



***Strategic
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Corporation N.L.***

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17th December 2003

Announcements
Australian Stock Exchange Limited
Level 10
20 Bond Street
Sydney NSW 2000

By electronic lodgement

Dear Sirs,

PROGRESS UPDATE/ WOOLGAR GOLD PROJECT QLD

Further to the ASX announcement of the 7th November, the Company provides the following update information on progress at Woolgar.

- **Completion of deep drilling by Barrick to test geophysical and geological targets ; assays awaited**
- **Recent shallow drilling by Strategic for open pit gold mineralisation with new high grade results at the Finn Prospect.**
- **Vein rock chip sampling by Strategic to follow up high grade surface results reported by Barrick; assays awaited.**
- **Commencement of Woolgar project pre-feasibility study.**

1. BARRICK GOLD AUSTRALIA DRILL PROGRAM

Barrick Gold have advised that a 6 hole diamond drilling program for 604m of precollar and 1,064m of NQ diamond core was recently completed. Four holes were designed to test strong chargeability targets identified from the recent Gradient Array IP survey, one hole to test a past IP survey target at Lost World , as well as one hole at Explorer East to test a structurally defined geological target. Assays for the pre-collar drill zones have been received, but all assays for the diamond core program are still awaited.

The location of the Barrick drill holes is shown on the attached plans and hole collar locations given in Table 1.

Three of the six holes intersected zones of epithermal quartz-pyrite-adularia veining. Strong visible gold was intersected in a vein from SCDD0005 (Lost World IP target).

GEOLOGICAL LOGGING RESULTS

SCD0001, SCD 0002 / Grand Central Vein:

Two diamond holes, SCD0001(354m) and SCD0002 (227.9m) were drilled to test strong IP anomalies on the Grand Central vein. Hole SCD0001 did not intersect the target zone, possibly due to a structural roll over of the vein. Hole SCD0002 intersected strong veining and alteration in the pre-collar (90 to 122m). This zone gave a best value of 1.71g/t Au over 1 m from a quartz vein.

Strategic believes the strong IP anomalies still represent a significant untested target.

SCD0003 / Explorer East Area.

Hole SCD0003 was drilled to a depth of 315m to test a strong chargeability IP anomaly. Pyritic quartz veining and associated alteration was encountered between 290m and 300m, assays are awaited.

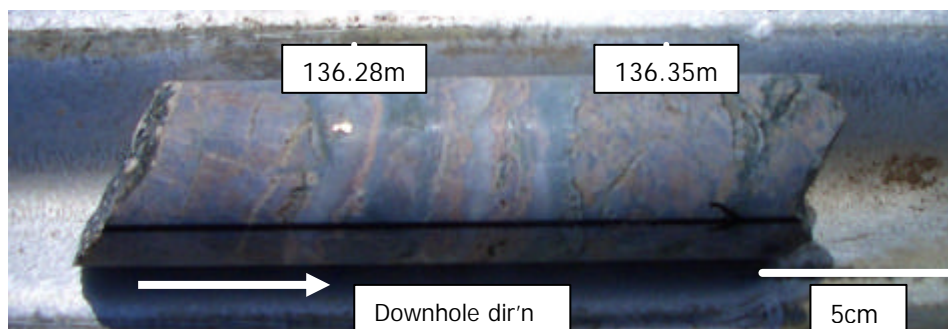
SCD0004 / Explorer East – Explorer South Intersection:

Hole SCDD0004 was drilled to 279.20m to test a combined geological and geophysical target. Two zones of narrow but intense epithermal veining and sulphidic alteration were intersected, one between 164.25 and 165.00m and the other between 174.90 and 175.75m, assays are awaited.

SCD 0005 / Lost World IP target.

Hole SCDD0005 was drilled to 200.50m to test a very strong chargeability anomaly identified in a 1998 survey over the Lost World-Hillveiw area.

In addition to a 1 metre zone grading 7.23g/t from 58-59m in the pre-collar, the hole intersected a set of three thin quartz-adularia veins from 136.28m containing coarse visible gold to 4mm dimensions. Free gold is visible on both the cored and cut surfaces (during sampling). The veins appear to be steep dipping to sub-vertical and trend approx NW-SE. Assays are awaited.



Geological modelling suggests that this free gold zone may relate to the Danielle free gold vein recently discovered at surface (see report in section 3, Danielle Vein / Lost World South Zone). Further drilling will be required to test for geological continuity.

The free gold zone located in this drill hole is within 100 metres vertical depth of the surface and therefore currently within the Strategic 100% development zone.

SCD 0006 / Explorer south-east.

Hole SCDD0006 was drilled to 291 m to test a very strong chargeability anomaly. No previous drilling exists in this area. The hole intersected strong epithermal veining and sulphidic alteration from 171-176m, assays are awaited.

