STRATEGIC MINERALS
CORPORATION N.L.

14th January 2019 ASX Release

Woolgar Gold Project, Queensland

(Strategic Minerals Corporation N. L. (Strategic) 100%)

Results of 2018 Drill Program at Belle Brandon and Ada

The Company is pleased to announce the results of the ten reverse circulation (RC) drill holes at the Belle Brandon and Ada prospects on the Woolgar Project.

Significant results from the ten holes include:

- MR0335 2 metres at 23.36 g/t gold from 19 to 21 metres
- MR0330 2 metres at 11.0 g/t gold from 103 to 105 metres
- MR0332 2 metres at 3.66 g/t gold from 92 to94 metres
- MR0334 3 metres at 1.6 g/t gold from 65 to 68 metres
- MR0338 3 metres at 1.3 g/t gold from 153 to 156 metres
- MR0336 1 metres at 2.0 g/t gold from 95 to 96 metres
- MR0329 1 metres at 1.6 g/t gold from 90 to 91 metres

2018 Drill Program Results Summary

The 2018 prospective drill programme consisted of 1,340 metres of RC drilling in 10 drillholes over the Belle Brandon and Ada prospects and the recessive ground in between (see Figure 1 for drill hole locations).

Most holes intersected the structure targeted. This included the expected styles of alteration and mineralisation, although the results were weaker and less continuous than expected (see Appendix 1 on Page 6 for the summary table). The results will be fully interpreted in due course, but appear to indicate that this section of the structure is less likely to host potentially economic BVS-style mineralisation.

The Belle Brandon and Ada prospects occur in a structural jog in the Woolgar Fault Zone (WFZ), approximately six kilometres along strike from Big Vein South (BVS), the main resource at Woolgar. The Belle Brandon-Ada sector share many similar features with BVS and was postulated to be the northern antithetical equivalent to the BVS, either side of the structural intersection between the WFZ and the cross-cutting Mowbray trend.

This was an exploratory programme, intended to test for deeper mineralisation and a potential continuous extension in the blind zone between the two prospects which is analogous with the Cross Over area of the BVS deposit. Targeting was based on encouraging results from previous shallow drilling beneath historic workings with high-grade samples from outcrop and mullock, zonation interpreted from surface sampling, and geophysical interpretations.

