

29 April 2021

Quarterly Report to 31 March 2021

- National Drilling Initiative results confirm prospectivity of East Tennant
- 4th SER gravity survey completed; multiple Copper-Gold drill targets modelled
- Drilling approvals underway; Newcrest doubles land holding adjacent to SER
- SER granted key ground in Cobar Basin and Lachlan Fold Belt, NSW
- SER raises \$2.2M, fully funded to drill East Tennant and Canobie

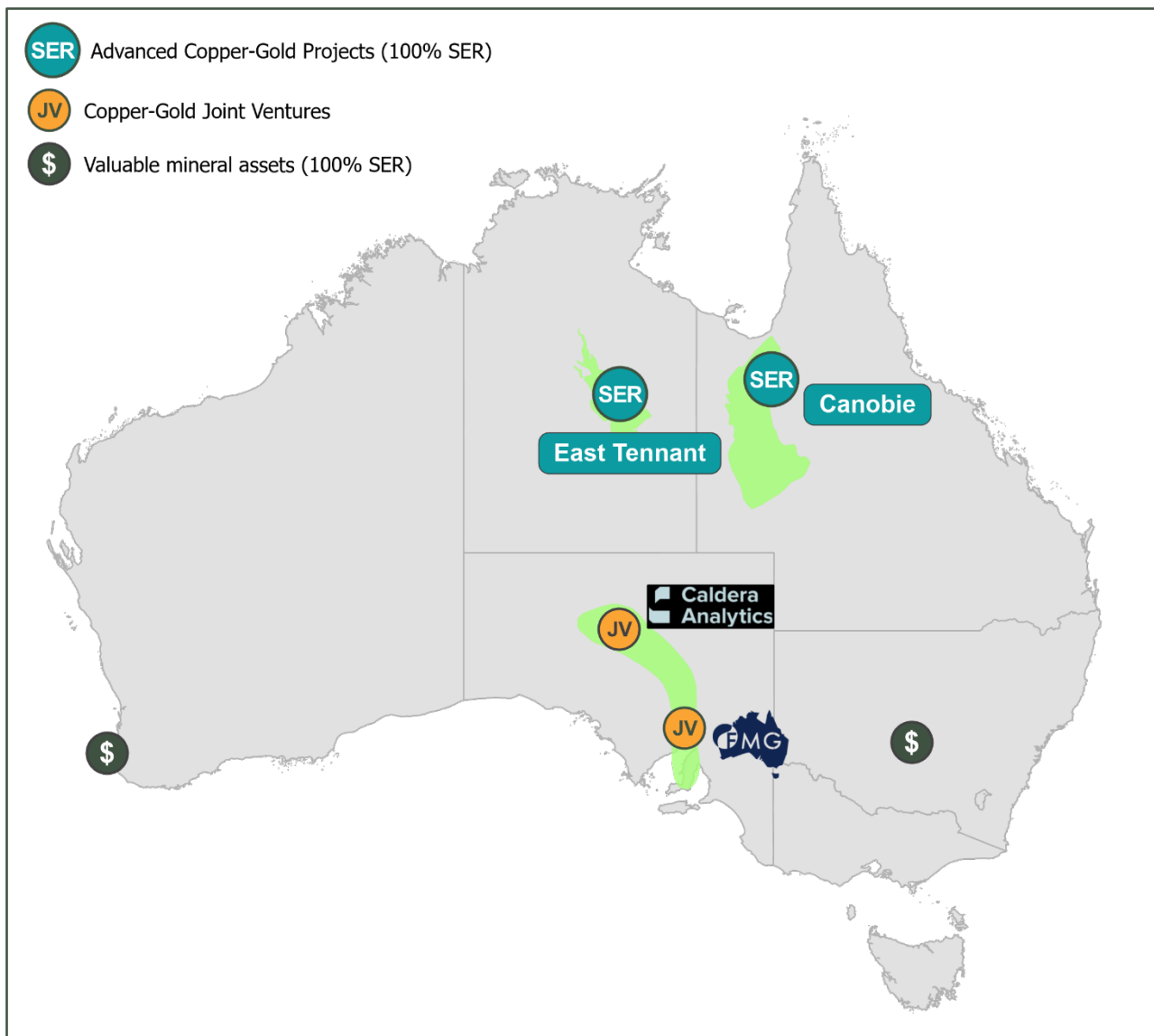


Figure 1: SER Project Locations

Strategic Energy Resources Ltd (ASX Code: SER) is a specialised undercover mineral explorer and project generator focused on discovery in greenfield frontiers of Australia.

