STRATEGIC MINERALS
CORPORATION N.L.

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Woolgar Gold Project, Queensland

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

Initial Results of 2019 Drill Program at Big Vein South

The Company is pleased to announce the initial results of three reverse circulation (RC) drill holes at the Big Vein South (BVS) deposit.

Significant results from the three holes include:

- LR0339 14 metres at 1.62 g/t gold from 145 to 159 metres
- LR0340 4 metres at 2.28 g/t gold from 73 to 77 metres
  - and 4 metres at 0.41 g/t gold from 87 to 91 metres
  - and 40 metres at 1.56 g/t gold from 99 to 139 metres
    - including 5 metres at 3.86 g/t gold from 133 metres
- LR0341 4 metres at 1.16 g/t gold from 55 to 59 metres
  - and 16 metres at 2.24 g/t gold from 73 to 89 metres

The three drill holes presented here comprise the initial phase of RC drilling, infilling within the existing resource. This was followed by four diamond drillholes (DD) for geotechnical purposes and a further fifteen RC holes for infill and exploration purposes, all within or adjacent to the BVS Resource. Results remain pending for the further drill holes, which will be announced as soon as these are available. Based on indicative timeframes from the laboratory, this is currently estimated to be around late January 2020 due to the high volumes received. Results will be announced to the market once processed and the appropriate QAQC has been completed.

2019 Drill Program Overview

The 2019 drill programme had three main aims: infilling on the existing BVS resource, exploring high-priority targets adjacent to the resource and improving geotechnical understanding of the resource.

This comprised:

- Four DD Geotechnical drill holes for 754 metres within the BVS;
- Fourteen RC Resource Infill drill holes for 2,255 metres within the BVS;
- One RC Exploration hole testing for an extension to the existing BVS resource; and
- Three RC Exploration drill holes testing the partial leach gold anomaly along strike and approximately one kilometre to the south of the BVS deposit.

