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Company Announcement

Date: 31 July 2008
To: Companies Announcements Office, ASX
Electronic Lodgement:
Subject: Fourth Quarter Activity Report to 30 June 2008

FOURTH QUARTER ACTIVITY REPORT TO 30 June 2008

This report is technical and shareholders may wish to seek independent, professional advice before reaching any conclusions. Statements may be forward looking and speculative.

THE COMPANY'S ACTIVITIES

1. CORPORATE MATTERS

Effective 28th July 2008, the company has changed its name from Eagle Bay Resources NL to Strategic Energy Resources Ltd and will trade under the ASX ticker of "ser". The company's address and contact details remain the same although new e-mail addresses will gradually become the main contacts for staff. A new website will be available under the address www.strategicenergy.com.au

This change of name follows shareholder approval on the 9th May 2008, followed by the required ASIC and ASX approvals.

As a Board, we have been reviewing a number of projects and opportunities and at the time of writing, we continue to work to bring one or a number of these to fruition.

2. OIL AND GAS EXPLORATION

2.1 PEL-182 - (SER 37.6%) ONSHORE PETROLEUM EXPLORATION – COOPER BASIN, S.A

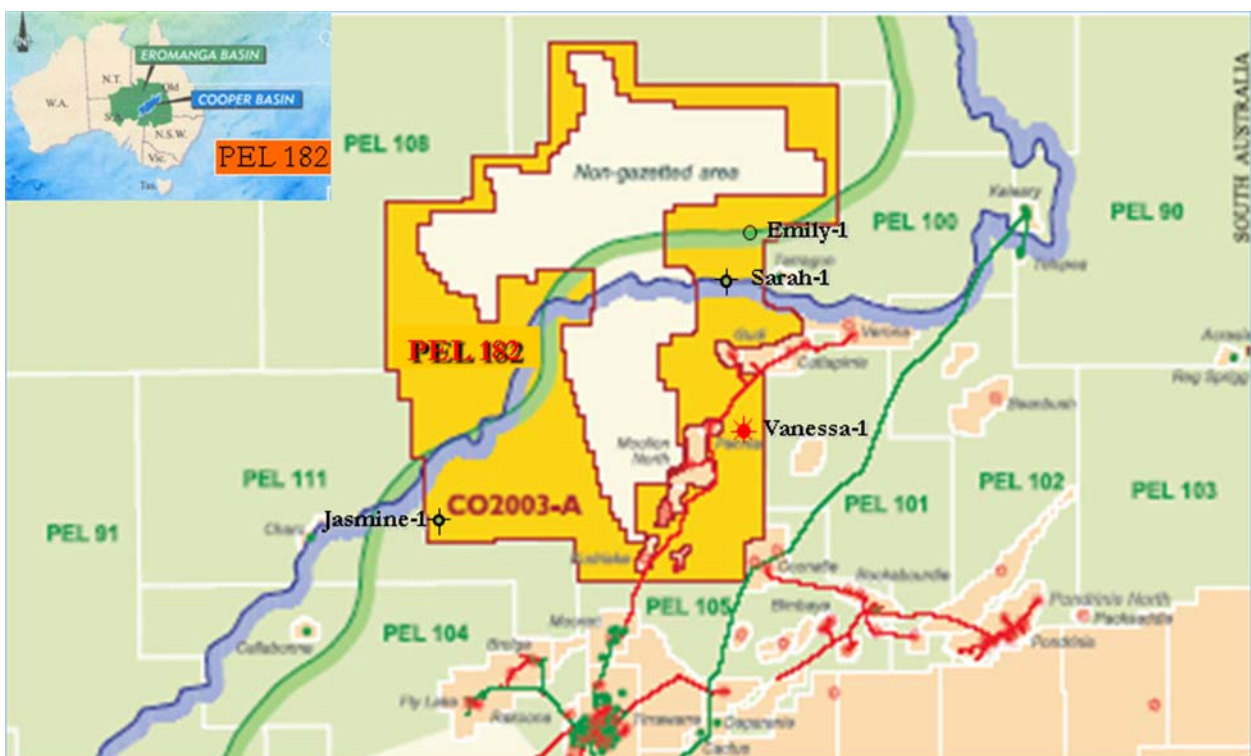
During the quarter operatorship of the permit changed from Eagle Bay Resources NL to Audax Resources Limited. Audax has undertaken studies on the block which focus on:

1. The work required to appraise the Vanessa gas discovery,
2. Possible seismic acquisition to follow up on the Emily oil recovery/discovery which shows potential updip volumes on seismic control,

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3. New seismic acquisition aimed at firming drillable prospects for the next drilling campaign,
4. A study of reserves remaining to be discovered and the likely field size in the basin which concluded that there remains a high likelihood of new small discoveries for both oil and gas,
5. Marketing strategies for discovered gas.