EAST TENNANT COPPER-GOLD PROJECT NORTHERN TERRITORY (SER 100%)

- National Drilling Initiative results confirm prospectivity of East Tennant
- SER gravity survey completed over new tenement ELA32617
- Multiple Copper-Gold drill targets confirmed by 3D inversion modelling
- Heritage clearance and drilling approvals underway
- Newcrest doubles land holding adjacent to SER ground

The first data from the Mineral Exploration Cooperative Research Centre (MinEx CRC) National Drilling Initiative (NDI) campaign east of Tennant Creek was released during the quarter confirming the mineral potential of this underexplored region. The NDI drill holes were designed to test the potential of basement rocks in the 'East Tennant' area to host gold- and copper-rich mineral deposits similar to those in the Tennant Creek mineral field.

Dr Andrew Heap, Chief of the Minerals, Energy and Groundwater Division at Geoscience Australia said *"Drilling has identified rocks of the right age to host mineralisation and has uncovered evidence for key mineralising processes, such as the presence of major structures, hydrothermal alteration, and base metal sulphides"*. Ian Scrimgeour, Executive Director of the NT Geological Survey said *"We expect the release of the first NDI drilling data to stimulate further industry interest in the Barkly region, which is rapidly emerging one of Australia's most exciting exploration frontiers."*

SER is a first mover in the new province with a dominant land position.

