

# ASX Announcement

## DIAMOND DRILL PROGRAM UNDERWAY AT THE CANOBIE FARM-IN JOINT VENTURE

### Highlights

- Diamond drill program (2,000m) now underway at the Canobie Project in Queensland
- Two combined gravity and magnetic IOCG targets to be tested this year
- Exploration program fully funded under the Farm-In and Joint Venture with Fortescue

Strategic Energy Resources Limited (“SER” or “the Company”) is pleased to announce the commencement of a 2,000m diamond drill program at the Canobie Project (Fig. 1) in northwest Queensland which is being explored under a Farm-in and Joint Venture Agreement (the Canobie FJV”) with FMG Resources Pty Ltd (“Fortescue”), a wholly owned subsidiary of Fortescue Ltd.

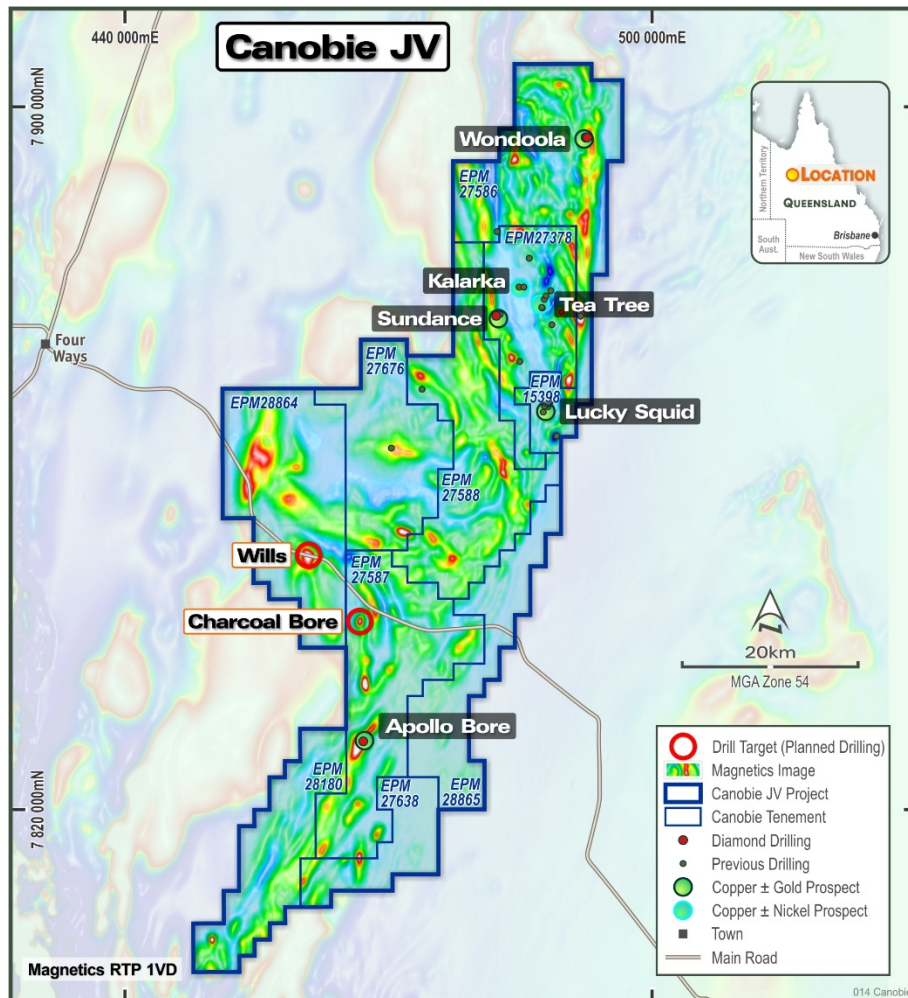


Figure 1: Canobie Project area indicating the location of the Charcoal Bore and Wills Prospects over RTP 1VD Magnetic image



