

**ASX Announcement**  
**16 September 2019**

## Saxby Drill Contract Awarded

- **SER executes drill contract for Saxby Gold Project**
- **Drilling of two holes to commence in October 2019**

Strategic Energy Resources Limited (**SER**) is pleased to announce the execution of a drilling contract with Australian Mineral & Waterwell Drilling (**AMWD**) to drill two vertical holes at the Saxby Gold Project in Queensland. Drilling is planned to commence in October 2019.

The Saxby gold project is the most significant gold exploration prospect in the northeast Mt Isa Province. SER is targeting gold mineralisation hosted in basement rocks of the Mt Isa Eastern Succession buried beneath younger sedimentary cover of the Carpentaria Basin. SER analysis shows previous drilling failed to fully test the prospect due to severe deviation of inclined drill holes.

SER's first hole, SXDD020, is designed to confirm the continuity of high-grade gold mineralisation intersected in historic drillholes SXDD005 and SXDD014. These historic intersections occur approximately 190m apart in 3D space.

- SXDD005: 17m @ 6.75g/t Au (including 9m @ 11.27g/t Au)
- SXDD014: 15m @ 9.09 g/t Au (including 8m @ 15.1g/t Au)

The second hole, SXDD021, will test further north, along strike and up plunge of the known gold mineralisation.

A heritage clearance survey and landholder agreement were concluded this quarter.

*Table 1: Proposed Drillhole Collar Locations (GDA94 MGA Zone 54)*

Hole ID	Easting	Northing	RL	Planned Depth	Dip	Azimuth
SXDD020	488044	7866389	60	700	-90	0
SXDD021	487973	7866119	60	750	-90	0

**SER Executive Chairman, Stuart Rechner said:** "SER is looking forward to testing our geological theories at Saxby. Our goal is simple: thick intersections of high-grade gold. We thank shareholders for their continued support."

**For further information,** please contact +61 3 9692 7222 or visit website [www.strategicenergy.com.au](http://www.strategicenergy.com.au)

*The information in this document that relates to Exploration Results is based on information compiled by Mr Stuart Rechner BSc (Geology) MAIG, a Competent Person who is a Member of Australian Institute of Geoscientists. Mr Rechner is a Director of, and consultant to, Strategic Energy Resources Ltd. Mr Rechner has sufficient experience that is relevant to the style of mineralisation and type of deposit 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 the document of the matters based on his information in the form and context in which it appears.*

### Project Location and Regional Geology

The Saxby Gold Project is located 165km north-northeast of Cloncurry in the Gulf Country of northwest Queensland.

SER is targeting mineralisation hosted in basement rocks of the Eastern Succession of the Mt Isa Province buried beneath younger sedimentary cover of the Carpentaria Basin. The Eastern Succession has a long and proven record of mineral endowment.

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.