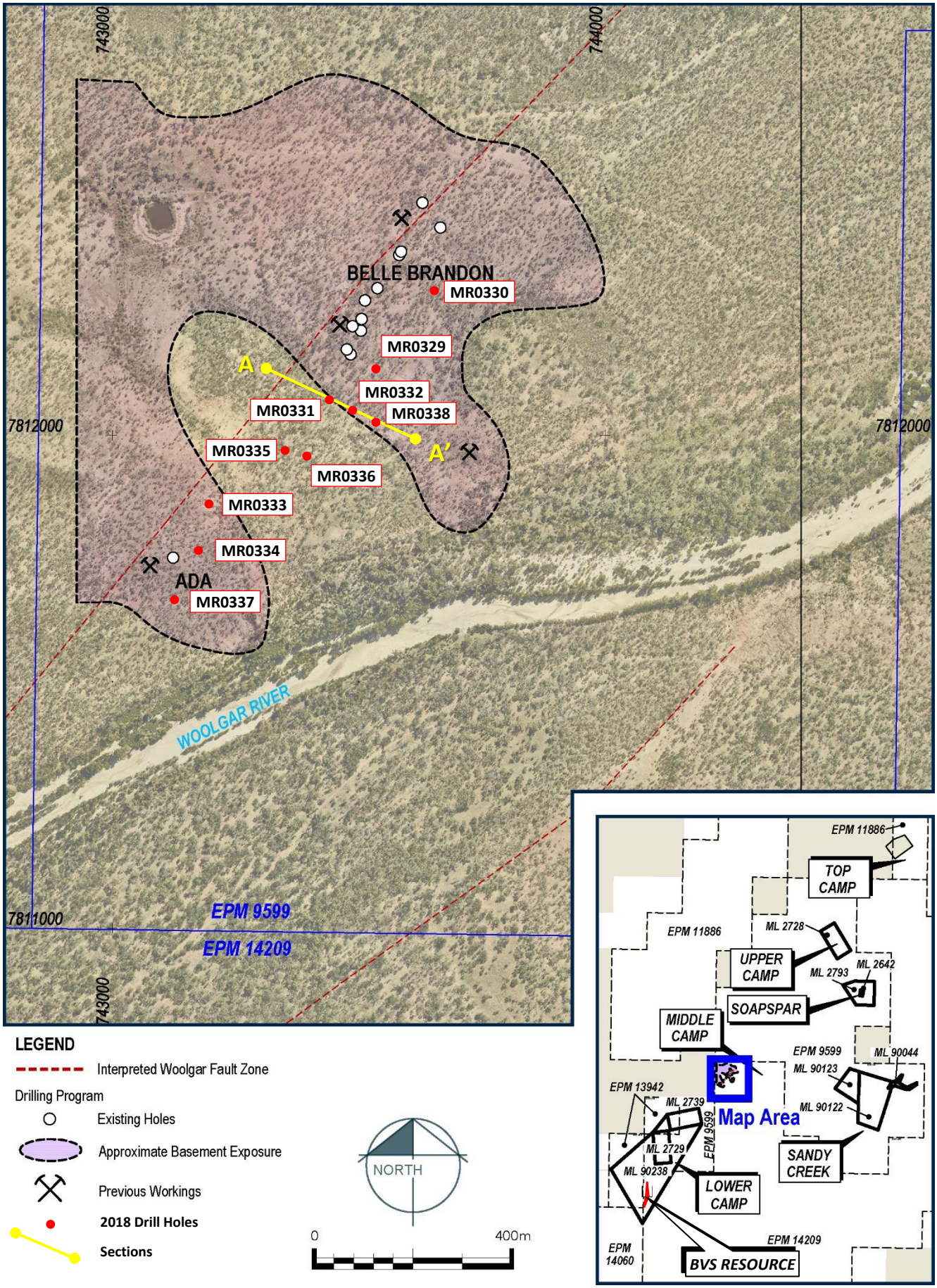

Figure 1: Location map of the Woolgar Project showing the location of the ten drill holes at Belle Brandon & Ada in relation to the BVS resource and major tenements.

2018 Drill Program Update

Historically, Belle Brandon was one of the larger historic workings and was tested with a four shallow drillholes in the seventies and eighties. Eight shallow holes were drilled in 2011 and 2012, which intersected structure with anomalous grades, but follow-up work was suspended in order to concentrate on the BVS discovery and drill-out. Reasons for targeting this sector included strong technical data as well as statutory expenditure commitments.

The technical support included:

- Identification of prospective rock-types that strongly correlate to gold at BVS and which are relatively uncommon elsewhere;
- Identification of geochemical zoning of surface material within the prospect, typical of a hydrothermal system;
- Prospective previous drilling: Although sparse and shallow, the grade and alteration envelope improve to south and appeared to be comparable in style to the early, shallow drilling at BVS;
- Prospective structural location: BVS and Belle Brandon-Ada are located at the southern and northern extents of the large zone of deflection in the north-trending Woolgar Fault Zone (WFZ) through its intersection with the northeast trending Mowbray structure, and thus would have been subject to similar stresses at the time of mineralisation. Such deflections, or jogs, are considered highly prospective;
- Similar rock-types to BVS: The dominant host rock is spatially associated with the high-grade at BVS and is not known to be as prevalent elsewhere;
- Similar alteration to BVS: Although a more limited distribution, this is interpreted as being due to the local dominance of the less permeable host rocks;
- The distribution of the Belle Brandon and Ada workings on low hillocks is highly analogous to the that of Big Vein South and Big Vein Central within BVS. This was considered prospective for a sigmoidal, sheared host structure, similar to BVS; and
- High grades on surface with favourable geochemical signatures.

The mineralised structure was encountered in nine out of ten holes, as seen in the logging as strong sericitic alteration with variable quantities of auriferous veinlets and supported by the multi-element geochemistry. Despite the high-grade gold samples and apparent continuity of the structure and historic workings at surface, the structure was both weaker and more discontinuous than expected, both along strike and to depth (see Figure 2 for the cross section for drill holes MR0331, MR0332 and MR0338).

Lead and other elements clearly indicate a broader structure than the gold values indicate and corresponds directly to the observed structures, but the gold values only occur as discontinuous, narrow and discrete intersections within this.