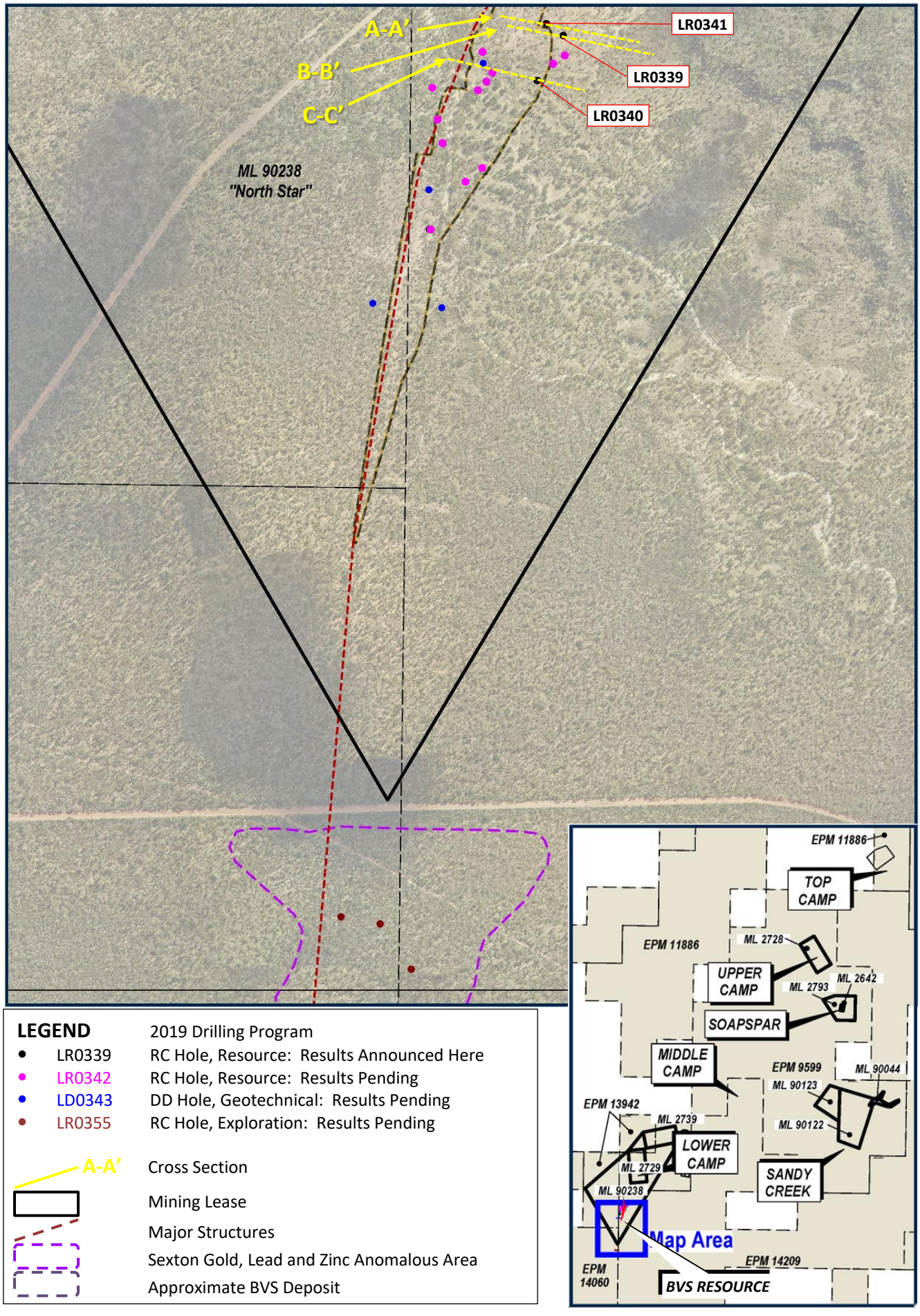

Figure 1: **Location of 2019 drill holes and sections showing BVS resource and major tenements.**

2019 Resource Infill Program

The three holes released as part of this announcement are part of the fourteen RC holes drilled to upgrade the majority of the northern half of the BVS resource to Indicated or above confidence levels, as required for further scoping or feasibility studies.

The 2019 infill drilling program followed-up on the very successful 2017 program that helped define the drill hole spacing required to upgrade the majority of the Resource confidence levels to Measured and Indicated categories required for mine development planning and feasibility studies. In 2017, the majority of the drilling was focussed on the central *Crossover* sector of the resource, where the most significant near-surface mineralisation is located. The 2019 program aimed to infill to the north of and around the Crossover to complete infill drilling in the northern half of the deposit, considered likely to be the focus of the first years of mining.

All three drill holes intercepted mineralisation reasonably within the predicted grades, widths and depths, as would be expected in a follow-up program such as this.

Most drill holes in the resource are drilled 280° GDA and -55° dip in order to be as close to perpendicular to the mineralisation as practically possible. LR0341 was drilled vertically (-90°) in order to accommodate a wireline survey for geotechnical purposes.

These results will be incorporated into a new resource estimate once all the remaining results are available and quality control checks have been completed.

Future Results

The three holes presented here were drilled at the start of the program. The diamond drilling was then scheduled to accommodate logistical constraints on the geotechnical program, before the remainder of the RC holes were drilled. The remainder of the samples have been submitted to the analytical laboratory, but are expected to be delayed due to processing backlogs beyond the Company's control.

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.

