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ASX Release

QUARTERLY ACTIVITY REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2010

WOOLGAR GOLD PROJECT QUEENSLAND

OVERVIEW

RECENT EXPLORATION SUMMARY

The company is currently targeting areas within the historic Woolgar mine workings. Many of the old Woolgar areas have not been previously been tested by drilling and represent an opportunity for the Company to expand its gold resources.

1. The Mowbray and Big Vein structures are located within the historic Woolgar goldfield. They are located approx 7.5 kms to the west of the Sandy Creek epithermal vein system which hosts the majority of the projects' published 774,000 oz gold resource at an overall grade of 0.96g/t gold (total for all categories measured, indicated and inferred; refer to Table 1).
2. The Mowbray NE structure (the northern most exposure of the main structure) is located approximately 1.75 kms to the north of the big vein target area. Initial mapping has identified intersecting gold mineralised structures within the soil anomaly area.
3. Previous mapping identified two major sub-parallel veined structures to date and these have been mapped and sampled over a strike length of approximately 1 km.

EXPLORATION CONDUCTED IN SEPTEMBER 2010 QUARTER

Exploration during the quarter included follow-up mapping, soil sampling and the start of the drilling program for 2010.

The concentration on target generation work during 2010 was seen as critical to the future drilling programs for the Woolgar gold project. For this reason the 1st stages of the mapping, paragenetic studies, and soil sampling program were conducted along the 20 kilometre Woolgar Fault zone to help establish informed drilling targets.

MAPPING AND PARAGENETIC STUDIES

The follow-up mapping which extended on from the mapping of the previous quarter was carried out on areas that showed the potential for further mineralised quartz vein extensions along strike.

The diagram (next page) shows the extent of the 2010 mapping, covering 20 kilometres of strike length along the Woolgar fault zone, as well as cross vein structures extending across towards the Sandy Creek epithermal veins. The Sandy Creek epithermal veins have also been included on the plan based on past mapping information.

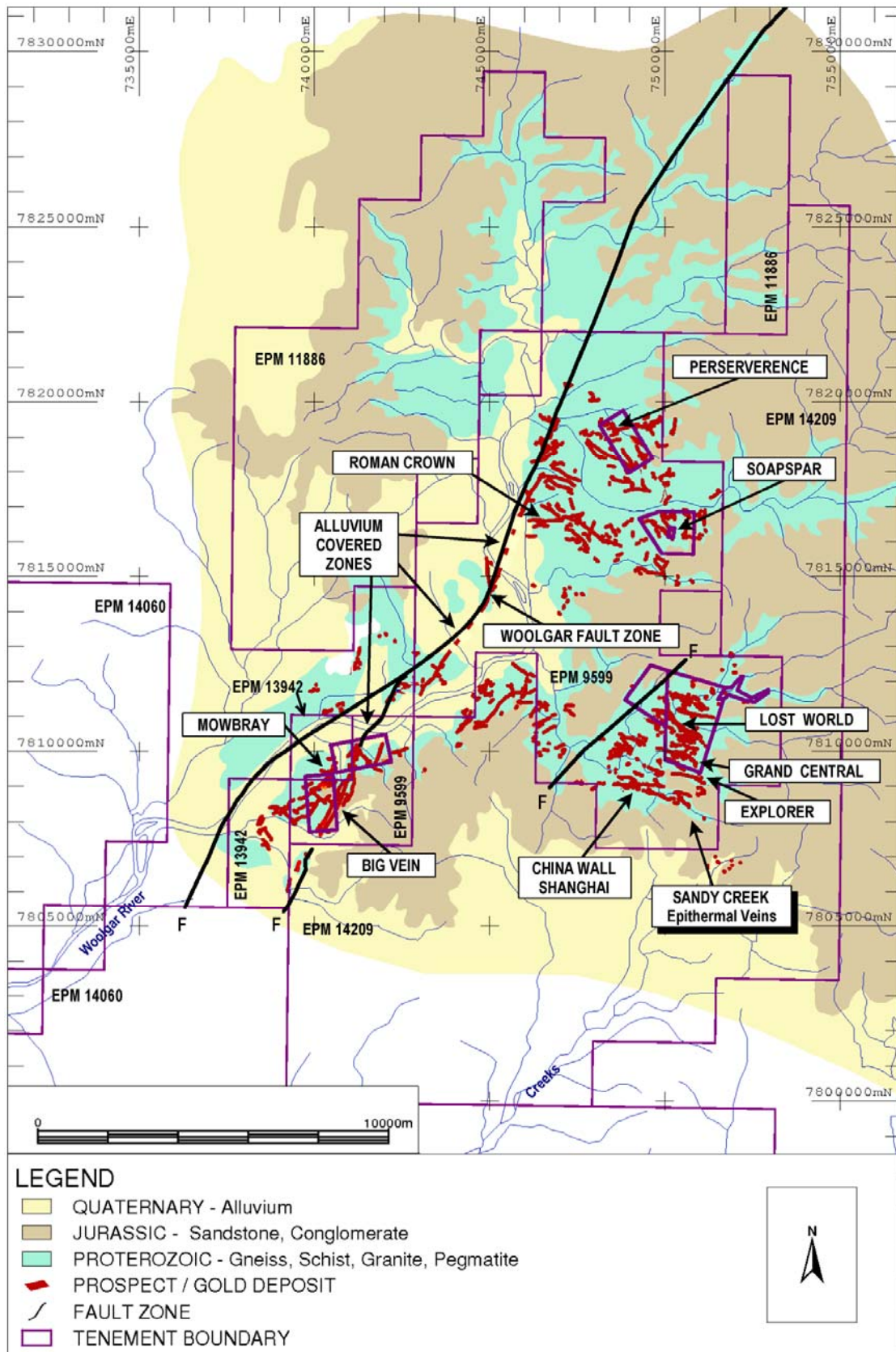
The result of the recent paragenetic studies has shown there are two distinct gold bearing systems. These are the Sandy Creek region (Epithermal) and the Woolgar Zone (Granite related gold mineralisation). The Woolgar zone is characterised by the historical Woolgar workings. The Woolgar zone is a medium temperature mineralisation assemblage that in older terminology would be referred to as 'mesothermal'.