Figure 1: Location Map

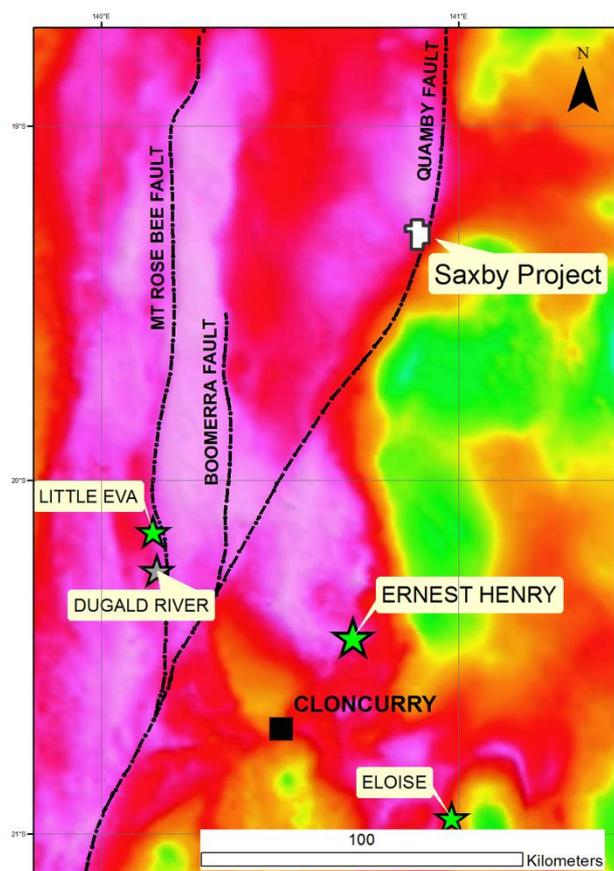
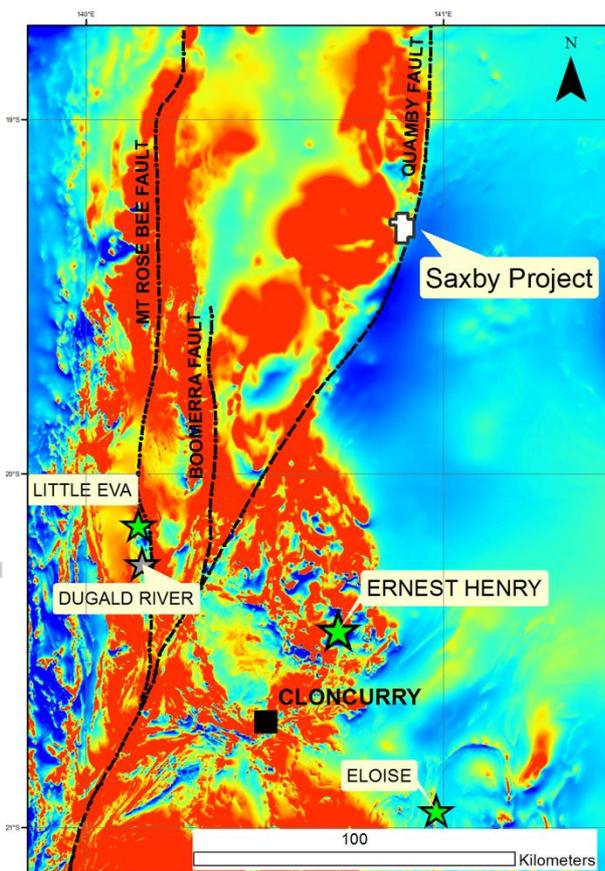


Figure 2: Regional geophysics (magnetics left, gravity right) with major structures and significant deposits

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## Exploration History

In 2008, previous explorers Anglo American / Falcon Minerals were targeting magmatic Nickel - Copper - Platinum Group Elements (Ni-Cu-PGE) mineralisation by drill testing bedrock electromagnetic conductors when discovery hole SXDD005 hit high grade gold. Assays include 17m @ 6.75g/t gold from 631m to 648m.<sup>1</sup>

In 2010, farm-in partner AngloGold Ashanti drilled five holes (SXDD011-015) in the vicinity of SXD005 to test for gold mineralised structures away from discovery hole SXD005. The best results came from hole SXDD014 including 15m @ 9.09 g/t gold.<sup>2</sup>

Finally 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.<sup>3</sup> Falcon noted that "All holes in the drill program steepened significantly and this is a technical issue that needs to be resolved before drilling recommences."<sup>4</sup>