2. STRATEGIC DRILLING PROGRAM

Strategic have completed 8 short RC holes for a total of 275m at the **FINN NORTH** prospect. The objective was to further test high grade intersections previously obtained at the Finn North vein to aid planning of a more comprehensive drill program in 2004. Drill location and results are summarised in Tables 2 and 3 respectively.

New high grade gold results at shallow depth in the oxidised portion of the Finn North vein were recorded from the current drilling. The results include:

- **2m @ 29.1 g/t Au** from 4 metres (FERC06)
- **2m @ 4.09 g/t Au** from 8 metres (FERC10)

Hole FERC06 was drilled above previous hole FERC 05 which gave **2m @ 17.74 g/t from 31 m**. Results of the drilling are presented on the attached cross section.

High grade intersections in holes FERC04, FERC05 and FERC06 define a small, shallow, oxidised high grade ore shoot which is open at depth. This phase of drilling suggests a change to a southerly dip for the vein. This has been established by the two deeper holes FERC 07 and FERC 12 which are now believed to have been drilled in the footwall and down dip thereby failing to make intersections.

Further drilling is planned for the Finn North vein in 2004.

3. STRATEGIC SAMPLING AND MAPPING PROGRAM

Michelle Vein / China Wall area

A substantial and potentially major new epithermal quartz vein has been recently identified. The vein is a large splay off the China Wall structure, and has a north-westerly strike. This gives it a similar geometry to the north-west striking high grade Explorer and Finn North veins.

The significance of the vein was initially identified as a result of the Barrick Gold first pass rock chip sampling program in September this year which gave an initial best assay value of 76.1 g/t Au.

Strategic has now completed follow-up mapping and rock chip sampling which indicates the vein has a strike length in excess of 500m and is open at both ends. The thickness varies with zones of veining being from 1m to 15m wide.

Assays from 23 rock chip samples are pending.

Danielle Vein / Lost World South Area

Several rock specimens containing visible gold have been discovered from a new epithermal quartz veined area located south of the Lost World zone. Assay results from 7 rock chip and float samples, carried out over a 100m strike length of the vein; are awaited.

For ground security reasons, neither the Michelle or Danielle vein locations are shown on the attached plan.

4. WOOLGAR PROJECT PRE-FEASIBILITY STUDY OUTLINE

The company is now proceeding with a pre-feasibility study for the Woolgar Project.

The objectives of this study are several.

- To fully document and validate the Woolgar resource data base to meet current JORQ reporting standards.
- To determine the current resource position at the main deposits being Explorer, Soapspar and Lost World.
- To review all past and current metallurgical project data.
- To identify potential mining options and the likely economic viability of the current resource position with an initial scoping study .
- To determine ongoing exploration objectives in light of the above.

An indicative work program is as follows:

STAGE 1 WORK PROGRAM	
Explorer & Explorer South Geological & Resource Evaluation	End January 2004
Lost World Improved Resource Model Evaluation	End February 2004
Soapspar Resource Evaluation Report	End March 2004
Scoping Study (desktop study to include preliminary pit optimizations)	End April 2004

The work will be carried out using in-house and independent consultants.

SUMMARY

The company is very pleased with the results to date from the initial Barrick drilling which has confirmed

- geological continuity of vein systems in the Explorer area
- identified a potential new high grade zone in the Lost World area, and
- increased the geological continuity at depth of the Grand Central vein system at depth

The potential of the Woolgar epithermal vein system continues to be enhanced by the combined work efforts of Strategic and our venture partners Barrick Gold.

Yours Sincerely,

W.A.C. Martin

Managing Director

Note: The information in this report has been compiled by Mr Barry Fehlberg who is a member of the Australian Institute of Mining and Metallurgy and has a minimum of five years experience in the field of activity being reported on. This report accurately reflects the information compiled by that person

Table 1. BARRICK DRILL HOLE LOCATION SUMMARY

Hole ID	E (AMG)	N (AMG)	DIP	AZIMUTH	DEPTH (m)
SCD001	7810247	750135	-60	201	354.0
SCD002	7810180	749960	-60	201	227.9
SCD003	7809450	751040	-60	210	315.0
SCD004	7809287	751114	-60	210	279.2
SCD005	7810932	749981	-50	242	200.5
SCD006	7809093	751207	-60	222	291.4
				Total	1668.
				Metres	