SER continues to provide support to the operator on operational, technical and strategic issues.



Note Gas Discovery at Vanessa-1 is likely to be economic and Oil Recovery at Emily-1 may have updip potential

2.2 VIC/P47 – (SER 25%) GIPPSLAND BASIN OFFSHORE VICTORIA

Vic/P47 contains the 1989 Shell Judith-1 Emperor Subgroup gas discovery and the sub-commercial Moby-1 gas discovery in the Gurnard Formation. The Judith-1 well intersected a number of interpreted gas columns based on shows, logs and pressure tests, but was not flow tested. Analogies have been drawn with the nearby Longtom gas field under development by Nexus. Longtom-3 flowed gas from the Emperor sands at 77 mmcf/d.

The Joint Venture has received a resource estimate produced by Gaffney Cline & Associates. Summary points taken from GCA Judith Gas Field Resources Certification Letter are as follows:

- 290 metre gross gas column, 135.5 metres net pay at Judith-1 well

- Contingent plus Prospective Gas Initially In-Place (GIIP), for the Greater Judith Area (Bscf):

Best estimate = 621.0
High estimate = 2,314.0

- Appraisal drilling recommended

Further details from GCA Judith Gas Field Resources Certification Letter are presented in the following tables:

Contingent Recoverable Gas Resources for the Judith Gas Field (ie based on the known accumulation penetrated by Judith-1)

Low Estimate	Best Estimate	High Estimate
48.3	193.7	934.2

Prospective Recoverable Gas Resources for both the Judith Field area and Judith Northwest area - the "Greater Judith Area" (this provides an independent estimate of the undiscovered potential related to Judith)

Low Estimate	Best Estimate	High Estimate
28.7	209.8	801.3

The total resource potential (discovered and undiscovered) of the Greater Judith Area within Vic/P47 (i.e Contingent+ Prospective Recoverable Gas Resources for the Greater Judith Area)

Low Estimate	Best Estimate	High Estimate
77.0	403.5	1735.5

Notes: all estimates quoted are 100% Vic/P47 joint venture volumes

Bscf = Billion standard cubic feet

Contingent Resources are "those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by the application of development projects, but which are not currently considered commercially recoverable due to one or more contingencies." In the case of Judith, which has to date been drilled only by one 1989 well, further appraisal drilling and related data and studies would be required to demonstrate commerciality to a certification level.

Prospective Resources are "those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations." These estimates relate to mapped potential gas bearing sands that were not penetrated by Judith-1, both below the original well and also in adjacent areas within Vic/47.