It is clear from the mapping carried out in 2010, that the mineralised vein density is high in the areas of the project where the Proterozoic rocks are exposed. In many other areas the quartz mineralised veins are most likely covered / obscured by either alluvium or Jurassic sandstone. The mineralised vein sizes over the Woolgar zone vary from sub-metre to 6 metres plus; and typically vary from 2 metres up to 5 metres plus along the Woolgar fault line exposures.

The most striking thing about the mapping exercise has been the sheer number and extent of quartz mineralised veins encountered in the Proterozoic rocks and the associated granite intrusives. The scope of this mineralised system is impressive. What needs to be established now is if it contains the larger high grade ore shoots that can make this type of mineralisation both high ounce and high grade (e.g. Charters Towers historical mining approx 6.6 million ounces produced at average grade of nearly 1oz/tonne gold).

The largest gold ore shoots at Charters Towers (the Brilliant and Day Dawn) were not very high grade (for that era) near the ground surface, and it was only due to persistent shaft sinking that these large ore shoots were subsequently discovered. In the case of the Woolgar goldfield there is no evidence of any historical persistent deep shaft sinking. Drill testing will allow SMC to test for the possibility of such gold targets, as it develops the Woolgar zone prospects.

Diagram of Area Mapped



SOIL SAMPLING

Soil sampling has been carried out over a number of areas of the Woolgar project during 2010. This soil sampling included many new quartz vein areas not covered by the previous soil sampling programs and also some infill of past soil sampling. The soil samples are –80 mesh sieved samples that are collected at either 20m or 40m intervals along lines spaced as close as 50 to 100m in some instances.