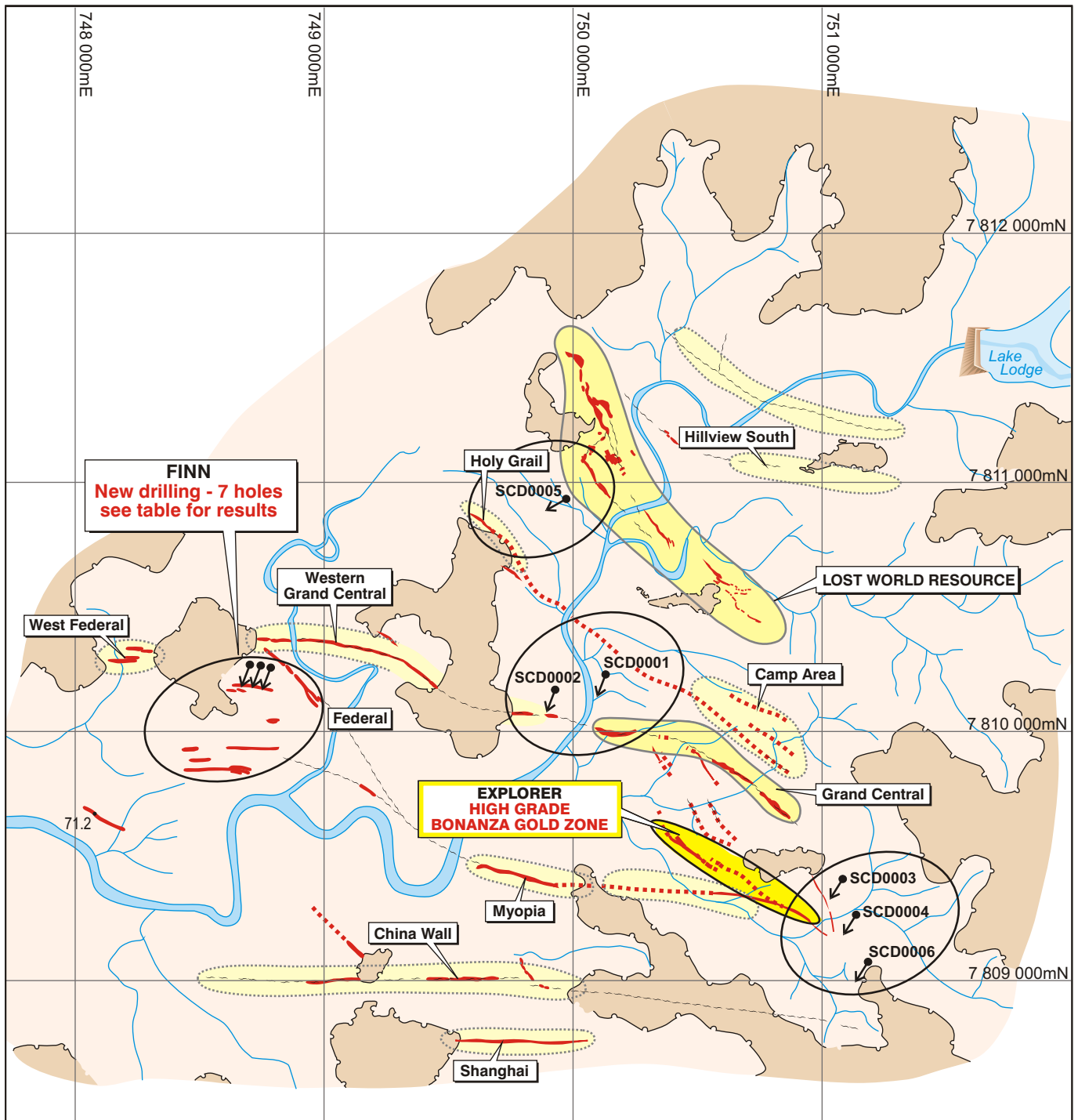
Table 2. FINN NORTH DRILL HOLE LOCATION SUMMARY

Hole ID	E (AMG)	N (AMG)	DIP	AZIMUTH	DEPTH (m)
FERC 06	748778	7810162	-50	200	24
FERC 07	748786	7810177	-60	200	68
FERC 08	748762	7810174	-50	200	26
FERC 09	748743	7810196	-50	200	26
FERC 10	748724	7810197	-50	200	34
FERC 11	748818	7810162	-50	200	30
FERC 12	748796	7810170	-61	200	54
FERC 13	748793	7810160	-55	200	13
				Total Metres	275m

Table3. FINN NORTH SIGNIFICANT DRILL INTERSECTION SUMMARY

Intersections above 15 gram metres shown in bold

Hole ID	From (m)	To (m)	Width (m)	Grade Au g/t	Gram*metres
FERC06	4	6	2	29.1	58.1
FERC07				Target Not Intersected	
FERC08				No Significant Intersections	
FERC09				No Significant Intersections	
FERC10	8	10	2	4.09	8.18
FERC11				No Significant Intersections	
FERC12				Target Not Intersected	
FERC13	10	11	1	1.41	1.41



