

**ASX Announcement**  
**7 February, 2011**

**DRILLING AT MYALL CREEK COPPER PROJECT**

Strategic Energy Resources Limited (ASX: SER) notes that drilling operations at the Myall Creek copper project were suspended ahead of poor weather.

Two holes were completed after hitting basement rocks, with mineralisation evident in the holes. The third and final hole encountered a number of difficulties and ceased at 105.2 meters, some 10 meters short of the interpreted mineralised zone. The hole was called to a halt due to impending poor weather conditions. Further drilling will depend on weather and rig availability. The assay results of the program will be released when the results have been received and analysed. SER anticipates this will be prior to the end of the current quarter.

The Myall Creek Copper Project (EL3538) covers an area of 381 km<sup>2</sup> and is located on the southern Stuart Shelf between Whyalla and Port Augusta, a highly prospective part of the eastern margin of the Gawler Craton (Figure 1). The license area is immediately west of the Torrens Hinge Zone and close to the sites of the Hiltaba granites. Copper and base metal mineralisation has been delineated over a wide area and in a range of the Proterozoic host rocks in this region.

The exploration programme is focused on a prospect named Honeymoon Dam. The Honeymoon Dam Prospect is 2.5km south of the known Myall Creek mineralisation zone. Depths to the mineralisation zones in the area are in the range of 50-150m.

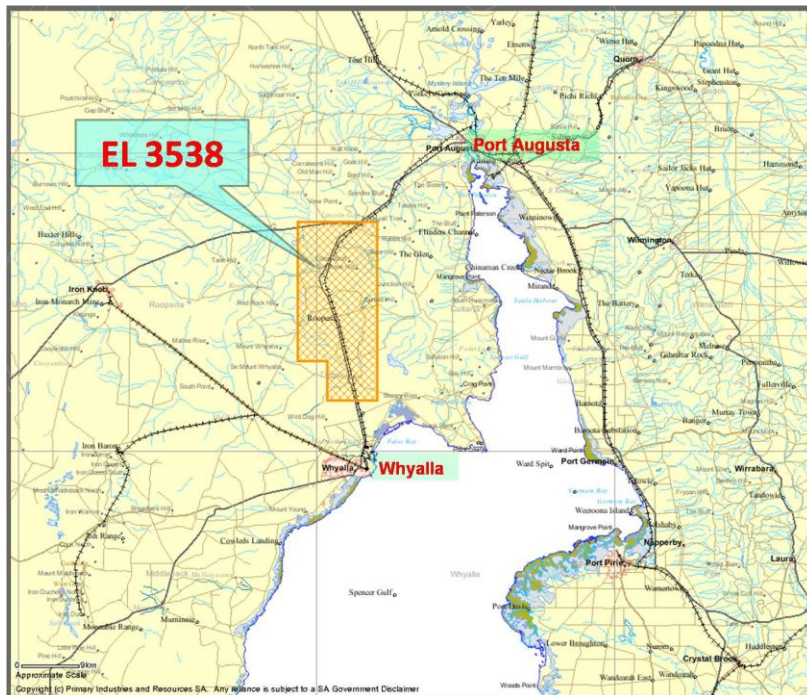


Figure 1. Index map shows Myall Creek Copper Project (EL 3538).

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*Drilling operations in action at Myall Creek*

**For further information:**

Mark Muzzin  
Managing Director  
Strategic Energy Resources

*As noted in SER's 2010 Annual Report, U Energy Pty Ltd, a company associated with SER's Managing Director, has advised that on 10 August 2010 it completed the acquisition of Minotaur Exploration Limited's interest in EL3538 – Myall Creek (50%). During the December quarter U Energy Pty Ltd was sold to a public company Fleurieu Mines NL. SER's Mr Muzzin is no longer a director of U Energy, but is a director and shareholder in Fleurieu Mines NL.*

*The technical information in this announcement is based on information compiled by SER's chief consultant, Dr Wenlong Zang. Dr Zang is engaged by SER, is a qualified person as defined under the ASX Listing Rules and has consented in writing to the inclusion of information in this release.*