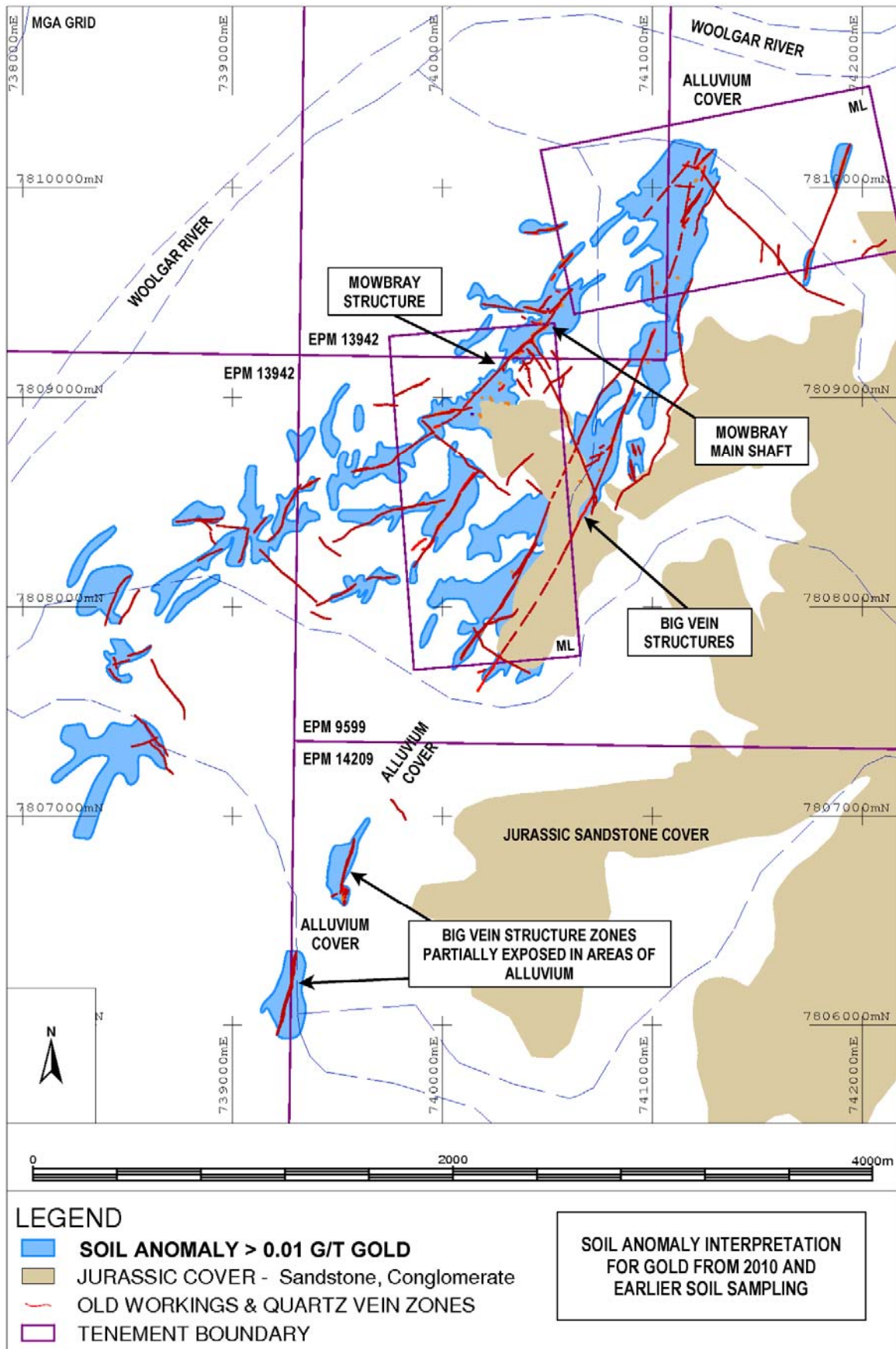
Currently only the soil sample assays for the southern areas (Mowbray area) have been completed. An interpretive map of gold anomalies $>0.01\text{g/t}$ gold is shown in the diagram next page.

The soil anomalies occur mostly along the Big Vein and Mowbray structures indicating these structures as the best targets for the future drilling in the southern portion of the Woolgar fault zone. Interruptions to the anomalies along the Big Vein and Mowbray structures occur mostly on areas of alluvium cover and Jurassic sandstone cover over the quartz vein structures. Peak anomalies for the current round of soil sampling reached up to 1.32 g/t gold (located along the southern end of the Big Vein structure).

Picture showing soil sampling crew – sample locations are recorded using GPS



Map of gold soil sample anomalies – Mowbray area



ROCK CHIP SAMPLES

Some rock chip samples were taken from various sources during the quarter. Of the 104 rock samples taken 23 recorded significant values of >1g/t gold or >1% copper or >1% lead. See table below;

Sample Name	Prospect	Sample Type	East	North	Gold (g/t)	Copper %	Lead %
P767975	Big Vein South	Outcrop	739292	7806300	2.2		
P767977	Big Vein South	Outcrop	739277	7806167	1.02		
P767979	Big Vein South	Outcrop	739253	7806101	6.15		
P767981	Big Vein South	Outcrop	739561	7806814	42.1		
P767985	Not Named	Outcrop	745800	7816568	53.7		
P767986	Not Named	Outcrop	745790	7816595	3.89		
P767988	Brownies Copper	Outcrop	749374	7817631	1.3	1.27	
P767989	Brownies Copper	Outcrop	749373	7817642	0.95	1.78	1.15
P767995	Union	Outcrop	746857	7819222	5.05		
P767246	Big Vein South	Outcrop	739253	7806101	1.61		
P12845	Unnamed	Outcrop	745236	7815018	2.01		
P12852	Roman Crown East	Outcrop	748377	7816434	1.53		
P12853	Big Vein South	Outcrop	739547	7806768	1.71		
P12856	Big Vein South	Outcrop	739545	7806637	3.72		
P12857	Big Vein South	Outcrop	739537	7806586	2.48		
P12858	Big Vein South	Outcrop	739295	7806313	4.07		
P12859	Big Vein South	Outcrop	739288	7806292	1.29		
P12860	Big Vein South	Outcrop	739288	7806265	1.36		
P12861	Big Vein South	Outcrop	739283	7806239	3.11		
P12862	Big Vein South	Outcrop	739277	7806174	3.27		
P12893	Big Vein 2	Outcrop	740519	7808489	12.9		
P12895	Big Vein 2	Outcrop	740483	7808443	7.62		
P12896	Big Vein 2	Outcrop	740489	7808421	2.19		