Further technical anomalies include the presence of a felsic porphyry intrusive, with sericitic alteration. This appears similar to porphyries at several other northern Queensland deposits, including Kidston. At Woolgar, this has been seen in mineralised structures at Caledonia, Brien Shear and rarely at BVS, and is seen as positive evidence for mineralisation to have occurred locally, but it is insufficient to help localise it.

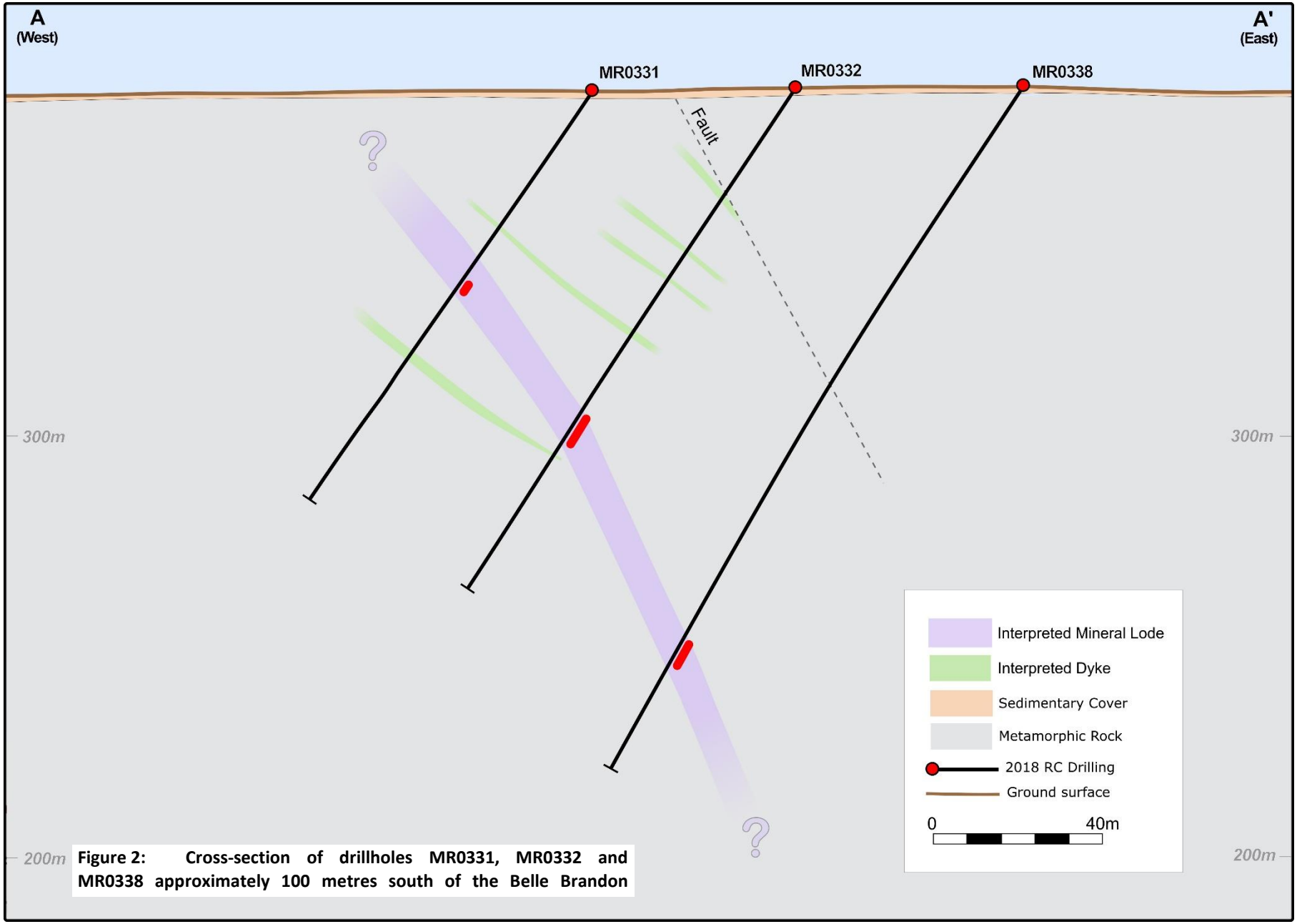

Figure 2: Cross-section of drillholes MR0331, MR0332 and MR0338 approximately 100 metres south of the Belle Brandon

Conclusions and Recommendations

There is no doubt that the targeted structure was intersected, but that the grades and widths are weaker and less continuous than expected. Nonetheless, several lines of evidence still support the presence of mineralisation locally, but any further exploration will require a detailed review of these results and an improved targeting strategy.