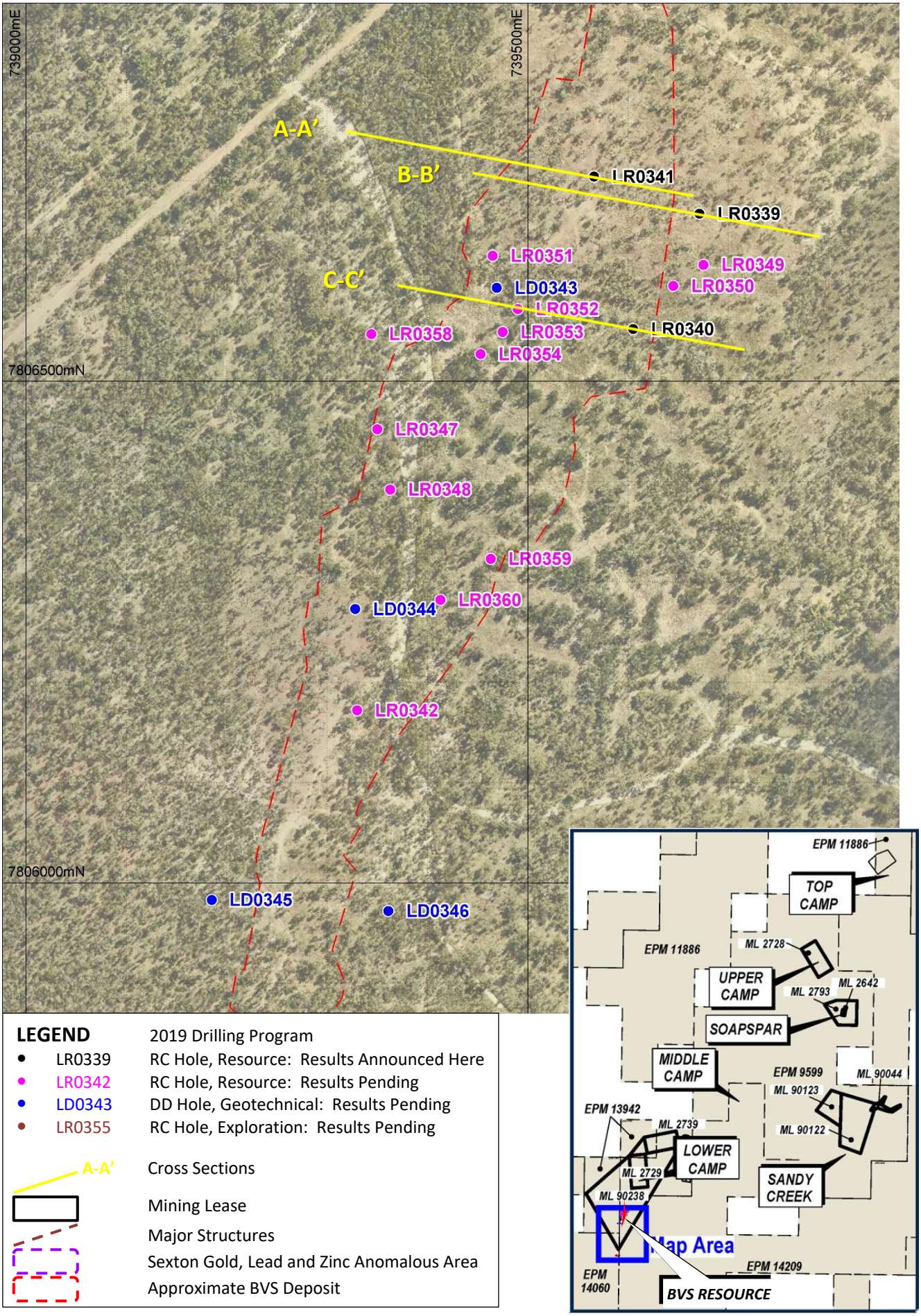

Figure 2: **Location of 2019 resource infill and geotechnical drill holes and sections showing the BVS resource.**