DRILLING PROGRAM

The drilling program for 2010 has now started. The drilling targets are currently based on past information, however it may be possible to include some new areas towards the end of the current drilling program. The primary focus for this drilling program will be drilling along the Big Vein and the Mowbray structures in the southern region (Mowbray area) of the Woolgar fault zone.

The drilling program involves the use of a reverse circulation drilling rig. Samples are being collected every metre for assay from the drill rig splitter. It is anticipated that more than 2000 metres of drilling will be carried out during the 2010 program.

Drilling at the Big Vein Prospect 2010



RECENT EXPLORATION

A follow-up RC drilling program was completed in December 2009 to further investigate areas near the old Mowbray working region that had previously returned significant gold intersections in 2008. Notable intersections at Big Veins-North, Big Veins-South and Mowbray NE had warranted a follow-up drill program to assess the future potential of the Mowbray area.

The 2008 significant intersections included:

PROSPECT	HOLE	GOLD INTERCEPT	VEIN INTERSECTED
Big Veins-North	MBRC0009	5m @ 39.3 g/t Au	Big Vein
Big Veins-North	MBRC0009	1m @ 5.85 g/t Au	Big Vein
Big Veins-North	MBRC0007	12m @ 2.63 g/t Au	Big Vein 2
Big Veins-South	MBRC0011	5m @ 1.32g/t Au	Big Vein 2
Mowbray NE	MBRC0004	2m @ 4.55g/t Au	Big Vein?

(Note: For further details see ASX Release for period ending 31st Dec 2008)

Previous survey, soil sampling and rock chip sampling in 2008 also added significant knowledge in the general trends of the lode zones containing gold in this area. Most of the area is previously untested by drilling.

The follow-up drilling was carried out at the Big Veins North, Big Veins South and Mowbray NE areas to test the trends previously identified using a track mounted drilling rig.

New Gold Intersections – The follow-up drilling in 2009 confirmed that the Big Vein target located in 2008 and a number of other vein zones in the area produced significant drilling results and demonstrated the need to further evaluate the vein zones adjacent to all of the old Woolgar workings.

The drill intersections included;