A full interpretation will be undertaken to better understand the differences between these results and those at BVS, but initial interpretations include that the structure may not represent the WFZ itself or that the mineralisation did not fully develop due to local conditions.

The interpretation will also include the advances made in geochemical and geophysical modelling during the recent field season. Structural modelling will be a particular focus since this programme will allow a far more detailed interpretation of the northern sector of the Lower Camp. This area has been poorly understood previously due to the poor resolution of the aeromagnetic images compared to sectors along strike further to the north and south of the Woolgar Fault Zone.

Laif Allen McLoughlin

EXECUTIVE CHAIRMAN

COMPETENT PERSON STATEMENT

The information in the report to which this statement is attached that relates to Exploration Results is based on information compiled by Alistair Grahame, a Competent Person who is a Member of The Australian Institute of Geoscientists. Mr Grahame is a full-time employee of Strategic Mineral Corporation NL. Mr Grahame 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 Grahame consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix One: Summary Table of RC drill intersections for Belle Brandon & Ada in 2018, as at 14th January 2019.

Table 1:	Summary of significant intersections using a 0.5 g/t gold cut-off grade*											
Hole ID	Prospect	End of Hole	Dip	Azimuth[1]	Easting[2] (metres)	Northing[2] (metres)	Altitude[2] (metres)	Sample[3] Method	From (metres))	To (metres)	Width[4] (metres)	Gold Grade[5] ppm
MR0329	**Belle Brandon**	**142**	**-55**	**295**	**743529**	**7812141**	**375**	**RC**	**90**	**91**	**1**	**1.6**
MR0330	**Belle Brandon**	**154**	**-55**	**295**	**743652**	**7812302.18**	**374**	**RC**	**103**	**105**	**2**	**11.0**
MR0331*	Belle Brandon	118	-55	295	743442	7812071	373	RC	54	58	4	0.2
MR0332*	Belle Brandon	142	-55	295	743487	7812050	373	RC	92	101	9	0.9
including								**RC**	**92**	**94**	**2**	**3.6**
MR0333*	Ada	100	-55	295	743192	7811850.67	371	RC			No Significant Values	
MR0334	**Ada**	**100**	**-55**	**295**	**743177**	**7811760.83**	**378**	**RC**	**65**	**68**	**3**	**1.6**
MR0335	**Belle Brandon**	**152**	**-55**	**295**	**743356**	**7811991.17**	**371**	**RC**	**19**	**21**	**2**	**23.3**
MR0336	**Belle Brandon**	**112**	**-55**	**295**	**743402**	**7811980**	**379**	**RC**	**95**	**96**	**1**	**2.0**
MR0337*	Ada	130	-55	295	743130	7811659.59	374	RC			No Significant Values	
MR0338*	Belle Brandon	190	-55	295	743533	7812029	373	RC	153	160	7	0.6
including								**RC**	**153**	**156**	**3**	**1.3**

*** Values not in bold font include Intersections to a 0.5 g/t cut-off grade where these are significant of intersecting either a narrow structure or broader envelope although considered below economic cut-off**

Notes: *[1] All Azimuths are reported in degrees relative to the project grid (GDA94). Orientation data presented in Appendix 1 represents collar data.*

[2] All coordinates are reported in GDA94. Collars were surveyed by Differential GPS.

[3] All intersection widths are length weighted averages. All widths are Intersection or Apparent Widths and may not represent the true widths of the mineralisation.

[4] Assay results presented are Certified Final Assays. A 0.5ppm gold cut-off grade was used at the beginning and end of the reported mineralised intersects. Low-grade zones up to 6 metres are included in overall intercepts (bold). Low-grade zones less than two metres width within an intersection were included in the secondary intersections as per 2013 to 2017 announcements for the BVS deposit. No upper cut-off was applied. Results presented are gold only: no metal equivalents are used.

