Strategic Energy Resources Ltd

ACN 051 212 429

EL32176

Lawn Hill

Final Annual Technical Report

28/02/20 – 03/04/20

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Submitted Report By: Strategic Energy Resources Ltd
Date of Report: 21/07/20
Distribution To: Strategic Energy Resources Ltd (1 copy)
Northern Territory Geological Survey (1 copy)

Keywords

Titleholder	Strategic Energy Resources Ltd
Operator	Strategic Energy Resources Ltd
Titles/Tenements	EL32176
Tenement Manager/Agent	Complete Tenement Management
Mine/Project Name	Lawn Hill
Report title including type of report and reporting period including a date	EL32176 Year One and Final Report 28/02/20 – 03/04/20
Personal author(s)	N Chalmers
Corporate author(s)	Strategic Energy Resources Ltd
Target Commodity or Commodities	Lead - Zinc
Date of report	21/07/20
Datum/Zone	GDA94/Zone 53
250 000 K mapsheet	Mount Drummond (SF53-12)
100 000 K mapsheet	Mitchiebo 6360: Carrara 6460
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Summary

SER pegged EL32176 in mid 2019 targeting SEDEX style lead-zinc mineralisation on the Lawn Hill Platform. It was granted in early 2020 and then the COVID-19 pandemic changed the mineral exploration landscape, which meant SER was forced to downgrade the tenement's priority for the company. Subsequently, SER decided to immediately relinquish the tenement. It was granted for only granted for 34 days.

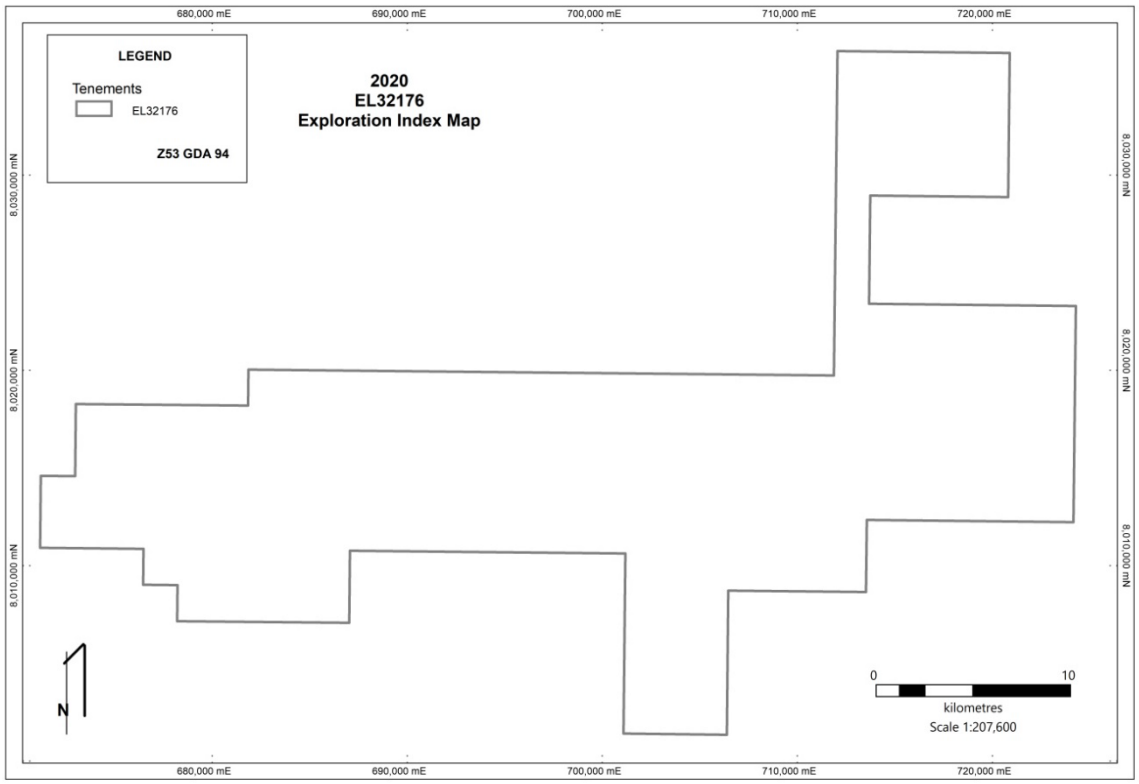

Figure 1: EL32176 2020 Exploration Index Map,

Location and General Discussion

EL32176 is located within the Lawn Hill Platform, north east Northern Territory. The tenement is located on pastoral land (Mount Drummond & Mittiebah Station), it is approximately 370km north east of Tennant creek which is located on the Stuart Highway, 285km north of Alice Springs.

Access within the tenement is reasonable on the flat sandy plains along station tracks which cross the tenement as well as along fence lines and historical tracks.

The climate in the area is temperate with a summer wet season and a dry season in the winter months.

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Tenure

EL32176 was held 100% by Strategic Energy Resources Ltd, who are also the operator. The tenement was granted in February 2020 and relinquished in April 2020 and as such this report represents the first and final annual technical report for the tenement.