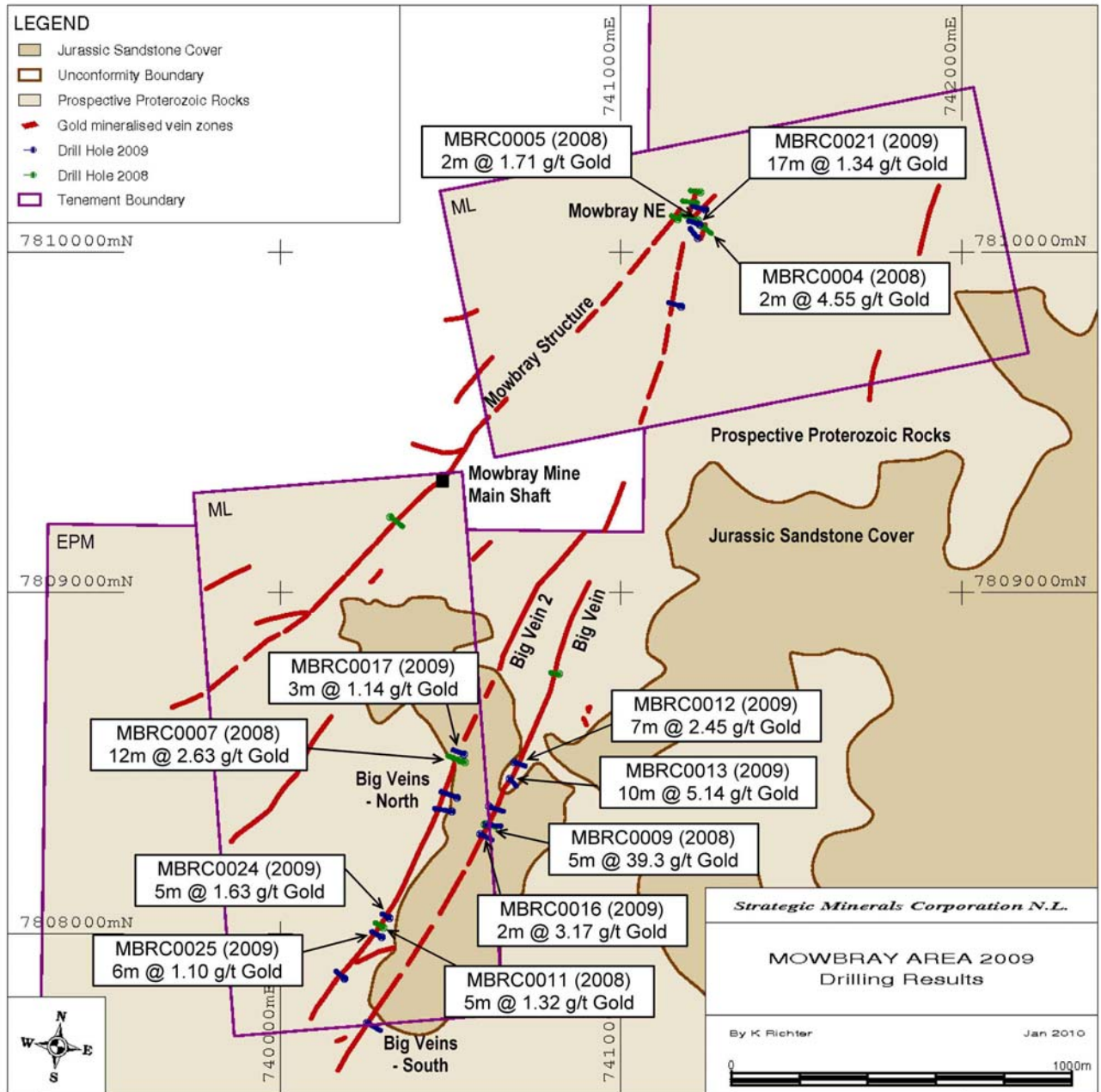
- **10m @ 5.14 g/t gold intersection at Big Vein**
- **7m @ 2.45 g/t gold intersection at Big Vein**
- **17m @ 1.34 g/t gold intersection at Mowbray NE**

The Big Vein intersections at the Big Veins North Prospect now include; 5m @ 39.3 g/t gold (2008 drilling), 10m @ 5.14 g/t gold (2009 drilling), and 7m @ 2.45 g/t gold (2009 drilling),. Additionally an intersection at the Mowbray NE prospect of 17m @ 1.34 (2009 drilling), is located more than 1.5kms further to the North and is also thought to be part of the Big Vein structure.

A follow up drilling program of the Big Vein structure to determine the full extent of the gold mineralisation both along strike and down dip is proposed for 2010. This drilling is designed to be a much more intensive drilling program to allow the full delineation of the extent of the gold mineralisation around this area that now contains a number of very significant intersections.

The other 2009 drilling areas also picked up significant intersections from only very limited drilling program, and now also provide further encouragement for infill and along strike drilling. These areas include the Big Vein South and the Mowbray NE prospects. But most significantly the drilling successes in the Mowbray areas so far drilled showed the need for further evaluation of all the vein zones adjacent to the historical Woolgar workings (hence the 2010 mapping and soil sampling programs).

Summary Plan of Mowbray area showing recent drilling results.



FUTURE EXPLORATION

The mapping and soil sampling exploration programs in 2010 will help to outline exploration targets for future drilling in 2011. There is no doubt at this stage that a fair proportion of the 2010 drilling will be targeted on the Big Vein zone near Mowbray and on the Mowbray structure itself.

The drilling will be conducted with the objective of delineating new shallow open pittable gold mineralised positions, with the goal of increasing the gold resource base to 1 million oz's of gold.

ACQUISITION MOWBRAY “STEAM ENGINE PROJECT” EPM 13492

In the June 2010 ASX Quarterly report the Company advised that it had finalised an agreement with Convergent Minerals Limited to purchase the Steam Engine project EPM 13492.

The consideration for the transaction is the issue of 10 million SMC fully paid shares (escrowed for a period of 12 months as from the date of issue of the shares).

The agreement is subject to the final approval of the Department of Employment, Economic Development and Innovation.

The new tenure covers portions of the old historical Mowbray workings. The tenure also covers possible strike extensions of the Mowbray structure and the Big Vein Structure. Now that Strategic controls the complete line of Mowbray workings, it is proposed to carry out further exploration (including drilling) of the Mowbray vein structure in this year's exploration program.