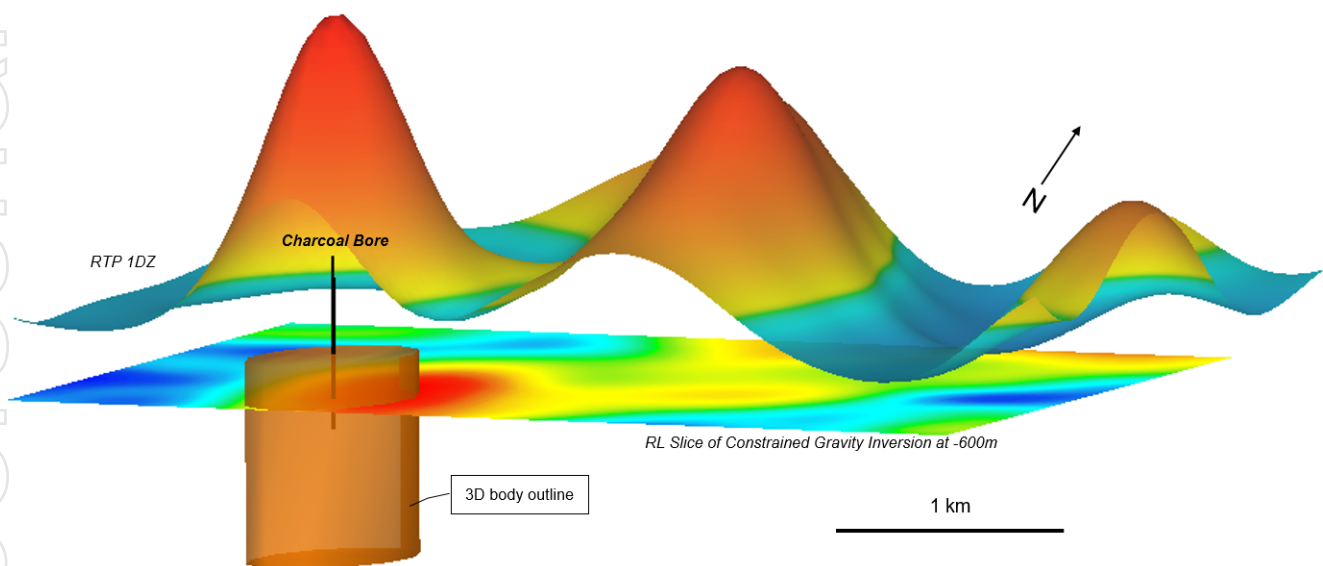
Fortescue has the right to earn up to 80% interest in the Canobie Project by sole funding \$8 million in two stages of exploration over a six-year period to the end of 2029<sup>1</sup>. The Canobie FJVA is targeting Iron Oxide Copper-Gold (IOCG) mineralisation west of the Gidyea Suture Zone, a crustal scale fault system that is associated with several major copper-gold deposits to the south including the Ernest Henry mine.

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

*“We are excited to commence the second diamond drill program at the Canobie Project alongside our FJV partners in Fortescue. Since the first drill program in 2023, the team has continued to advance the project through the collection of multiple geophysical datasets which have identified the Wills and Charcoal Bore targets as priority drill targets that will be drilled this year in search of a major copper discovery undercover”.*

## CHARCOAL BORE

The Charcoal Bore Prospect is modelled as a coincident magnetic and gravity anomaly modelled as a cylindrical pipe of 0.11SI and 3.03g/cc, with a depth to magnetic feature of 500m. The surrounding bedrock is interpreted to be magnetite-rich metasediments of the Leichhardt Superbasin (i.e. Corella Formation equivalents) and are bound by an interpreted shear zone. A single vertical drill hole is proposed to 850m to intersect the peak of magnetic model to test the source of the geophysical anomaly (Fig. 2).



*Figure 2: Oblique view looking northwest displaying an RTP magnetic grid at an exaggerated elevation highlighting the distinctive magnetic anomaly at Charcoal Bore, with a 600m depth slice of the gravity model. The targeted 2D body is a combined 0.11SI magnetic and 3.03g/cc density forward modelled pipe like feature which potentially explains the anomaly.*

## WILLS PROSPECT

The Wills Prospect is a broad (~2.5km) semi-ovoid magnetic high of up to 1000nT with a semi-coincident positive gravity anomaly of ~0.5mGal. The prospect is located adjacent to an interpreted fault and Williams / Naraku granitic intrusion. A 1200m vertical diamond hole is planned to test the source of the geophysical anomaly (Fig. 3).