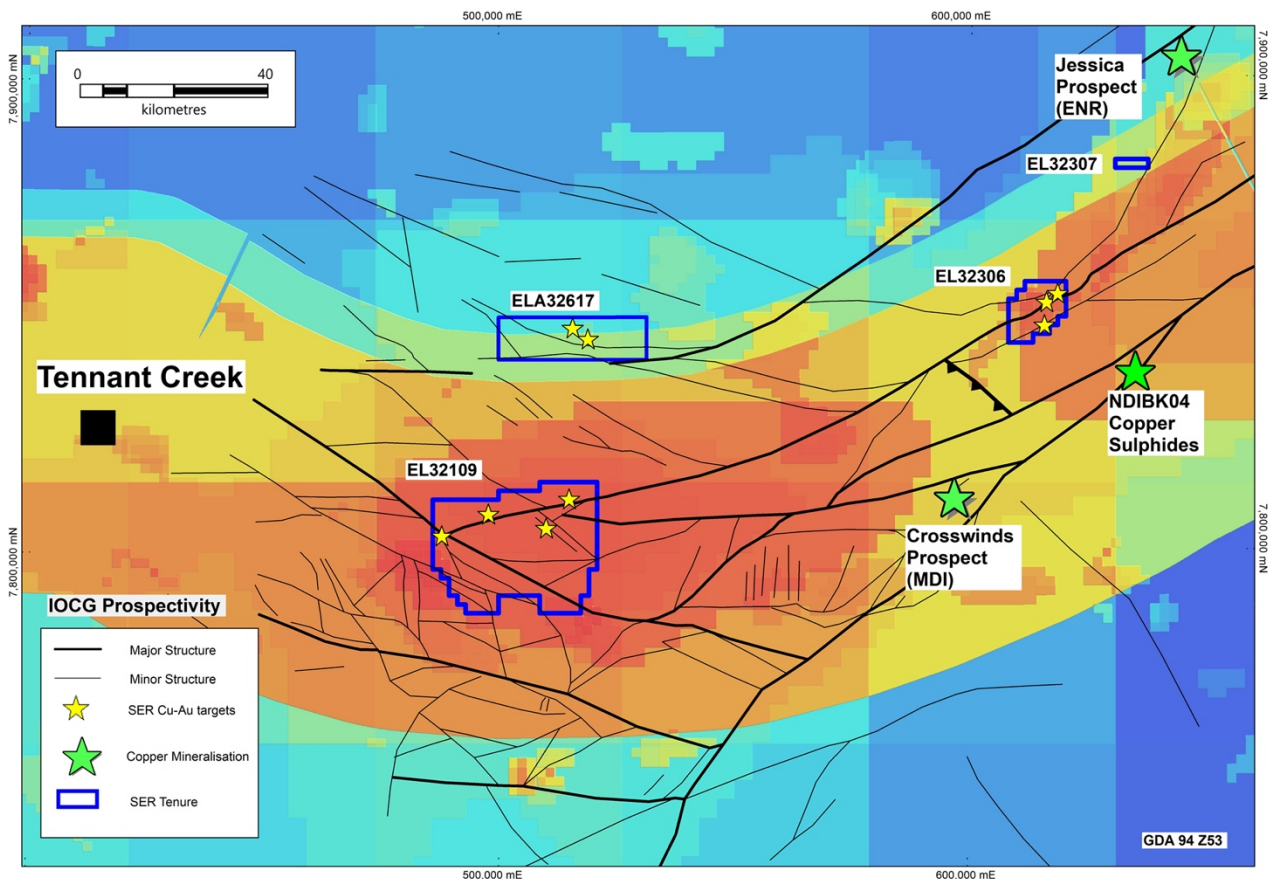


Figure 2: SER's East Tennant Copper-Gold Project (4 tenements in blue) over Geoscience Australia IOCG Prospectivity map with SER targets (yellow stars) and copper mineralisation (green stars)

The basement rocks intersected by NDI drilling include felsic intrusive and extrusive rocks, deformed siliciclastic and carbonate metasedimentary rocks and a previously unidentified basin containing coarse clastic sedimentary rocks. The metasedimentary rocks are comparable to the Paleoproterozoic Warramunga Formation, which hosts mineralisation in the Tennant Creek field, and contain mineralogical and geochemical evidence of comparable mineral systems.

During the quarter SER also completed another detailed ground gravity survey entirely covering our new tenement ELA32617. SER now has comprehensive high-resolution gravity data over all four of our tenements at East Tennant. Together with our geophysicist Theo Aravanis (formerly Chief Geophysicist, Rio Tinto), SER has completed 3D inversion modelling of potential targets to map depth, size and geometry for drill prioritisation. We have identified nine compelling IOCG targets: four within EL32109, three within EL32306 and two within ELA32617. None of the targets have ever been drill tested.

Drilling approvals, Native Title clearances and land access negotiations are on schedule with SER's maiden drill campaign set to occur mid-year.

Companies are now expanding tenement holdings at East Tennant. Newcrest Mining (ASX:NCM) has pegged an additional seven exploration licence applications (1811km²) across the East Tennant region adding to their existing six granted tenements (2728km²). The new Newcrest ground adjacent to SER's EL32617 was pegged shortly after SER.