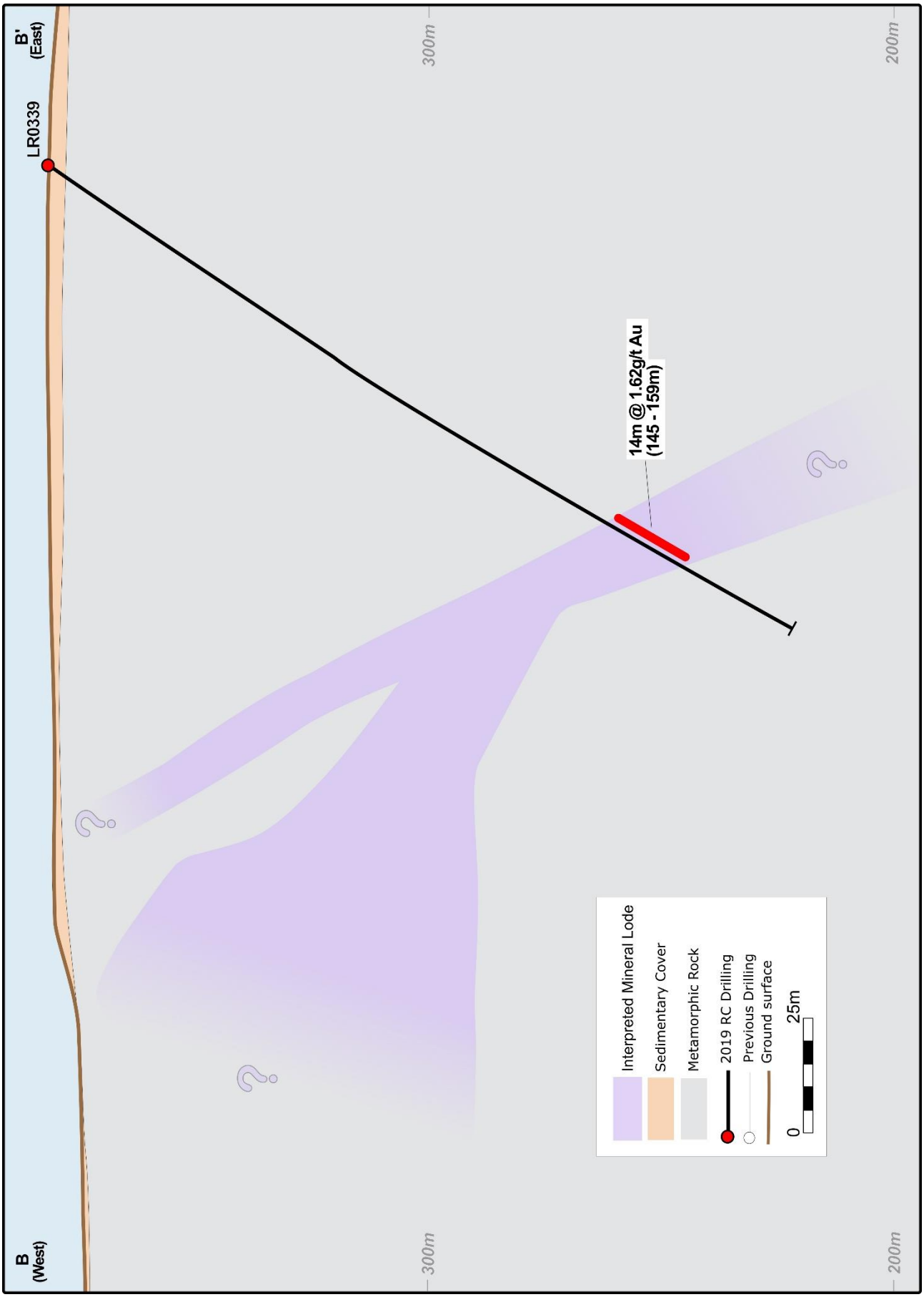

Figure 3: **Graphic cross section B-B' through the northern (Big Vein Central) sector of the BVS resource.**