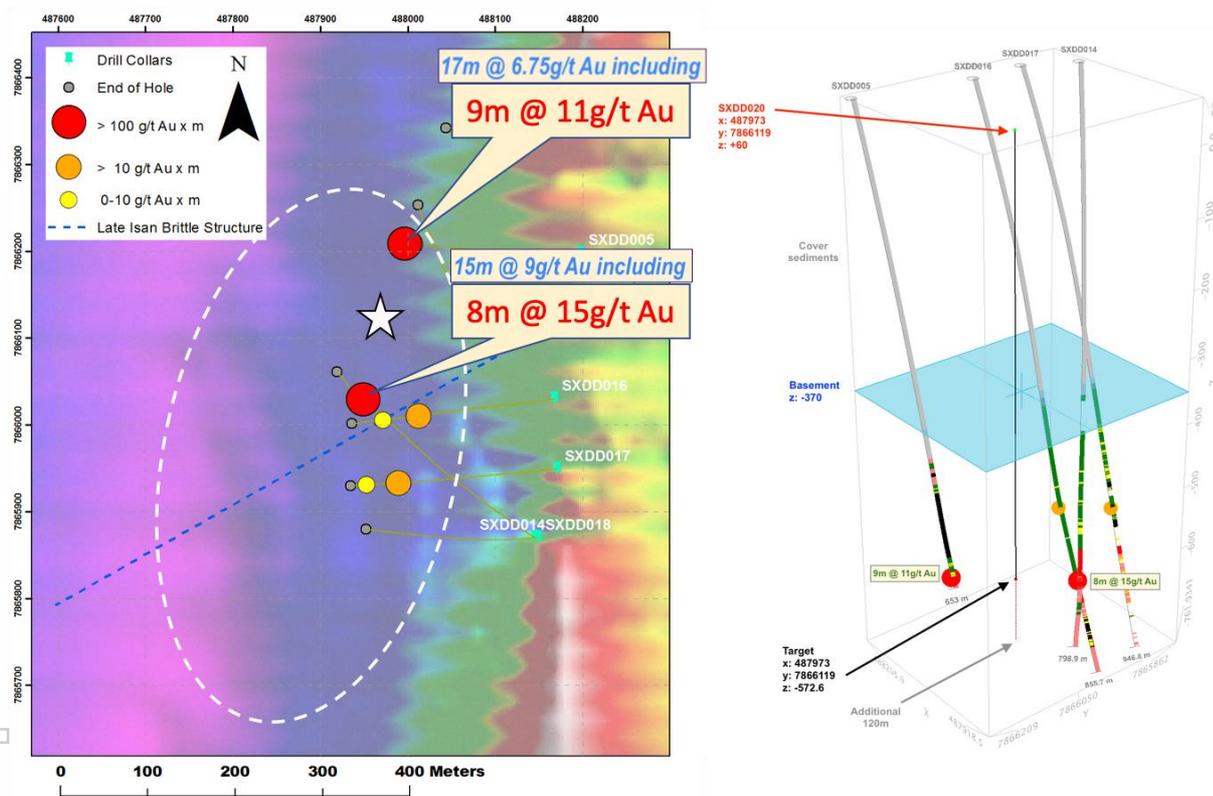


Figure 3: Historic drilling plan view (left) and 3D view (right) showing drill traces, gold intersections and SXDD020 target

<sup>1</sup> See Falcon Minerals Ltd (ASX: FCN) ASX Announcement of 28 January 2009:

[www.asx.com.au/asxpdf/20090128/pdf/31fqydr86ntvqm.pdf](http://www.asx.com.au/asxpdf/20090128/pdf/31fqydr86ntvqm.pdf)

<sup>2</sup> See FCN ASX Announcements of 5 November 2010 (initial results) and 12 January 2011 (subsequent re-assay):

[www.asx.com.au/asxpdf/20101104/pdf/31tp5ss0zdtnd.pdf](http://www.asx.com.au/asxpdf/20101104/pdf/31tp5ss0zdtnd.pdf) and [www.asx.com.au/asxpdf/20110112/pdf/41w4q8xyrpzv6h.pdf](http://www.asx.com.au/asxpdf/20110112/pdf/41w4q8xyrpzv6h.pdf)

<sup>3</sup> See FCN ASX Announcement of 17 August 2012:

[www.asx.com.au/asxpdf/20120817/pdf/4282pm6klvrdqg.pdf](http://www.asx.com.au/asxpdf/20120817/pdf/4282pm6klvrdqg.pdf)

<sup>4</sup> See FCN ASX Announcement of 17 July 2012:

<http://www.asx.com.au/asxpdf/20120717/pdf/427q1cwpkqgbpm0.pdf>