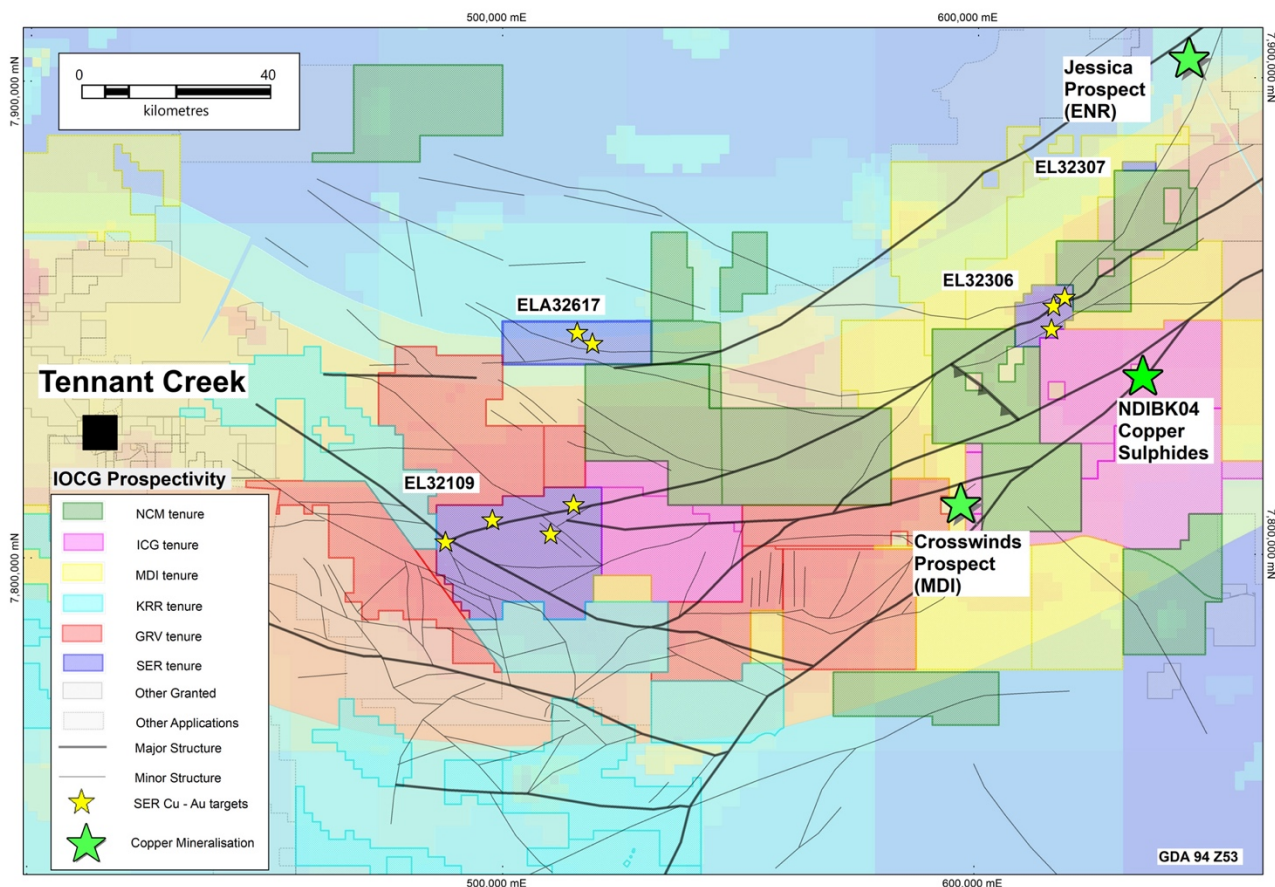


Figure 3: East Tennant Copper-Gold Province tenure map

SOUTH COBAR AND EAST COWAL NEW SOUTH WALES (SER 100%)

During the Quarter, SER was awarded two highly prized exploration licences in NSW's Cobar Basin and Lachlan Fold Belt. The South Cobar project (EL9012) is located along strike and surrounding the undeveloped Browns Reef Zn-Pb-Cu volcanic massive sulphide deposit, while the East Cobar project (EL9057) is located 7km east of the operating Cobar Gold Mine and 4km north of the Marsden Copper-Gold porphyry deposit, both owned by Evolution Mining (ASX:EVN).