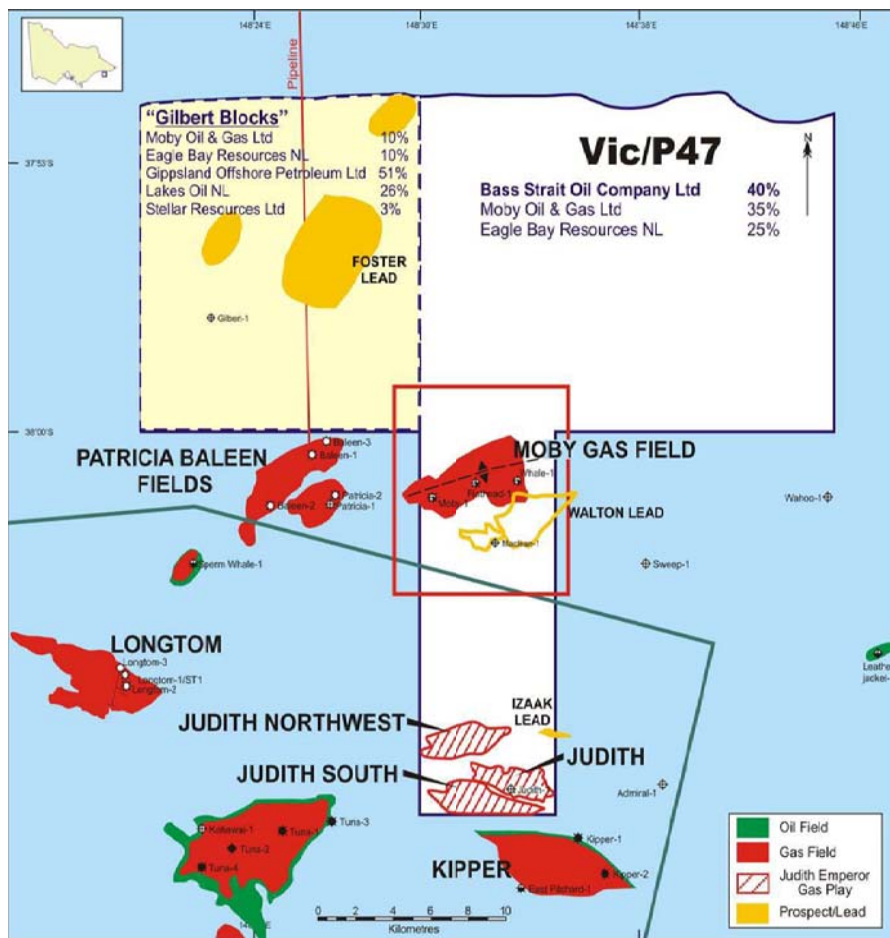
GIIP estimates are the equivalent in-place volumes to the Contingent and Prospective categories above. Note that the term "resource" refers to a potentially recoverable volume.

The wide range of low to high estimates is characteristic of pre-appraisal accumulations. GCA recommends an appraisal drilling programme to narrow the range of uncertainty and potentially move the Judith Field towards commerciality. This drilling would add to the limited sub-surface information gathered by the 1989 well and the new well(s) could also potentially be utilized for production. The Joint Venture will now conduct a more detailed assessment of Judith appraisal options, including seismic re-processing and analysis. A key factor for appraisal planning is that a significant proportion of the Prospective Resource volume is located near Judith-1 well, either in deeper sands not penetrated by the original well or in adjacent fault blocks. This suggests the potential for an appraisal drilling programme centred near Judith-1 that could notionally address a combination of Contingent and Prospective Resources, with a Best Estimate volume on the order of 300 Bscf. Importantly, such an appraisal programme could also potentially target a combined High Estimate resource volume of over 1,000 Bscf.

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The Joint Venture is pleased to have GCA's independent confirmation that, subject to successful appraisal, the Judith Gas Discovery has the resource volume potential to underpin a commercial development.

A new study designed to investigate a range of appraisal scenarios has been commissioned by the joint venture. The timing of any future drilling at Judith is dependent on further appraisal studies and planning, the availability of drilling rig slots and on the progress of funding /farmout discussions by the Vic/P47 joint venture.



2.3 VIC/P41 - SER 25% (Diluting to 17.5% Free Carried for the drilling of the first well) GIPPSLAND BASIN OFFSHORE VICTORIA