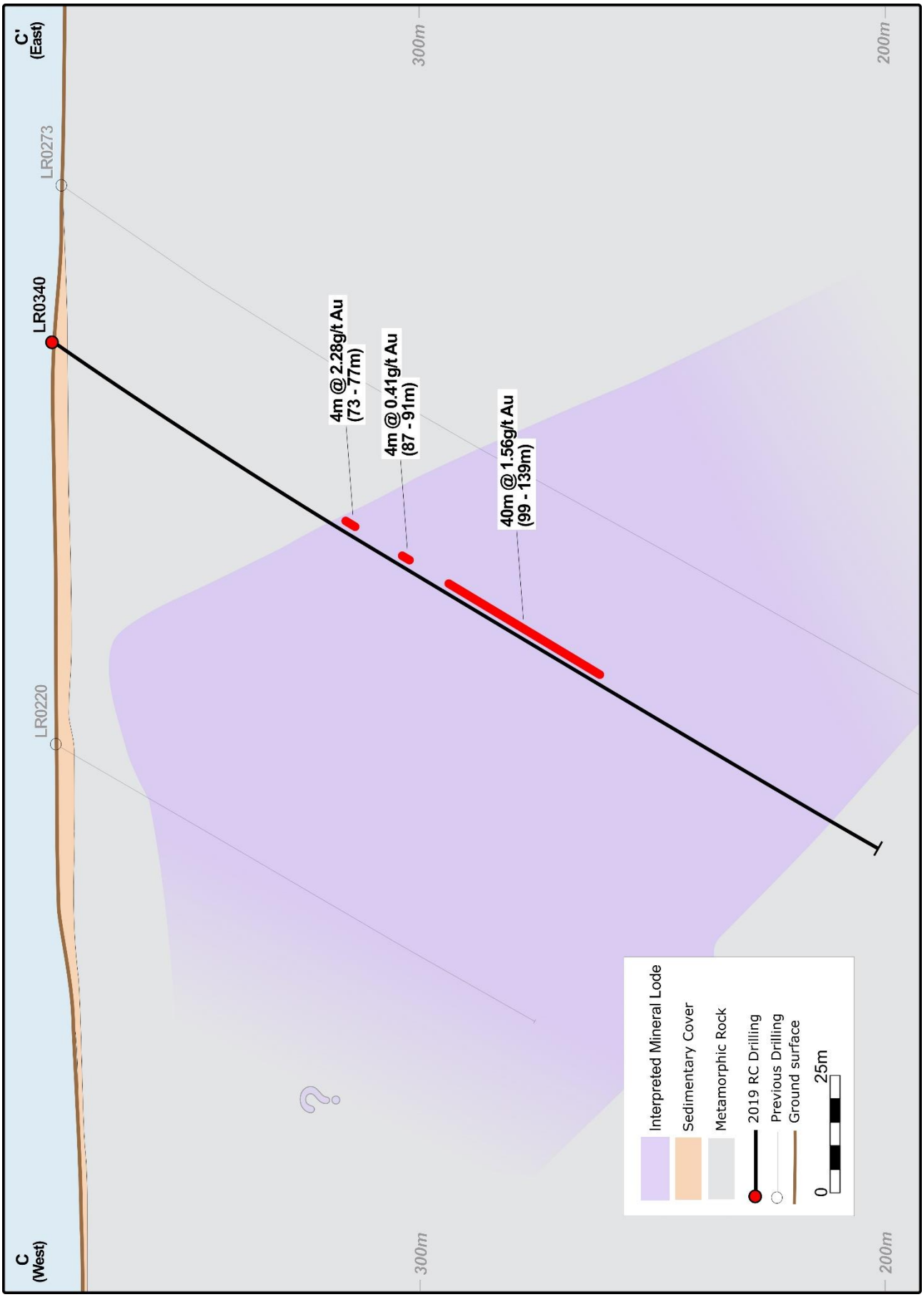

Figure 4: **Graphic cross section C-C' through the northern (Big Vein Central) sector of the BVS resource.**