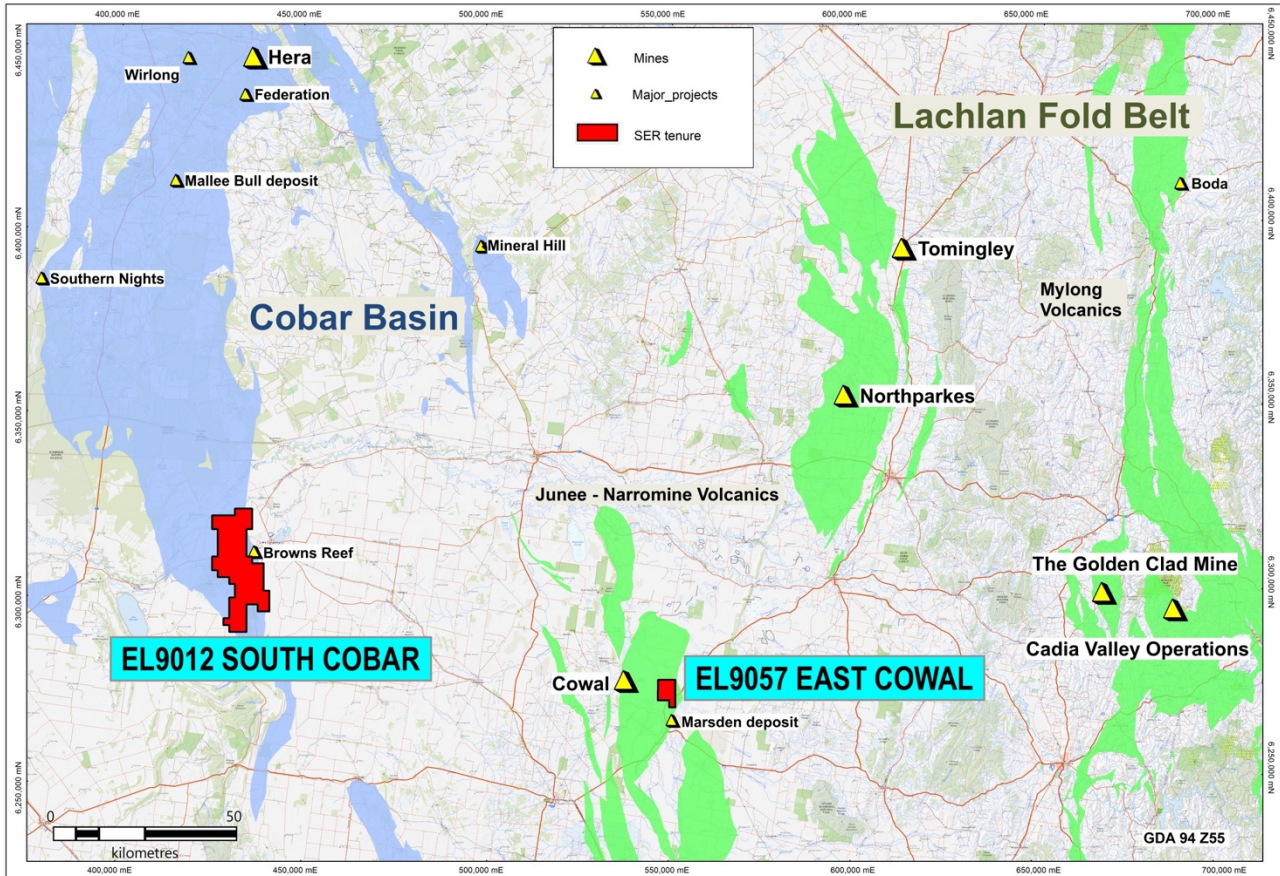


Figure 4: Location of South Cobar and East Cobar tenements with known mines and significant mineral deposits

Both tenements lie within NSW Mineral Allocation areas (MAAs) covering extensions to known mineralised terranes. Exploration licence applications cannot be lodged in MAAs without Ministerial consent based on review of proposals by an expert assessment panel. SER successfully received Ministerial consent and has been granted both tenements. SER has already been approached by multiple parties interested in our new ground.

The South Cobar project covers 287km² of fertile stratigraphic sequences of the Cobar Supergroup immediately adjacent to the undeveloped Browns Reef Zn-Pb-Cu volcanic massive sulphide deposit. SER's project area contains multiple gold and base metal occurrences along prospective north-east trending reactivated growth faults between basement and basin infill sequences.