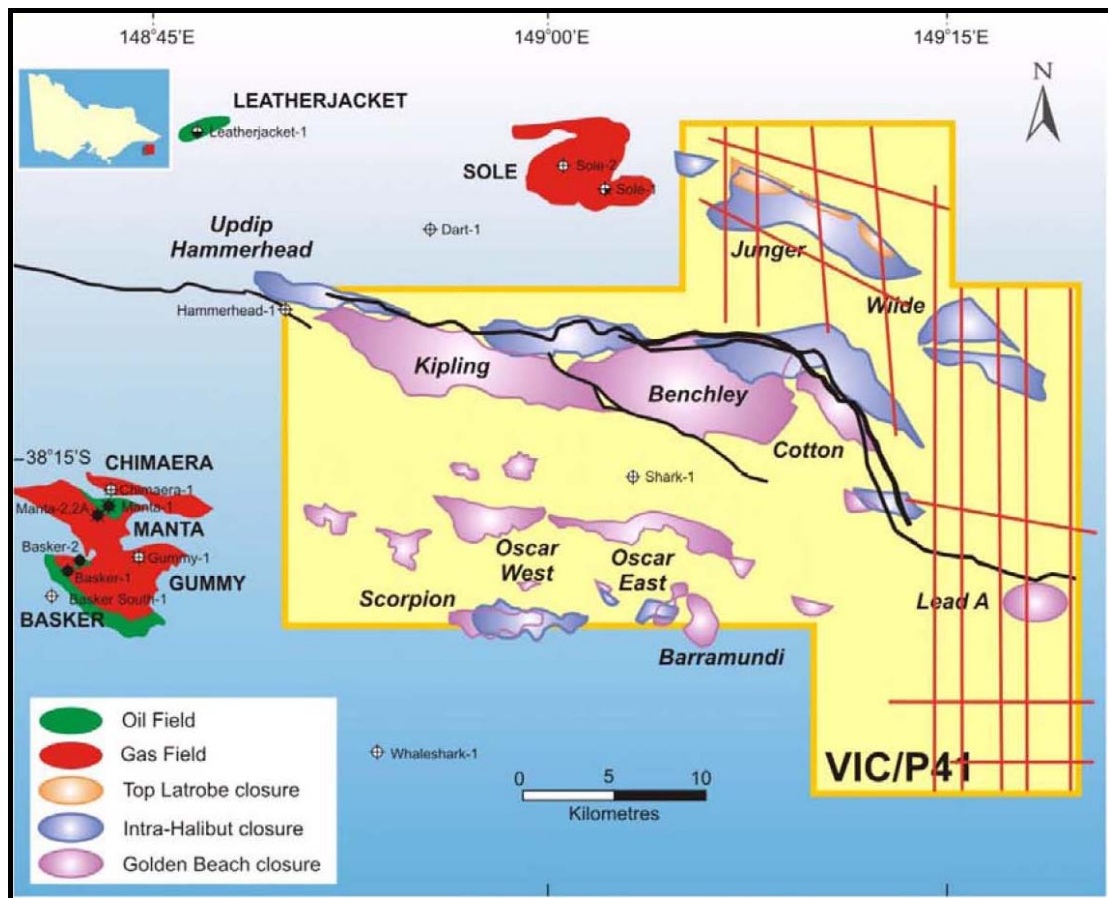
A 295 km seismic program was acquired in the eastern part of Vic/P41 under a multi-operator "group shoot". The survey was designed to investigate a number of leads where only wide spaced seismic currently exists. It was recorded without incident and minimal down time. The data is currently being processed. The survey outline is shown in the following map.

The operator is continuing with its efforts to attract farmin partners to earn an interest in the block by funding the drilling of prospects in the central and/or western parts of the

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block. These prospects are covered by 3D seismic and are ready to drill. Some of the prospects exhibit AVO responses. They lie either along the Rosedale fault and are analogous to the nearby Kipper and oil and gas field, or in the southern part of the block (Oscar prospects), and analogous with the producing Basker/Gummy/Manta oilfields.

The timing of any future drilling will be dependent on rig availability.



2.4 VIC-P65 OFFSHORE GIPPSLAND BASIN (SER 100%)

A 150 line kilometre 2D seismic survey was acquired trouble free under a multi-operator “group shoot” in June 2008. The data is currently being processed. The major target in the block is a large structure located in deep water. Farmin partners will be sought to help cover costs.

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CGG Veritas Pacific Titan 2D Seismic vessel

**3. ULEY GRAPHITE MINE – PORT LINCOLN, SA
(SER 100% and diluting to 25% free carried to commercial production)**

Joint Venture partner Mikkira Graphite Pty Ltd has until November 2008 to decide if it wishes to purchase 75% of the tenements to move forward to commercial production. As part of its earn-in requirements, Mikkira has undertaken a number of studies and field work including the drilling of a number of shallow boreholes to aid in determining the extent and grade of the deposit, and is continuing in its planning to bring the mine back on production. The Uley graphite deposit is recognised as a world class mineral body and the demand for graphite world wide remains strong.

The Uley site is kept under care and maintenance. SER is in close communication with Mikkira regarding the work and studies being undertaken.

