



SOR Behemoth Drilling Heritage Clearance Received

WESTERN AUSTRALIA, Perth, Sept. 17, 2019 – **Strategic Elements Ltd** (ASX: SOR) is pleased to announce that Aboriginal heritage clearance has been received for the upcoming program to drill a potential meteorite impact structure in the Gibson desert for nickel, copper, gold and rare earths.

In addition, 100% owned 'Maria Resources' has sold the Rocklea project in the Pilbara to a non-related party for \$150,000 in cash. The sale of the Rocklea project exploration licenses in combination with the \$150,000 drilling grant from the WA government provides substantial funds to progress the Company's upcoming drilling program.

Final Drilling Program Approvals Expected Shortly

The Company would like to thank Pila Nguru for progressing the heritage survey and providing the Company with the knowledge required to ensure that heritage values are protected on the ground where the Company is operating. Aboriginal heritage clearance was received on 16 September 2019, well ahead of schedule.

The Mining Act requires that a Programme of Work (PoW) is approved prior to any ground disturbing activities with mechanised equipment. The PoW approval from the WA government is the only remaining regulatory approval required prior to drilling at the Behemoth project and is expected to be received in the next few weeks.

Transaction

Financial settlement of the Rocklea project transaction has now been completed and a total cash consideration of \$150,000 has been received from a non-related party, Retention Resources Pty Ltd. Settlement follows recent confirmation that all necessary documentation and associated agreements related to the transaction have been finalised. An increased amount of cash up front was agreed in preference to a royalty arrangement. The funds will be used to progress upcoming drilling activities at the Behemoth Project, following up on the Company's recent successful geophysical surveys.¹

Following the sale of the Rocklea project tenements E47/3797 and E47/3792, the Company retains a total of 13 exploration licenses and prospecting licenses in the Pilbara region. The Company intends to pursue the sale of additional Pilbara projects where appropriate.

Company Comment

"It is important to develop productive working relationships with local native title groups," said Managing Director Mr Charles Murphy. "Behemoth is a high-risk, high-reward project however with \$150,000 in EIS grant funding, \$150,000 from the sale of Rocklea and 43% cash back in R&D rebates, we have structured it to be as cost effective as anyone could make it."

Drill Targets Based Upon Recent Behemoth IP Geophysical Surveys

The Behemoth project has been awarded with \$150,000 from the WA Government Exploration Incentive Scheme, a **competitive program** for **innovative** exploration drilling projects. The government EIS funding is to be applied towards drilling the recently announced IP survey anomalies discovered at the Behemoth Project.¹

IP surveys are used to detect potential zones of *sulphides* with potential for nickel, copper, gold and/or rare earths. The IP survey was an outstanding success with three **large scale** anomalous zones discovered that **are open and well within** modern drilling depths:¹

1. Three **very large** (e.g. 2km, 1.4km, 3km) anomalous IP chargeability zones were discovered.
2. Anomalous zones also reflect **800m+** width potential (>400m+ each side of the IP line).
3. Modelled depths of 300-400m to top of anomalism **well within** modern drilling capabilities.
4. Chargeable material in anomalous zones modelled up to **high levels** of 40mV/V.
5. Anomalous zones modelled to approx. 500m in depth (limit of data) and are **open**.
6. Denser parts of a gravity anomaly modelled to continue to **at least 1km** in depth (and open).

The Exploration Incentive Scheme (EIS) is a **highly competitive process determined by independent experts** and has resulted in major discoveries. For example, IGO's Fraser Range copper-zinc discovery at their Andromeda project was enabled with the assistance of co-funded drilling. The Nova-Bollinger mine site was also discovered by Sirius Resources using EIS co-funded drilling. Other recipients of funding along with the Behemoth Project in the EIS round included **AngloGold Ashanti, BHP Billiton (Nickel West) and Rio Tinto Exploration**.

The Behemoth project was founded in collaboration with Dr Franco Pirajno who is a recognised global expert on mineral systems, with **more than 45 years of experience, in industry, academia and government**. Dr Pirajno has considerable knowledge in tectonics and ore deposit geology in: Europe, southern Africa, South East Asia, New Zealand, southwest Pacific, China, southern Siberia, Greenland and Australia. He is the author of four books and a monograph on mineral deposits and of more than 180 peer-reviewed papers.

Strategic Elements Ltd

The Australian Federal Government has registered Strategic Elements as a Pooled Development Fund with a mandate to back Australian innovation. Strategic Elements operates as a 'venture builder' where it generates ventures and projects from combining teams of leading scientists or innovators in the technology or resources sectors. Due to the Pooled Development Fund program that Strategic Elements operates under, most shareholders pay no tax on capital gains or dividends. The Company is listed on the ASX under the code "SOR".

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¹ *Announced on July 1, 2019*