<sup>1</sup> See SER 23 June 2023 Announcement

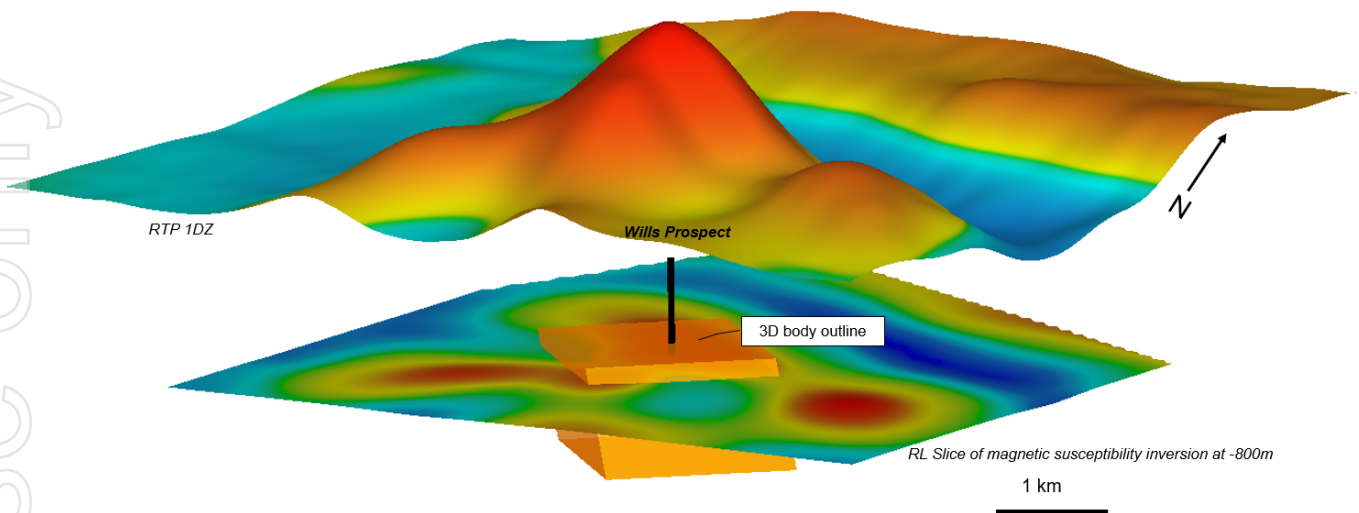


Figure 3: Oblique view looking northwest displaying an RTP magnetic grid at an exaggerated elevation highlighting the distinctive magnetic anomaly at Wills, with an 800m depth slice of the magnetic model. The targeted 3D body is a combined 0.15SI magnetic and 3.05g/cc density forward modelled pipe like feature which potentially explains the anomaly.

## DRILL PROGRAM NOW UNDERWAY

The diamond drill program at Canobie has now begun following the completion of the two-hole diamond drill program at the Isa North Project. The core from Isa North will now be processed and sent for geochemical analysis whilst the Canobie drill program is underway. Assay results from the Isa North drilling are expected mid-November, whilst the Canobie drilling is expected to take 6 weeks to complete with first assays expected in mid-December.

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

For further information please contact:

### Investors

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## About Strategic Energy Resources

Strategic Energy Resources is a specialised under-cover explorer focused on the discovery of world-class Copper deposits in Queensland. SER is actively exploring the undercover extensions of the world-class Mt Isa Inlier at Isa North, Canobie as part of a Joint Venture with Fortescue at Canobie, and the recently acquired Diamantina Project.



## Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Neil Chalmers BSc MSc (Geology) MAIG, a Member of the Australian Institute of Geoscientists. Mr Chalmers is a fulltime employee and shareholder of Strategic Energy Resources Ltd. Mr Chalmers 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 Chalmers consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

## 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 metres have been drilled to date.**
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.
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.