

Drilling Approvals for SOR Meteorite Impact Project

WESTERN AUSTRALIA, Perth, Oct. 3, 2019 – **Strategic Elements Ltd** (ASX: SOR) is pleased to announce that final regulatory approvals have been received to drill multiple deep holes into a potential meteorite impact structure in the Gibson desert. The Behemoth Project is seeking nickel, copper, gold and rare earths in a virtually unexplored area on the Western Australian and South Australian border. Agreements with a drilling contractor and construction teams are being finalised.

Programme of Work

The Mining Act requires that a Programme of Work (PoW) be approved prior to any ground disturbing activities with mechanised equipment. A PoW was approved by the Western Australian government enabling excavations, cutting and filling of drill pads and access tracks at the Behemoth Project. Approximately 12km of tracks will be constructed into the drill target areas. Campsite and drill core farm areas have also been approved.

Surface holes drilled for the purpose of exploration are required to be capped, filled or otherwise made safe immediately after completion. Drill holes are to be securely plugged below ground in a manner that prevents long-term slumping or subsidence within 6 months of drilling. All ground disturbing activities undertaken for the purposes of exploration/prospecting are to be rehabilitated within 6 months.

Company Comment

Managing Director Mr Charles Murphy said “The experts are divided on whether the large multi-ringed magnetic feature at the Behemoth Project is caused by the impact of a meteorite from above, an intrusion of magma from below and/or an associated mineral system. Either way, the recent IP surveys identified multiple large potential zones of buried sulphides within the ring feature. We will target these zones with a number of drill holes with the objective of hitting some nickel, copper, gold bearing sulphides or rare earths”.¹



Behemoth Project Unexplored Area – No Rocks at Surface



Large 7km Wide Buried Magnetic Ring Feature

Exploration Incentive Scheme Winner

The Behemoth project has been awarded with funding from the WA Government Exploration Incentive Scheme, a **competitive program** for **innovative** exploration drilling projects. The Exploration Incentive Scheme (EIS) is a highly competitive process **determined by independent experts** and has resulted in **major discoveries**.

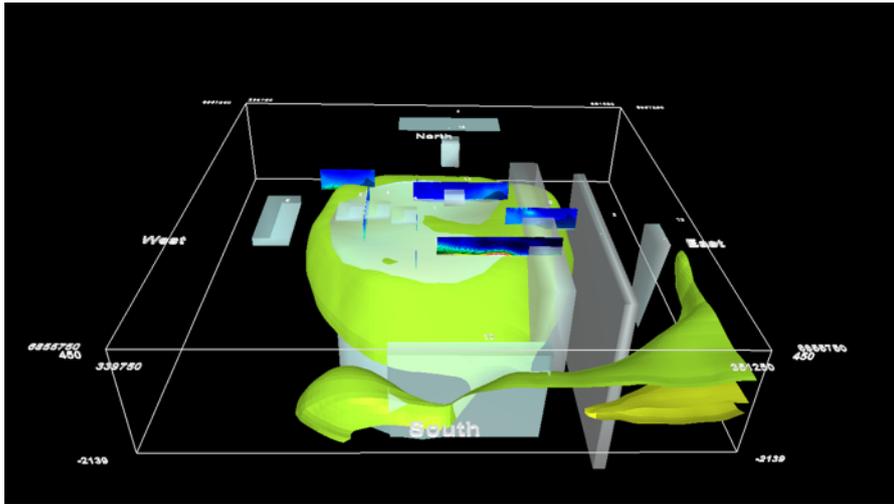
For example, IGO’s Fraser Range copper–zinc discovery at their Andromeda project was enabled with the assistance of co-funded drilling. The Nova–Bollinger mine site was also discovered by Sirius Resources using EIS co-funded drilling. Other recipients of funding along with the Behemoth Project in the EIS round included AngloGold Ashanti, BHP Billiton (Nickel West) and Rio Tinto Exploration.

Drill Targets Based Upon Recent Behemoth IP Geophysical Surveys

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).



Gravity, IP Survey Modelling

The Behemoth Project

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 which 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".

More Information:

Mr Charles Murphy
Managing Director

Phone: +61 8 9278 2788

Email: admin@strategicelements.com.au www.strategicelements.com.au

¹ Announced on July 1, 2019

For personal use only