The East Cowal project (29km²) is located in the Junee-Narromine Volcanic Belt overlying the interpreted Cowal Igneous Complex of the Lachlan Fold Belt. The tenement lies 7km east of the operating Cowal Gold Mine (a > 9Moz Au low sulphidation carbonate-base metal gold system that produced 262,035 ounces of gold in FY20¹) and 4km north of the undeveloped Marsden Copper-Gold porphyry deposit (> 1Moz Au & > 500kt Cu)², both owned by Evolution. SER's EL9057 is surrounded by ground held by Evolution. Previous exploration efforts have identified key structural and geophysical targets worthy of follow up. The depth to basement at East Cowal is estimated to be approximately 150m. No recorded drilling within EL9057 penetrated below 200m, indicating the basement targets have not been adequately tested.

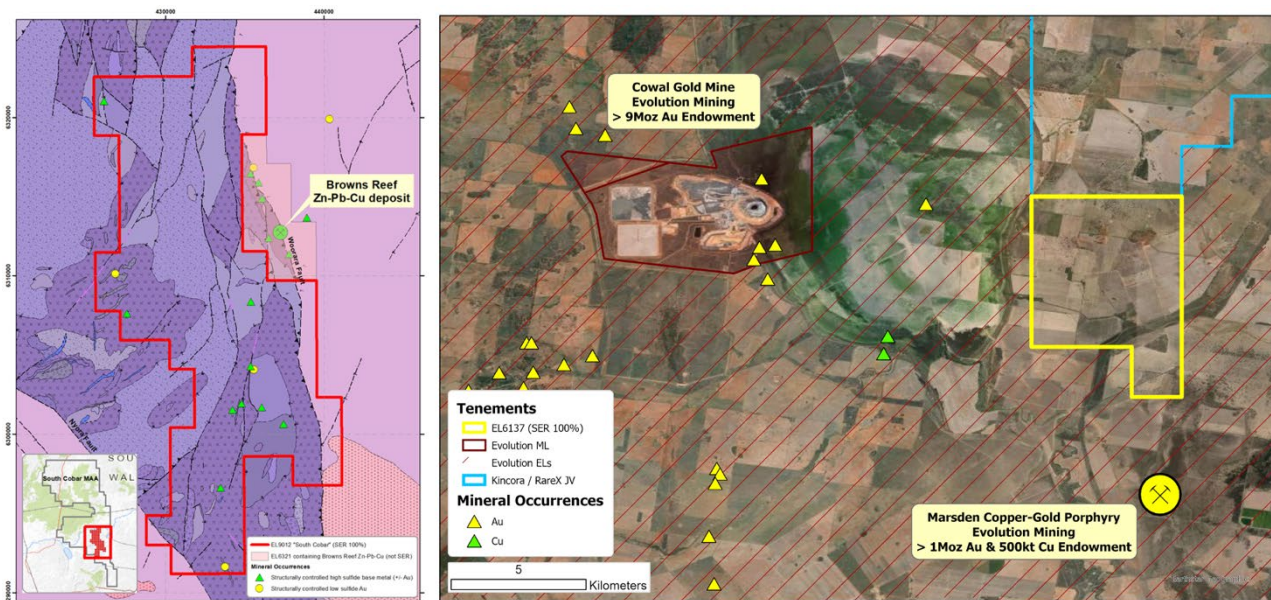


Figure 5: South Cobar (left) and East Cowal (right) with significant deposits and mineral occurrences

The Geological Survey of NSW and Geoscience Australia recently released data from the Cobar Airborne Electromagnetic (AEM) survey which completely covers SER's EL9012. SER is reviewing this data along with existing geophysical datasets and previous exploration in the area ahead of conducting infill ground geophysical (EM or IP) and geochemical surveys to refine drill targets. The South Cobar region has also been selected for funded stratigraphic drilling in 2022 as part of the MinEx CRC NDI.

