well-developed foliation is subvertical.</li><li>• Drilling to the west was designed to be perpendicular to strike.</li><li>• At this early stage of exploration, drilling and geological knowledge of the project, accurate true widths are yet to be determined.</li></ul>
Sample security	<ul style="list-style-type: none"><li>• All samples were secured in closed polyweave sacks by SER personnel and delivered to ALS Orange.</li></ul>
Audits or reviews	<ul style="list-style-type: none"><li>• No audits or reviews have been undertaken.</li></ul>

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# JORC Code, 2012 Edition – Table 1

## Section 2 Reporting of Exploration Results

Criteria	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>• EL9012 is 100% owned by SER.</li> <li>• The Achilles Prospect is located approximately 15km WNW of Lake Cargelligo.</li> <li>• Access and Compensation Agreement executed with landholders.</li> <li>• Tenements in good standing with no known impediments.</li> </ul>
Exploration done by other parties (and SER work to date)	<ul style="list-style-type: none"> <li>• In 1996-97 Santa Fe Mining (SFM) undertook grid soil sampling across the Achilles 1 Prospect and defined copper (up to 169ppm), lead (to 810ppm), zinc (to 1680ppm), gold (to 15ppb), molybdenum (to 23ppm) and arsenic (to 150ppm) anomalies coincident with mapped ~N-S striking zones of strong silicification.</li> <li>• In 1998 Savage Australian Exploration (SAE) undertook a program of shallow rotary air blast drilling at Achilles 1 under a joint venture agreement with SFM. Anomalous base metal values of up to 410ppm Cu, 2050ppm Pb and 818ppm Zn were recorded.</li> <li>• In 2005, Western Plains Gold (WPG) drilled two diamond drillholes at Achilles 1, designed to test two of the soil anomalies identified by SFM. Hole DDH-A1-1 was abandoned due to caving at 184.1m, failing to reach its target depth of 250m. The hole intersected significant metamorphic recrystallisation and silicification related to shearing, but no evidence of base metal mineralisation. DDH-A1-2 was successfully completed to 300.4m and intersected a broad zone of intense hydrothermal alteration, with blebs of chalcopyrite and minor chalcocite. The hole returned a peak value of 0.33% Cu from 90m to 92m, within a 64m zone averaging 0.10% Cu, from 76m to 140m.</li> <li>• In 2021, holes DDH-A1-1 and DDH-A1-2 were HyLogged by the GSNSW.</li> <li>• In 2021 SER completed an airborne magnetic and radiometric survey over the entirety of EL9012. The survey was flown along 100m spaced East/West orientated lines with more detailed infill lines across a northern area, which included Achilles 1 and a central region which covers the Mount Bowen, Ural Mine and Toorong East prospects.</li> <li>• In 2022 SER conducted a 250-sample Ultrafine+ soil geochemistry survey over a 4x4km area surrounding the Achilles hill on a 400m (N-S) by 200m (E-W) grid.</li> </ul>
Geology (Target deposit type)	<ul style="list-style-type: none"> <li>• EL9012 lies within the Rast Trough of the southern Cobar Basin and is cut by a number of structural corridors that have the potential to host Cobar-style Au-Ag-Pb-Zn-Cu mineralisation.</li> <li>• The Achilles 3 Au-Ag-Pb-Zn-Cu prospect lies 7km north and the Browns Reef polymetallic deposit lies immediately east of EL9012.</li> </ul>
Drill hole Information	<ul style="list-style-type: none"> <li>• See Figure 1 and Table 2 in release.</li> </ul>
Data aggregation methods	<ul style="list-style-type: none"> <li>• Intervals represent downhole widths. Minimum cut off applied to the data in Table 1 is 0.5g/t Au, 10g/t Ag, or 0.25% of either Zn, Pb, Cu.</li> <li>• Maximum consecutive internal dilution of 2m.</li> <li>• No metal equivalents are reported.</li> </ul>
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <li>• All drillholes were designed to dip at -60 degrees towards 270 degrees (due west). Mapping of the limited observed geology from Achilles 1 suggests steeply east dipping compositional layering. True width is interpreted to be broadly consistent with downhole intercepts, however the sparsity of drilling means there is a level of uncertainty in determining true widths.</li> </ul>
Diagrams	<ul style="list-style-type: none"> <li>• See figures in release.</li> </ul>
Balanced reporting	<ul style="list-style-type: none"> <li>• All relevant data has been reported in a transparent and balanced way within this release.</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>• All relevant finalised exploration data has been included.</li> </ul>
Further work	<ul style="list-style-type: none"> <li>• The remaining assays will guide the future exploration program which may include an Induced Polarisation survey to identify blind conductive sulfide-rich bodies at depth and beneath cover, and further RC drilling.</li> </ul>