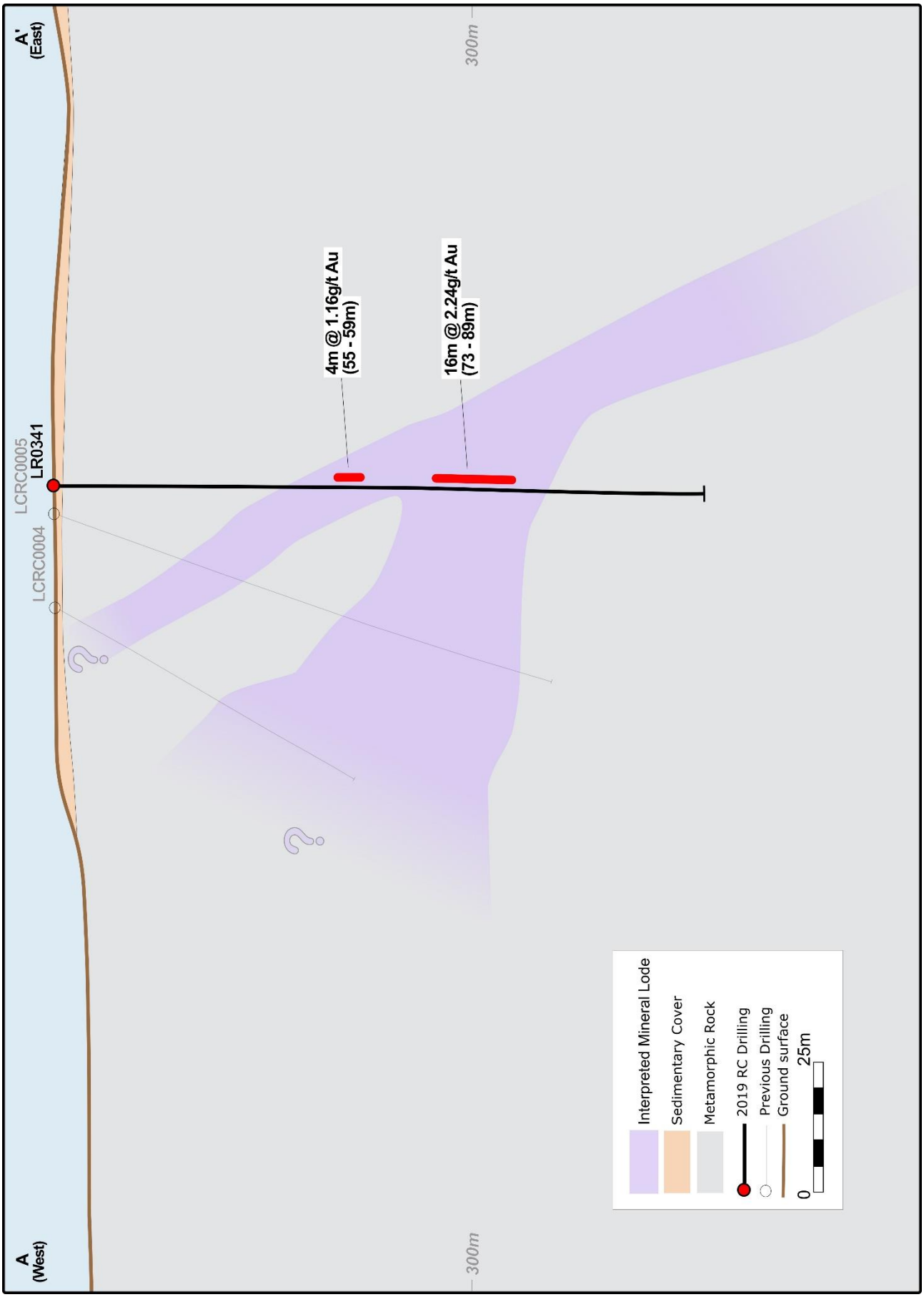

Figure 5: **Graphic cross section A-A' through the central (Crossover) sector of the BVS resource.**

Appendix One: Summary Table of RC drill intersections for BVS Infill Drilling, as at 12th December 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 Method	From (metres))	To (metres)	Width[3] (metres)	Gold Grade[4] ppm
LR0339	BVS	190	-55	280	739671	7806667	383	RC	**145**	**159**	**14**	**1.62**
LR0340	BVS	208	-55	280	739605	7806552	378	RC	**73**	**77**	**4**	**2.28**
and								RC	**87**	**91**	**4**	**0.41**
and								RC	**99**	**139**	**40**	**1.56**
including								RC	133	138	5	3.86
LR0341	BVS	125	-90	-	739566	7806704	378	RC	**55**	**59**	**4**	**1.16**
and								RC	**73**	**89**	**16**	**2.24**

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 previous announcements for the BVS deposit. No upper cut-off was applied. Results presented are gold only: no metal equivalents are used.

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 will 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 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. 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 are 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 analysis. • 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 mid to high-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. • Twinned diamond holes have been completed else where within the resource, but not directly involving these holes. • 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 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.*	• These holes are distributed throughout the resource and planned to reduce the existing spacing to a 25 metre 5-dice distribution. • 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 and most holes dip -55°. LR0341 was vertical to accommodate wireline logging for geotechnical purposes. 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	Comment
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 modern 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 these 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 BVS, it is 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 larger 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 -90° to -55°. • All holes are drilled 280° 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 representative cross-sections 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 three holes in this announcement are included 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, including adjacent to the BVS. • RC sample reject material has been set aside for further metallurgical work. All completed metallurgical test work has been disclosed. Further metallurgical studies are ongoing on material from previous RC & DD programs. • No geotechnical data is normally collected from RC drilling. Four geotechnical diamond drillholes were logged using manual and wireline methods for geotechnical data, along with a further, previously unsurveyed DD hole from

Criteria	JORC Code explanation	Commentary
		2017 and a trial wireline survey of LR0341. Analysis from these holes and the additional resource diamond holes will be incorporated in the subsequent study. • A groundwater monitoring program is underway. • An acid rock generation study will be undertaken based on results from existing RC and DD material. • Both positive and negative interpretations of the results from completed programs 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 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.*	• Further resource and geotechnical drilling will be considered based on the final interpretations and resource estimations resultant from this program. Geotechnical, metallurgical, ARD and groundwater studies are currently underway.