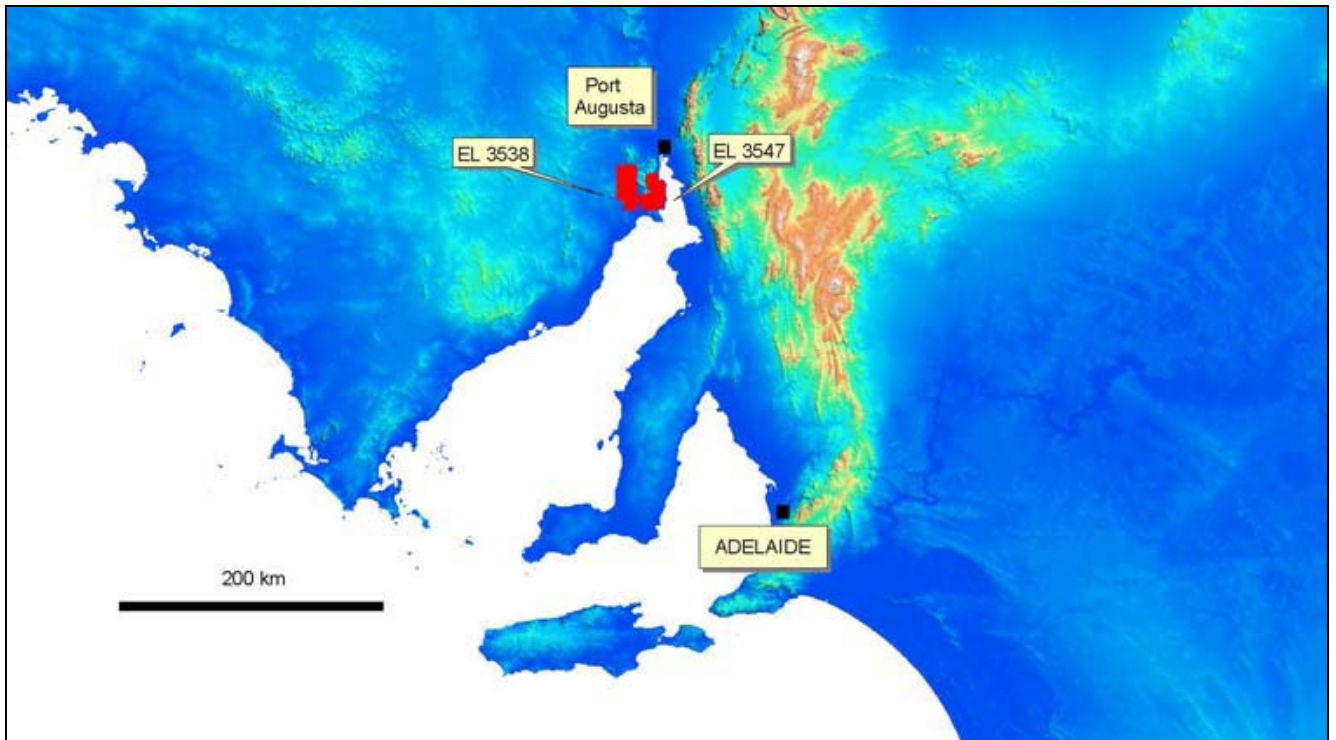
4. MINERAL EXPLORATION

**4.1 CULTANA - EL 3547 (SER 75%) &
MYALL CREEK (TREGALANA) - EL 3538 (SER 50%) &
WHYALLA – EL 3098 (SER 100%)
WHYALLA SOUTH AUSTRALIA**

Subsequent to the end of the Quarter, U Energy Pty Ltd (UEP) informed SER that it received conditional approval from appropriate federal government departments for access to the Cultana Training Area near Port Augusta in central South Australia to conduct drilling and field exploration programs. This approval is one of the conditions in a Sale and Purchase Agreement with UEP. Details of the Agreement were outlined in an announcement to the Australian Stock Exchange on 8th April 2008.

Under the agreement, UEP may purchase the Company's 75% beneficial interest in EL 3547 (Cultana), 50% beneficial interest in EL 3538 (Tregalana) and 100% interest in EL 3098 (Whyalla) which lies between the above two EL's for a consideration of 4 million fully paid ordinary shares in UEP. The sale is subject primarily to UEP obtaining access permission from the Department of Defence (now achieved) and to UEP receiving conditional approval from the Australian Stock Exchange by 31st January 2009 for its ordinary shares to be listed for quotation on the ASX.

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4.2 CARR BOYD - EL 39/491 & EL 39/492 (SER 70% AND DILUTING) WESTERN AUSTRALIA

Some 8 nickel plus copper and cobalt soil geochemistry anomalies coincident with magnetic highs and the presence of primary komatiite outcrop and/or serpentites have been mapped. Three anomalies have been recommended to have an electro-magnetic survey conducted to provide additional information. Further work is dependent on expenditures by farmin parties.