[5] Narrow, low grade intersections are included as indicative that structure was intercepted or indicative of the broader mineralised envelope. These are not in bold font for identification.

Appendix Two JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• *Reverse circulation drilling with face hammer. Sample intervals were 1.0m.* • *RC sampling was carried out by the drilling contractor using a cone-splitter integral with the recovery cyclone.* • *Up to 4 kg was pulverised to produce a 50 g charge for fire assay and 35 element ICP.* • *Some moderate variation is noted in field duplicates, which may be due to resampling techniques (riffle vs. cone-cyclone splits) or minor coarse gold "nugget effect". This may be higher or lower, is always low to moderate variation and proportional to the grade, and shows no systematic evidence of skewing. Screen fire assaying of higher grade samples is undertaken to determine this. The original (rig-sampled) assay is reported for all instances of duplicates, rather than a selective system.*
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• See above.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• All samples and rejects are weighed after drilling. This has yet to be completed, but is incorporated prior to resource estimation. • Any anomalies in sample size during drilling were brought to the driller's attention and appropriate steps taken. • Samples were collected in an integral cyclone recovery and cone splitter. Duplicates were taken manually using a riffle splitter and selected on geological criteria. • At this stage, there is no obvious relationship between recovery and grade. Detailed analysis is pending prior to incorporation into future resource estimates.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• 100% of RC chips were logged on site using a qualitive system logged by a competent geologist with sufficient experience. • All RC chips have been photographed.

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• RC was cone split integrally to the cyclone. Duplicates were selected on geological criteria and taken manually using a riffle splitter. • RC drilling did not involve water injection. Ground conditions were generally dry, but occasional groundwater was intersected, usually with limited ingress. Three holes intersected moderate water ingress, but there is no evidence thus far that this affected recovery. Steps were taken minimise caking within the cyclone or splitter. • All sample preparation and methods were appropriate for exploration purposes. • 3 grades of pulp standards plus coarse blanks and field duplicates were used throughout the program. • Sample and reject from these holes will be weighed and analysis completed prior to incorporation within the resource.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Samples were prepared and assayed at the ALS Minerals Division - Geochemistry (“ALS”) laboratory in Townsville; an ISO-9001:2013 certified facility. Methods used were: gold by fire assay, AA finish (50 gram charge); and other elements by aqua regia ICP-AES (35 elements). Samples returning greater than 100 g/t gold were automatically re-assayed using a dilution analyses. • 3 grades of pulp standards plus coarse banks and riffle-split field duplicates were used throughout the program. All standard and blank results appear acceptable. The field duplicates show minor variation which may be due to coarse gold or the different splitting method. Gravimetric re-analysis of selected higher-grade values will be undertaken to assess this.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No independent verification has been conducted at this stage. • Prospecting work outside of a resource area. No Twinned holes proposed at this time. • Logging data entry in real time on site by employee logging. • Sample control data recorded on paper in the field and entered digitally daily. • All data backed up daily and stored in separate locations. Senior geologist verifies data entry. • No adjustments made to assay data.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Collars are located using a Differential GPS prior to drilling and will be updated using a Differential GPS upon completion. • Downhole surveys were conducted using a Reflex single-shot camera at 18m and subsequent 50 metre intervals. • Project grid is MGA94.

Criteria	JORC Code explanation	Commentary
		• A DEM is used for planning and modelling. This has proven adequate for the low relief.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Planned intercept spacings varied from 50 metres within sections to between 100 & 200m between sections. This is considered suitable for the prospective nature of this program. • Exploration results only presented here. Data density will be studied in detail in the future for resource purposes if appropriate. • No compositing was used in the field. 1m sample intervals were analysed. The reported intersections are simple length weighted averages based on apparent widths.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• All sample widths presented are Intersection or Apparent Widths and do not represent the true widths of the mineralisation. The mineralisation is thought to be plunging at approximately 70°, steepening to sub-vertical below approximately 200m. • Drilling is orientated perpendicular to the strike of the structure and all holes dip -55°. There is no evidence for a sampling bias beyond that of the tangential angle.
Sample security	• *The measures taken to ensure sample security.*	• RC samples are collected in calico bags, sealed in sacks of five and loaded into pallet containers for transport to Townsville by a private courier. • A paper trail, including the contents of individual sacks is maintained.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Sample technique is reviewed frequently. The use of standards and blanks was optimized for this program.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Woolgar project is comprised of 5 wholly owned EPMs, which are formally incorporated under project status. • 9 MLs overly the project. These are wholly owned by Strategic Minerals. • A further EPM, EPM 26263, is held adjacent to the project, but has not yet been formally incorporated. • There is no known impediment to operations in the area.