Given the high-quality data sets and existing targets already available at East Cowal, SER will commence land access arrangements to allow on ground exploration activities to begin. Government funded airborne AEM, regional gravity and regional magnetics are scheduled for the broader Forbes MAA area (which EL9057 lies within) in the 2022-23 financial year.

¹ <https://evolutionmining.com.au/cowal/>

² <https://evolutionmining.com.au/reservesresources/>

CORPORATE AND INVESTMENTS

During the Quarter, SER raised \$2.2M via a heavily oversubscribed placement of 52,639,586 fully paid ordinary shares at \$0.043 (0.43 cents) per share. Directors and existing major shareholders contributed over \$500,000 (Directors \$164,500).

Payments to related parties of the entity and their associates during the quarter were \$108k comprising Director and consulting fees as outlined in the Appendix 5B.

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

Executive Chairman Stuart Rechner

For further information, please contact Mr Rechner +61 3 9692 7222 or visit website www.strategicenergy.com.au

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.

INTERESTS IN MINING TENEMENT

Mining Tenement	Location	Beneficial Percentage held	License Description / Notes	Interest acquired/farm-in or disposed/farm-out during the quarter
EL6140	South Australia	100%	Farm-In Agreement with FMG	-
EL5898	South Australia	100%	Farm-In Agreement with FMG	-
EL6335	South Australia	100%	Billa Kalina	-
ELA2020/147	South Australia	80%	Application (Strategic Caldera)	-
EPM15398	Queensland	100%	Saxby	-
EPM27378	Queensland	100%	Saxby North	-
EPM27586	Queensland	100%	Canobie1	Granted 11 February 2021
EPM27587	Queensland	100%	Canobie2	Granted 11 February 2021
EPM27588	Queensland	100%	Canobie3	Granted 11 February 2021
EPM27638	Queensland	100%	Canobie4	Granted 22 February 2021
EPM27676	Queensland	100%	Canobie5	Granted 25 March 2021
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	-
EL32109	Northern Territory	100%	East Tennant 1	-
EL32306	Northern Territory	100%	East Tennant 2	-
EL32307	Northern Territory	100%	East Tennant 3	-
ELA32617	Northern Territory	100%	Application only	-
EL32228	Northern Territory	100%	Option Agreement with RML	Granted 29 March 2021
EL9012	New South Wales	100%	South Cobar	-
EL9057	New South Wales	100%	East Cowal	Granted 18 February 2021

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 2021

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	(19)	(192)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(70)	(200)
	(e) administration and corporate costs	(75)	(234)
1.3	Dividends received (see note 3)		
1.4	Interest received	1	3
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (Royalties and COVID-19 subsidies) *	-	48
1.9	Net cash from / (used in) operating activities	(163)	(575)
* Year to date amounts in others include following amounts: - \$80,000 receipts from Sale of Uley Graphite Royalty, - \$77,000 PAYG, Job Keeper and other government subsidies, and - \$110,000 payments made to extinguish the Saxby royalty.			
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	(287)	(1,375)
	(e) investments*	500	-

Appendix 5B

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

	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:	-	-
	(a) entities		
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (security deposits)	-	(20)
2.6	Net cash from / (used in) investing activities	213	(1,395)
<i>*Included in the amount noted above is \$500,000 of cash on deposit held with original term to maturity greater than 3 months. This term deposit was matured during the quarter.</i>			
3.	Cash flows from financing activities	2,263	3,666
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
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	(124)	(146)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	(9)
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	2,139	3,511
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	297	945
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(163)	(575)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	213	(1,395)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,139	3,511

4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	2,486	2,486

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	2,486	297
5.2	Call deposits	-	-
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) **	2,486	297

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	33
6.2	Aggregate amount of payments to related parties and their associates included in item 2	75

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.

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)	(162)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(287)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(449)
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,486
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	2,486
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	5.54
<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: N/A	
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: N/A	
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: N/A	
<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 2021

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

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

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.