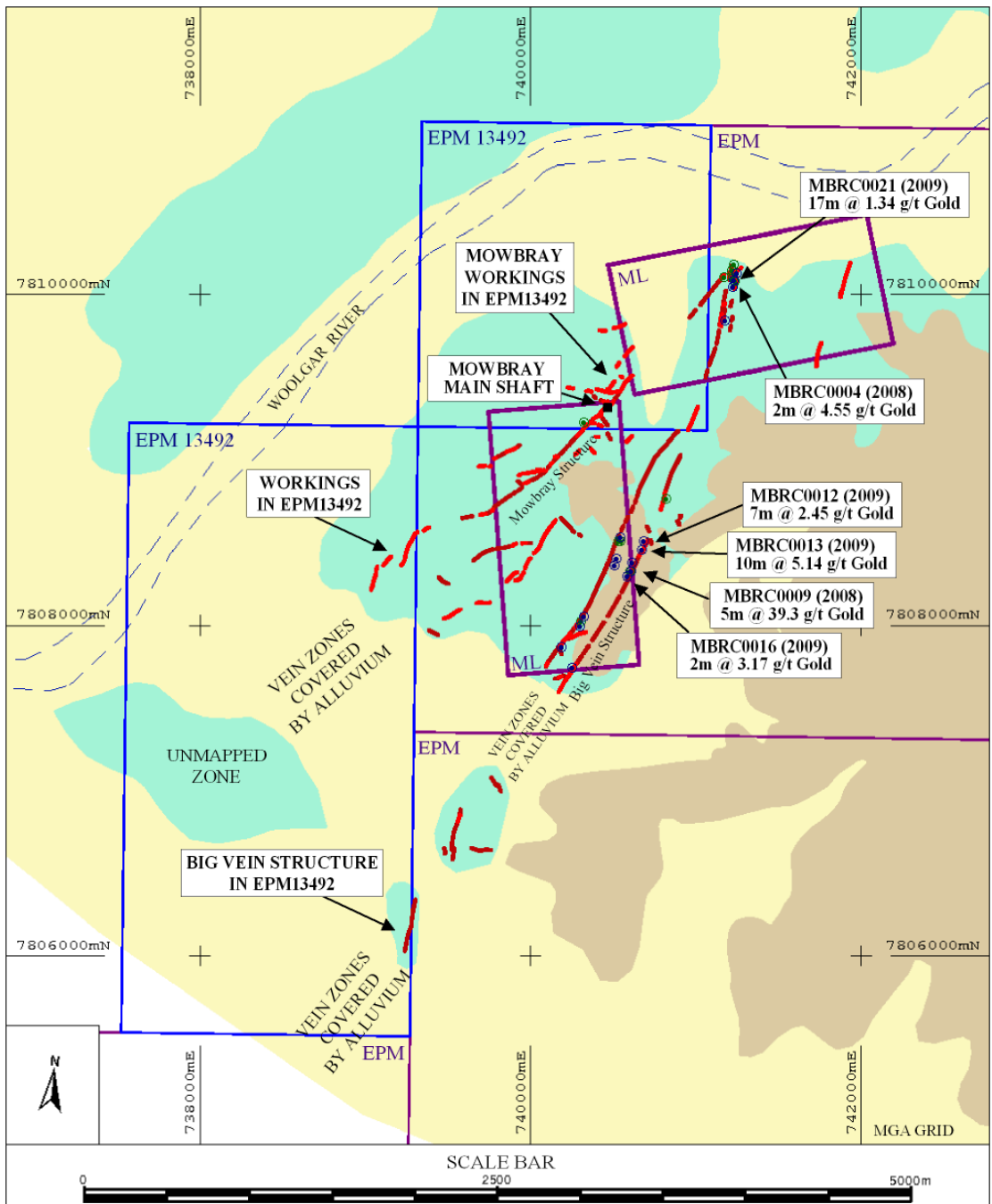
Past drilling on the Mowbray vein structure has located significant gold intersections from the Mowbray prospect. These intersections have included:

4m @ 6.85 g/t from 32 to 36 m (Hole WO 06 in 1988)

4m @ 4.35 g/t from 30 to 34 m (Hole WO 09 in 1988) – near main shaft

4m @ 7.33 g/t from 26 to 30 m (Hole WO 10 in 1988)

The overall shallow depth of past drilling intersections allows significant scope for the potential of additional exploration down dip. The past intersections are also often open along strike.