License No	Date Granted	Area/Sub Blocks	Interest	Comments
ML 2728	01/06/89	128 Ha	100%	Granted
ML 2729	01/06/89	128 Ha	100%	Granted
ML 2739	01/06/89	128 Ha	100%	Granted
ML 2642	01/02/89	405 Ha	100%	Granted
ML 2793	08/08/91	146.4 Ha	100%	Granted

Criteria	JORC Code explanation	Commentary
		ML 90044 27/04/95 29.2 Ha 100% Granted ML 90122 02/09/04 350.90 Ha 100% Granted ML 90123 18/11/04 124.70 Ha 100% Granted ML 90238 19/09/17 883.5 Ha 100% Granted EPM 9599 01/09/93 32 SB 100% Granted EPM 11886 21/04/04 23 SB 100% Granted EPM 14060 21/04/04 46 SB 100% Granted EPM 14209 21/04/04 49 SB 100% Granted EPM 13942 09/11/06 3 SB 100% Granted EPM 26263 05/12/16 100 SB 100% Granted
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Little recent work had been carried out in the Lower Camp area prior to the commencement of the progressive RC programs by SMC in 2010. The current project management reviewed this and found them acceptable as a basis for exploration.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Lower Camp hosts a mesothermal style of mineralisation. • At Belle Brandon and Ada it appears to be shear hosted within the regional-scale Woolgar Fault Zone where this is deflected locally by a secondary, cross-cutting structure. • It consists of quartz and quartz-carbonate veins, stylobreccias, tectonic breccias, stockworks and veinlets. • Gold mineralisation is associated with disseminated pyrite, and lesser galena, sphalerite and pyrrhotite, that occur within strongly phyllic altered, sheared and brecciated schists, gneisses, dolerite dykes, granites, granitoids, silicified breccias and veins. • The mineralisation is strongly associated with a phyllic alteration.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• For drilling data, see Appendix 1, Table 1 of this report.
		• None of this information has been excluded.

Criteria	JORC Code explanation	Commentary
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• All intersection widths are length weighted averages. A 0.5ppm gold cut-off grade was used at the beginning and end of the reported mineralised intersects. Normally low-grade zones up to two metres width were included in the overall intersections, although locally low grade zones up to six metres width may be included in the overall intersections where these were considered sufficiently wide as to justify their incorporation. In the secondary intersections, low-grade zones less than two metres width were included where significant high-grade material occurred adjacent. No upper cut-off was applied. • The mesothermal mineralisation is gold dominated and no metal equivalents are used.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• All sample widths presented are Intersection or Apparent Widths and do not represent the true widths of the mineralisation. The mineralisation is thought to be plunging between approximately 70°. • These drillholes dip -50° to -55°. • All holes are drilled 295° GDA94, which is perpendicular to the estimated average strike of the mineralisation. • There is no evidence for a sampling bias beyond that of the tangential angle.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Location and prospect maps, and a representative cross-section are included in the main body of the text.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Summary intercepts of all eight holes in this announcement are included, including those with minimal intercepts in Appendix 1: Table 1. • Minor intercepts of low grades and widths (≤1 g/t x ≤3m) adjacent to significant intercepts are not reported since these are considered relatively insignificant unless where they were the only anomalous intercepts in a hole, or where similar intercepts in multiple adjacent holes may indicate secondary structures. All results will be included in a future resource estimate.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Recent geophysical surveys have been reported previously. Detailed analysis and interpretation of these results is undertaken on a continuous basis. • A soil sampling survey and an MMI orientation survey have been undertaken over select targets in the Lower Camp and beyond, although none of these surveys directly cover the Belle Brandon. • Both positive and negative interpretations of these results have been discussed openly. No further deleterious technical, statutory or social issues are known.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or*	• No further work is currently under consideration for the Belle Brandon and Ada prospects.

Criteria	JORC Code explanation	Commentary
	depth extensions or large-scale step-out drilling). • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	