FINN
New drilling - 7 holes
see table for results

**EXPLORER
HIGH GRADE
BONANZA GOLD ZONE**

LOST WORLD RESOURCE

Western Grand Central

Hillview South

West Federal

Federal

Camp Area

Grand Central

Myopia

China Wall

Shanghai

71.2

7 812 000mN

7 811 000mN

7 810 000mN

7 809 000mN

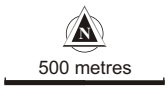
748 000mE

749 000mE

750 000mE

751 000mE

Lake Lodge



LEGEND

- Jurassic sandstone cover
- Unconformity
- Basement metasediments, dolerite and porphyry
- Epithermal quartz veins / breccia
- 71.2 • Surface gold assay g/t Au
- Drainage
- Inferred fault zone
- Lost World** Drilled resource area
- China Wall** Drill target area
- Barrick diamond drill holes Nov-Dec 2003. Results pending

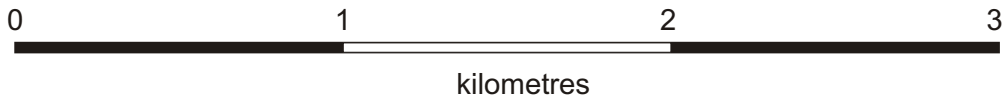
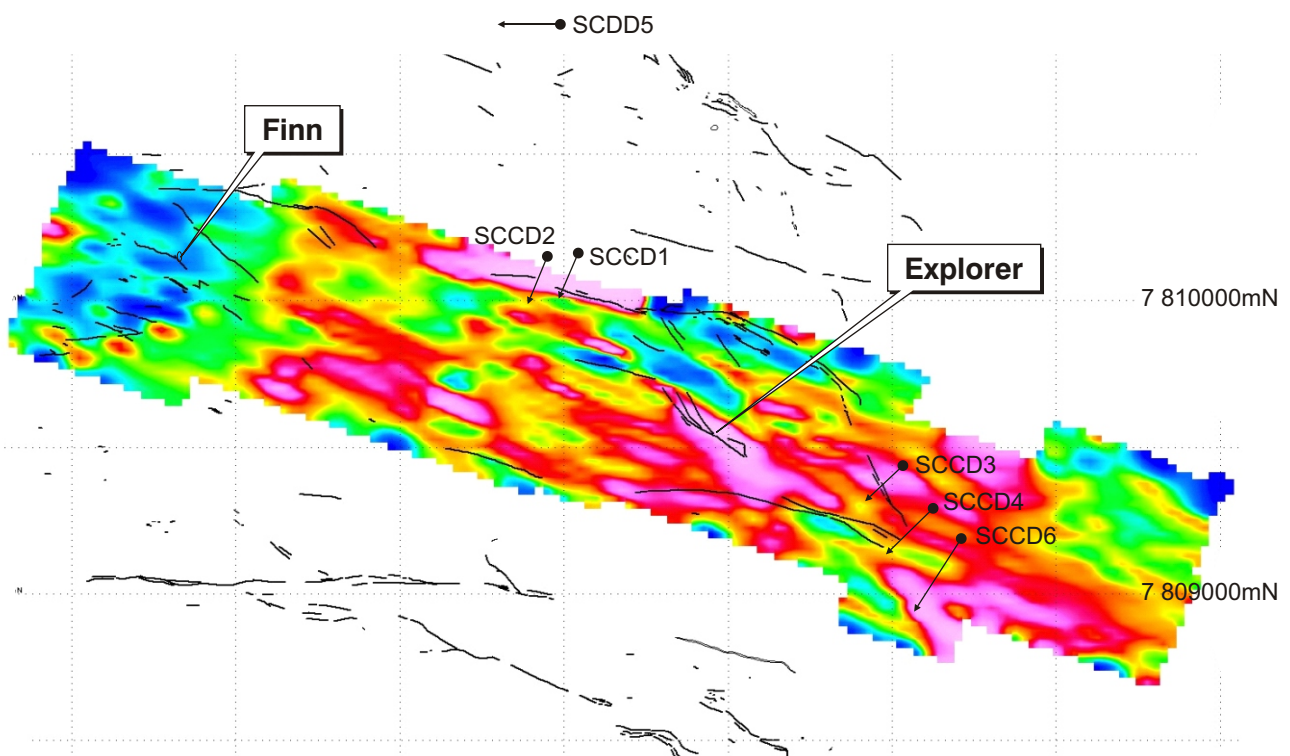
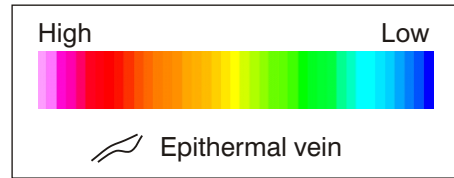
748 500mE

749 500mE

750 500mE

751 500mE

CHARGEABILITY PLOT



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**WOOLGAR PROJECT
Ground Geophysics
Barrick Drill Hole Locations 2003**

