



Leviathan Exploration Incentive and Native Title Update

WESTERN AUSTRALIA, Perth, Oct. 10, 2019 – **Strategic Elements Ltd** (ASX: SOR) is pleased to announce that the **Leviathan copper-gold-rare earths** project has applied for drilling funds from the Exploration Incentive Scheme, a competitive program that supports innovative exploration drilling projects. The Company has also confirmed that the Leviathan Project does not require an Aboriginal Land Access & Mineral Exploration Agreement or Aboriginal Heritage Survey prior to drilling.

The newly acquired Leviathan project has a recently discovered 4km diameter gravity anomaly surrounded by up to 100 suspected volcanic pipes as reported from previous diamond exploration. The project is primarily being explored for **copper, gold and rare earths**.¹

Exploration Incentive Scheme

The WA Government Exploration Incentive Scheme (EIS) is a highly competitive process and has resulted in major discoveries. IGO's 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. The program provides up to \$150,000 for multiple holes and importantly is determined by a review from industry experts.

The Company was previously successful in the Exploration Incentive Scheme for drilling at the innovative Behemoth copper-gold-rare earths project, approximately 140km north of Leviathan. Companies also successful in the same round as Behemoth included AngloGold Ashanti, BHP Billiton (Nickel West) and Rio Tinto Exploration. The Company has recently received all approvals required to drill at Behemoth and is currently finalising a drilling contract.

Companies awarded funding under the Exploration Incentive Scheme will be notified in November 2019.

Native Title and Access

The Company has also confirmed that the Leviathan Project is located in an area with no Native Title Determined or Native Title Claim made. This **removes the requirement** for Aboriginal Land Access & Mineral Exploration Agreements and Aboriginal Heritage Surveys to be conducted. Therefore, the only remaining major regulatory hurdle prior to drilling at Leviathan is a Programme of Works from the Western Australian government to use mechanised equipment within the project. This is a highly beneficial feature of the Leviathan Project.

A more detailed gravity survey is currently being conducted at Leviathan (with no ground disturbing activity). The gravity survey team has reported that access into the area is good, with major unsealed roads close to the project and tracks used in the previous drilling for diamonds in 2003.

This has significantly increased the speed in which a drilling decision and program can be progressed.

Leviathan Project¹

The newly acquired Leviathan project has a recently discovered 4km diameter gravity anomaly surrounded by up to 100 suspected volcanic pipes as reported from previous diamond exploration. The project is primarily being explored for **copper, gold and rare earths**.

A small number of the volcanic pipes were drilled by De Beers in diamond exploration with historical drill records containing multiple references to disseminated sulphides. Recent petrographic analysis of historical drill core by Dr Franco Pirajno confirmed a volcanic pipe that contained fragments of lead and copper sulphides.

In geology, volcanic pipes are associated with alkaline and carbonatite intrusions. The Leviathan **gravity anomaly** is postulated to be the top of an alkaline intrusion and potential associated **carbonatite** surrounded by the volcanic pipes identified in De Beers drill cores and magnetic data. It is considered prospective for copper-gold-rare earths mineralisation related to volcano-intrusive complexes.

Carbonatites consist of more than 50% carbonate material that are highly prospective for copper-gold-rare earths. The approx. 3km diameter Mt Weld carbonatite in Western Australia is one of the world's richest sources of rare earths. Other alkaline intrusions and carbonatites are associated with copper, gold and niobium.