The tenement covers 242 gratitular blocks.

Tenement	Status	Holder	Land Status	Grant Date	Expiry	Legal Area
EL 32176	Relinquished	Strategic Energy Resources Ltd	Lease	28/02/20	03/04/20	242

Table 1: EL32176 Tenement Details

Previous Exploration Activities

1967 "Carrara Range" Australian Geophysical Pty Ltd (CR19670040)

- Stream sediment (696) and rock sampling (62+21) (Area 7 refers to Carrara Range)
- Phosphate potential based on high P_2O_5 assays in basal Border Waterhole formation
- Gossan zone Cu, Ni, Co CER 4-6 associated with faulting in Murphy Metamorphics
- Geochemical anomaly Cu, Ni, Zn in Carrara Range formation volcanics in SE of area
- Pb and Zn above background in multiple areas
- Manganese noted with shales of Bluff Range Beds in NW of area

1972 PA3392 "Mt Drummond" CRAE (CR19720050)

- Radiometric survey, geochemical drainage samples (62) and rock samples (5)
- Radiometric anomaly due to high background in Carrara Range formation volcanics
- Geochemical survey shows higher base metals background values for Carrara Range formation volcanics than arenaceous areas

1980-81 EL2112 "Carrara Range" Afmeco (CR19800096, CR19810093)

- Imagery, mag/rad, mapping, stream sediment sampling (186), rock samples (80)
- 10 drillholes (CAR-S1 to S10) for 478.1m at "Fish Creek" near Murphy Metamorphics Inlier Gossan targeting radiometric anomalies, samples checked for gamma, if +ve then assay for U, Th, P, Cu, Pb (see p29 of CR19810093 for drill map ands sections)
- Best result 2061ppm Cu in CAR-S1 from 66-67m, unable to penetrate main chert band and test beneath
- Radiometrics maps Carrara Range formation volcanics
- Inlier structure is ENE-trending anticline truncated on south by Little Range Fault
- Magnetics suggest repetition of Proterozoic units under Georgina Basin cover to the south of the Little Range Fault, estimate down throw to the south of 3000m
- Minor Cu, Zn, Co anomalies in basic volcanics 10km E of Mt Drummond (same area as CR19670040)

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- High Pb not only occurs in volcanics but also in interbedded sandstone, argillites

1984-87 EL4491 "Nicholson River" Stockdale Prospecting Ltd (CR19870031)

- Regional diamond exploration: stream samples (35+5), no diamond indicators

1990-96 SE53-12 "Mt Drummond" (previously EL6577 EL6571 EL7714) CRAE

(CR19920370, CR19930336, CR19940452, CR19950323, CR19950316)

- RAB drilling of Rockhole (54 holes for 344m) and Top Rocky (5 holes for 378m)
- 24m @ 0.47% Pb in CAR01 from 26-50m in oxidised sandstone near contact with underlying shale (no fresh rock intersected)
- Diamond and base metal sampling in Georgina Basin portion yielded no results
- CA8 mag anomaly drilled for diamonds with 31m hole PDH90HC1 ending in Camooweal Dolomite

Geology

The tenement is considered prospective for massive sulphide hosted zinc-lead-silver (SEDEX) deposits similar in style to other deposits in the McArthur River-Mount Isa minerals province such as Century, McArthur River, George Fisher, Mount Isa lead-zinc and Lady Loretta.

The Lawn Hill Platform comprises a moderately deformed sub-green schist metamorphosed terrain of Palaeoproterozoic to Mesoproterozoic-aged sedimentary and lesser volcanic rocks formed within an intracontinental rift setting. In the NT it occurs as narrow belts of east-trending outcrops (Northern and Southern successions) separated by the South Nicholson Basin. The southern succession is exposed in areas along the southern margin of the South Nicholson Basin in the Carrara Range area. The succession unconformably overlies strata (mainly Murphy Metamorphics) of the Murphy Province and is unconformably overlain by the South Nicholson Basin.

Exploration Undertaken

No active exploration was undertaken on EL32176.

SER's planned desktop reviews for EL32176 were not complete and no on-ground exploration could occur due to COVID-19 restrictions.

Conclusions and Recommendations

When SER made the decision to relinquish EL32176 the COVID-19 pandemic was creating great uncertainty and the company had to prioritise and rationalise its exploration activities. Whilst SER still sees the Lawn Hill Platform as highly prospective, its exploration footprint in the East Tennant region (EL32109 (granted), EL32306 & EL32307 (applications awarded in the competing ground release) were deemed of higher priority for our NT based exploration and as such EL32176 was relinquished.

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Expenditure

Table 2: Expenditure details of year three activities within EL32176

ACTIVITY DETAILS FOR THE REPORTING PERIOD			
Admissible Expenditure	Detail work done including number of samples taken / stations / line km surveyed /metres drilled etc.		AU$ Claimed
C. Geophysical and Remote Sensing Activities			$0
H. Office Studies			$0
J. Overheads			$0
L. Total Expenditure Claimed			$0
M. Covenant for this reporting period	$	Number of blocks: 242	

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