4.3 FALCON BRIDGE EL38/1970, P38-3381-4 – APPLICATIONS (SER 50%) WESTERN AUSTRALIA

It is anticipated that nickel anomalism in ultramafics will be tested with the Carr Boyd project when preliminary assessment and grant are completed.

4.4 WHITFIELD EL5039 & CASTERTON EL5040 – SER 100% VICTORIA

These two tenements were applied for in 2007. EL 5039 was awarded in December and EL5040 is awaiting award. The blocks were applied for following a conceptual idea, and the company will seek a third party to take over the tenements.

**By order of the Board
Strategic Energy Resources Ltd**

The Oil and Gas information in this report is based on information compiled by Mr Jonathan A Salomon who is a geophysicist of the company and a Competent Person as described in Appendix 5A to the ASX Listing Rules. The report accurately reflects the information compiled by Mr Salomon. Mr Salomon consents to the inclusion in the report of the matters based on his information in the form and context in which it appears

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Strategic Energy Resources Limited

ABN

14 051 212 429

Quarter ended ("current quarter")

30 June 2008

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors - Management fees received	--	161
1.2 Payments for (a) exploration and evaluation (b) development (c) production (d) administration (e) bank guarantee	(405) -- -- (340) --	(2,109) -- -- (1,114) --
1.3 Dividends received	--	--
1.4 Interest and other items of a similar nature received	72	311
1.5 Interest and other costs of finance paid	--	--
1.6 Income taxes paid	--	--
1.7 Other JV Contribution Sundry	-- -- --	-- -- --
Net Operating Cash Flows	(673)	(2,751)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects (b)equity investments (c)other fixed assets	-- -- --	-- -- (9)
1.9 Proceeds from sale of: (a)prospects (b)equity investments (c)other fixed assets	-- -- --	-- -- 37
1.10 Loans to other entities	--	(1,203)
1.11 Loans repaid by other entities	--	1,203
1.12 Other (provide details if material)	--	--
Net investing cash flows	--	28
1.13 Total operating and investing cash flows (carried forward)	(673)	(2,723)

1.13	Total operating and investing cash flows (brought forward)	(673)	(2,723)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	--	--
1.15	Proceeds from sale of forfeited shares	--	--
1.16	Proceeds from borrowings	--	--
1.17	Repayment of borrowings	--	--
1.18	Dividends paid	--	--
1.19	Other (provide details if material)	--	--
Net financing cash flows		--	--
Net increase (decrease) in cash held		(673)	(2,723)
1.20	Cash at beginning of quarter/year to date	4,487	6,537
1.21	Exchange rate adjustments to item 1.20	--	--
1.22	Cash at end of quarter	3,814	3,814

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	143
1.24	Aggregate amount of loans to the parties included in item 1.10	--

1.25 Explanation necessary for an understanding of the transactions

All transactions involving directors and associates were on normal commercial terms

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	--	--
3.2 Credit standby arrangements	--	--

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	454
4.2 Development	--
Total	454

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	757	450
5.2 Deposits at call	3,057	4,037
5.3 Bank overdraft	--	--
5.4 Other (provide details)	--	--
Total: cash at end of quarter (item 1.22)	3,814	4,487

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	EL3538 EL3547 EL3098	Sale of interest subject to purchaser obtaining permission to drill and ASX approval for listing of purchaser's shares	50% 75% 100%	50% 75% 100%
6.2 Interests in mining tenements acquired or increased				

Issued and quoted securities at end of current quarter


Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Number issued	Number quoted	Par value (cents)	Paid-up value (cents)
7.1 Preference securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	288,222,499	288,222,499		Fully paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.7 Options <i>(description and conversion factor)</i>	88,932,845 3,250,000 11,000,000 3,000,000 3,000,000	88,932,845 -- -- -- --	<i>Exercise price</i> 15c 15c 5c 7.5c 10c	<i>Expiry date</i> 30/6/2009 30/6/2010 9/5/2013 9/5/2014 9/5/2015
7.8 Issued during quarter	11,000,000 3,000,000 3,000,000	-- -- --	5c 7.5c 10c	9/5/2013 9/5/2014 9/5/2015
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 31 July 2008
(Company Secretary)

Print name: Linda Bell

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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