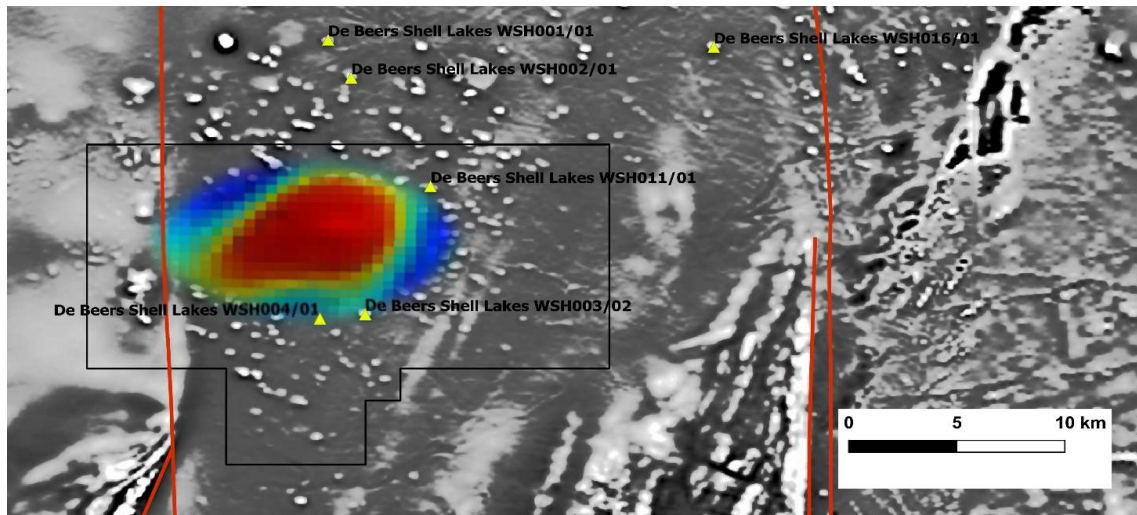
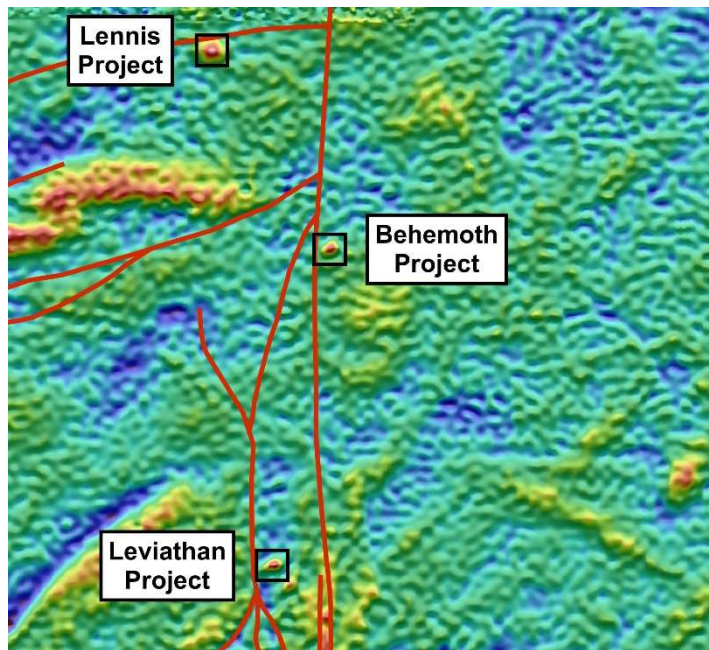


Figure 1: VD magnetic image of tenement and examined DeBeers drill holes; red gravity anomaly indicates potential top of alkaline or carbonatite intrusion, dots around the green circle are lamprophyre plugs, associated diatreme breccia. The two N-trending red lines represent the Meteorite Fault (west) and the Mundrabilla (east) structural corridor.

Gravity Survey¹

Maria Resources has commenced a ground-based gravity survey program, 3D inversion and forward modelling at the Leviathan Project. The gravity survey is designed to follow up a gravity high anomaly identified through a new gravity dataset released early this year. Although the gravity dataset is not detailed enough for modelling of the anomaly it helped the Company identify a **gravity anomaly previously unseen** in the older regional gravity dataset.

More detailed gravity applicable for modelling the Leviathan anomaly is currently being conducted by Atlas Geophysics and consists of a total of 349 gravity stations at 400m spacing with two infill lines running north-south at 100m spacing. 3D inversion and forward modelling by Southern Geoscience Consultants will aid in the identification of targets and structural zones for further follow up work. Importantly the gravity data will assist in the drilling of the Behemoth project 140km to the north.



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".

The Leviathan project was founded in collaboration with Dr Franco Pirajno who is a recognised global expert on mineral systems, with **more than 50 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.

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