LEGEND

- QUATERNARY - Alluvium
- JURASSIC - Sandstone, Conglomerate
- PROTEROZOIC - Gneiss, Schist, Granite, Pegmatite
- OLD WORKINGS & QUARTZ VEIN ZONE
- QUARTZ VEIN ZONE
- TENEMENT BOUNDARY
- 2008 DRILLING
- 2009 DRILLING

STRATEGIC MINERALS CORPORATION NL

THE MOWBRAY AREA AND
EPM 13492 - "STEAM ENGINE PROJECT"

PLAN OF EPM 13492 SHOWING
MOWBRAY AND BIG VEIN HISTORICAL
GOLD WORKINGS AND VEIN STRUCTURES

By K Richter July 2010

Table 1. Woolgar Project Global Resource Summary

Classification	Resources Estimated At Higher Cut-off Grades				Resources Estimated At Lower Cut-off Grades			
	Cut-off Grade	Tonnage	Gold Grade	Gold Metal	Cut-off Grade	Tonnage	Gold Grade	Gold Metal
		T x 1000	g/t	oz's		T x 1000	g/t	oz's
SOAPSPAR DEPOSIT								
Measured	0.4	1,667	0.91	48,800	0.4	1667	0.91	48,800
Indicated	0.4	1,175	0.90	34,000	0.4	1175	0.9	34,000
Inferred	0.4	472	0.82	12,400	0.4	472	0.82	12,400
SUBTOTAL		3,314	0.89	95,200		3314	0.89	95,200
SANDY CREEK EPITHERMAL VEIN DEPOSITS								
Measured	0.8 - 1.0*	4,752	1.62	247,100	0.4 - 0.8**	12066	0.98	381,700
Indicated	0.8 - 1.0*	953	1.38	42,370	0.4 - 0.8**	5113	1.04	171,100
Inferred	0.8 - 1.0*	989	1.95	62,130	0.4 - 0.8**	4672	0.84	126,100
SUBTOTAL		7,117	1.63	351,600		21850	0.97	678,900
TOTAL		10,431	1.39	446,800		25,164	0.96	774,100

The majority of resources estimated at a 0.8 g/t gold cut-off grade; Explorer estimated at a 1.0 g/t cut-off grade. ** The majority of resources estimated at a 0.4 or 0.5 g/t gold cut-off grade; Shanghai & Finn estimated at a 0.8 g/t cut-off grade.

URANIUM PROJECTS

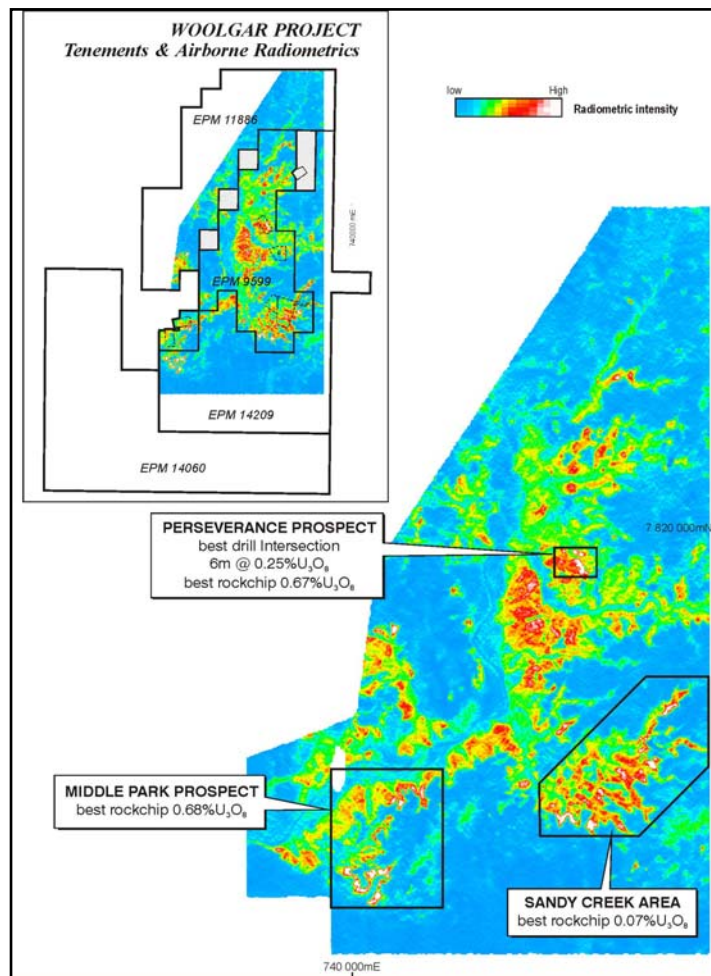
WOOLGAR URANIUM PROJECT, QUEENSLAND

Alpha Uranium Limited (Strategic Subsidiary)

Significant uranium exploration targets are established in the Woolgar tenements. Established drill targets include partially drilled outcropping uranium occurrences at the Perseverance-Shamrock prospect where previous drilling in the 1970's defined zones of mineralisation with high grade drill intersections up to 6m @ 0.25% eU₃O₈; and, at the Middle Park prospect where mineralised rock chips samples returned values up to 0.67% U₃O₈. The primary uranium targets in the district are numerous untested airborne radiometric (uranium channel) anomalies associated with a regionally extensive unexplored unconformity.

Unconformity-related uranium deposits constitute approximately 33% of the world's uranium resources and include some of the largest and richest deposits.

Ongoing Work Programs – No ground exploration activity was undertaken during the quarter. Strategic continue to review available data in order to refine established target for future drilling when working capital can be allocated.



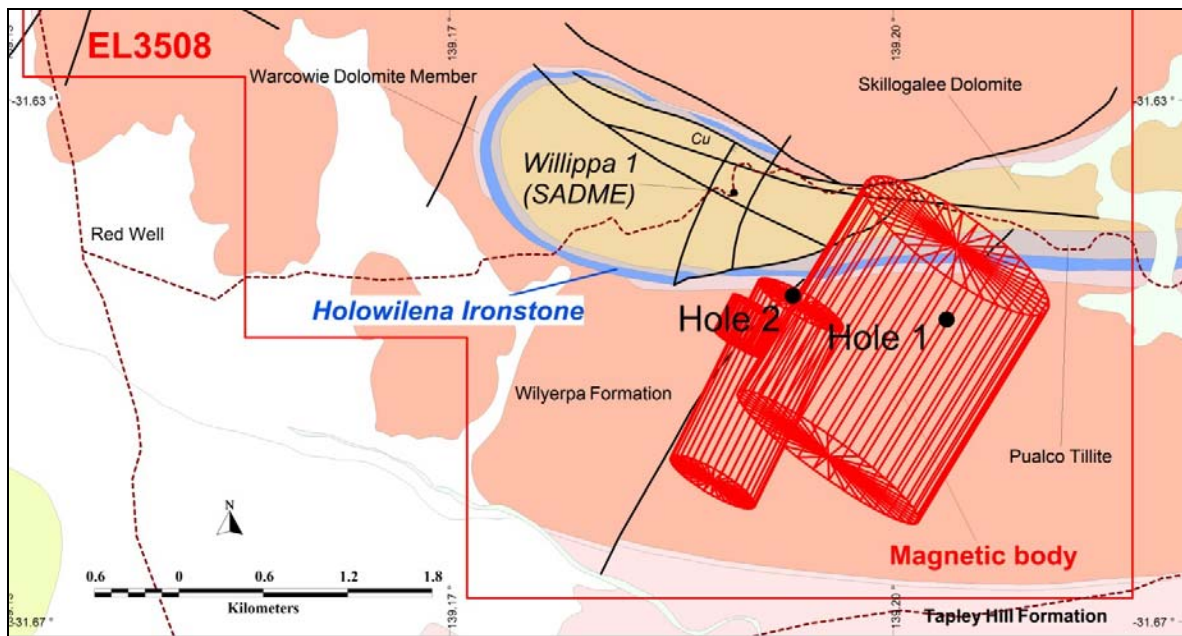
OTHER PROJECTS

MARTINS WELL PROJECT, SOUTH AUSTRALIA

Alpha Uranium Limited (100% Strategic Subsidiary Company) 100%

An Agreement was conclude between Strategic / Alpha and Aldershot resources in March 2010, whereby Aldershot have the right to earn up to 70% interest in the project (refer ASX release of 8th March 2010 for full details).

Aldershot Resources Ltd has completed the first diamond drill hole through the magnetic anomaly associated with the southern limb of the Willippa Dome. The hole was terminated at a depth of 198 metres after passing through a sequence of siltstone and minor sandy units before entering a magnetic siltstone (Holowilena Ironstone?) between 151-176 metres. Magnetic susceptibility readings on the core returned upto 0.9 SI units. The drill core is currently being sampled for assay.



FROME BASIN PROJECTS, SOUTH AUSTRALIA

Alpha Uranium Limited (Strategic Subsidiary Company)

Work Programs – No ground exploration activity was undertaken during the quarter on either project.

Wally Martin MANAGING DIRECTOR

Note: The information in this report that relates to exploration results is based on information compiled by Strategic Mineral Corporation NL's Project Manager Mr Kevin Richter BSc. who is a member of the Australian Institute of Mining and Metallurgy. He has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration, and to the activity undertaken. He is qualified as a competent person as defined in the 2004 Edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves". He has consented to the inclusion of this information in the form and context in which it appears. The Australian Stock Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

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