

ASX Release

ASX Code: SMC

REPORT ON COMPANY ACTIVITIES

FOR THE PERIOD ENDING 31st DECEMBER 2008

OVERVIEW

Exploration and mine development work programs continue to be the Company's focus at its Woolgar gold project located in central north Queensland. Drilling at Woolgar, which commenced in September 2008 was designed to test a number of shallow targets within the Sandy Creek epithermal vein system and regional targets within the Mowbray area. All results from the drilling have been received and are reported as follows.

New High Grade Gold Discovery! -The exploration highlight for the quarter was the confirmation of a major new gold target in the Mowbray area at Woolgar; with the initial reconnaissance drilling returning the following high grade drill intersections:

- **5m @ 39.3g/t GOLD INTERSECTION IN FIRST & ONLY HOLE AT NEW BIG VEIN TARGET.**
- **12m @ 2.76 g/t GOLD INTERSECTION AT BIG VEIN NO. 2 TARGET.**

The new discovery is located approx. 7.5 km west of the Company's Sandy Creek gold deposits.

The drilling targeted an extensive detailed program of soil sampling and rock chip sampling which was conducted in mid 2008 over identified targets in the historical Woolgar Gold Field. Significant new exploration targets have been established from the second stage of this work completed in the June – Sept quarter, including: gold in soil anomalies, and major untested mineralised veins with spot rock chip values up to 91.2g/t gold.

The holes, which returned the significant intersections at Mowbray, were part of a widely dispersed reconnaissance first pass drill program directed at structural and geochemical targets defined over a 2.5 km strike length.

The Company is designing a follow-up drill program to be implemented in 2009.

Lost World Resource -The resource model update for the Lost World deposit is currently being finalised by independent consultants SRK Consulting Engineers & Scientists, and by Bartsch Geoscience Pty Ltd.

Martins Well Project -Assay results were also received from rock sampling programs conducted at the Martins Well Project in South Australia in the previous quarter. The reconnaissance sampling was conducted over several targets including the Willippa Dome Cu-Au magnetic target and the Black Mammoth Gossans.

In light of recent global financial market conditions, the Company has opted for a conservative approach to spending over the coming year. A program of cost cutting restructuring has been initiated. As part of this restructuring, several newly granted tenements/tenement applications have been relinquished and the remaining tenements are being reduced to cover the primary areas of interest.

GOLD PROJECTS

WOOLGAR GOLD PROJECT – QUEENSLAND

Strategic Minerals Corporation NL, 100%

During the Dec quarter RC drilling, soil sampling, and mapping programs were completed at Woolgar. Additional infill and step-out standard and MMI soil sampling was conducted in the Mowbray area.

The drilling phase consisted of approx 42 drill holes totalling 2902 metres of drilling. The drilling was conducted by Well Drill Pty Ltd. Zones of mineralised veining and alteration were intersected in the majority of the drill holes completed to date. All drilling assay results and surface sampling assay results (with the exception of one batch of MMI samples) from 2008 have been received, and are reported below. Significant assayed gold intersections recorded from the drilling are summarised in Table 1.

The reported drilling commenced at the Company's Woolgar project in September. A series of holes were designed to test a number of shallow targets within the Sandy Creek epithermal vein system, and regional target areas, including the new Big Vein and Mowbray NE targets.

Ongoing drilling will be conducted with the objective of delineating new shallow open pitable gold mineralised positions with the objective of increasing the gold resource base to 1 million oz's of gold. The current published estimated global gold resource totals approx. 770,000 oz's at an average grade of 0.9 g/t (refer table 4).

The 2008 drill program was designed to test the following:

- 1) A conceptual target (based on geophysical data) with similarities to the high grade zones discovered by the Company at the Explorer and Camp veins.
- 2) Systematic drilling of outcropping gold mineralised veins and extensions to the established gold.
- 3) New regional targets (Big Vein and Mowbray NE, defined by recently conducted mapping, soil and rock chip sampling programs.

Regional Targets -Drilling Results

Highly significant gold assay results were received from the drilling program at the new Big Vein and Big Vein N^o. 2 targets.

The new targets are located within the historical Woolgar Goldfield, situated approx 7 kms to the west of the established Sandy Creek epithermal vein system which hosts the majority of the projects published 774,000 oz gold resource (refer table 4).

The new target areas were highlighted by soil sampling, and are located to the SE and E of historical gold mines at Mowbray (Figure 1). The surface sampling identified gold mineralisation over a broad domain of veined structures in the Mowbray area with a strike length of at least 2.5km.

Only one hole was drilled into the main Big Vein target which recorded the following outstanding results:

Hole MBRC0009, **5m @ 39.3 g/t Gold**, from 40 to 45m down hole;
(including 2m @ 91.95 g/t Gold)

and,

1m @ 5.85 g/t gold, from 51 to 52m down hole

Two out three holes into the main section of Big Vein No. 2 recorded the following results:

Hole MBRC0007, **12m @ 2.76 g/t Gold**, from 4 to 16m down hole

Hole MBRC00011, **5m @ 1.32 g/t Gold**, from 11 to 16m down hole

The two best intersections were recorded in holes targeting veins where they project beneath thin (1-4m thick) Jurassic sandstone cover rocks).

Two holes drilled at the Mowbray NE area (the northern most exposure of the main structure) located approximately 1.75 km to the north of the Big Vein target, also recorded significant intersections as follows:

Hole MBRC0004, **2m @ 4.55 g/t Gold**, from 24 to 25m down hole;

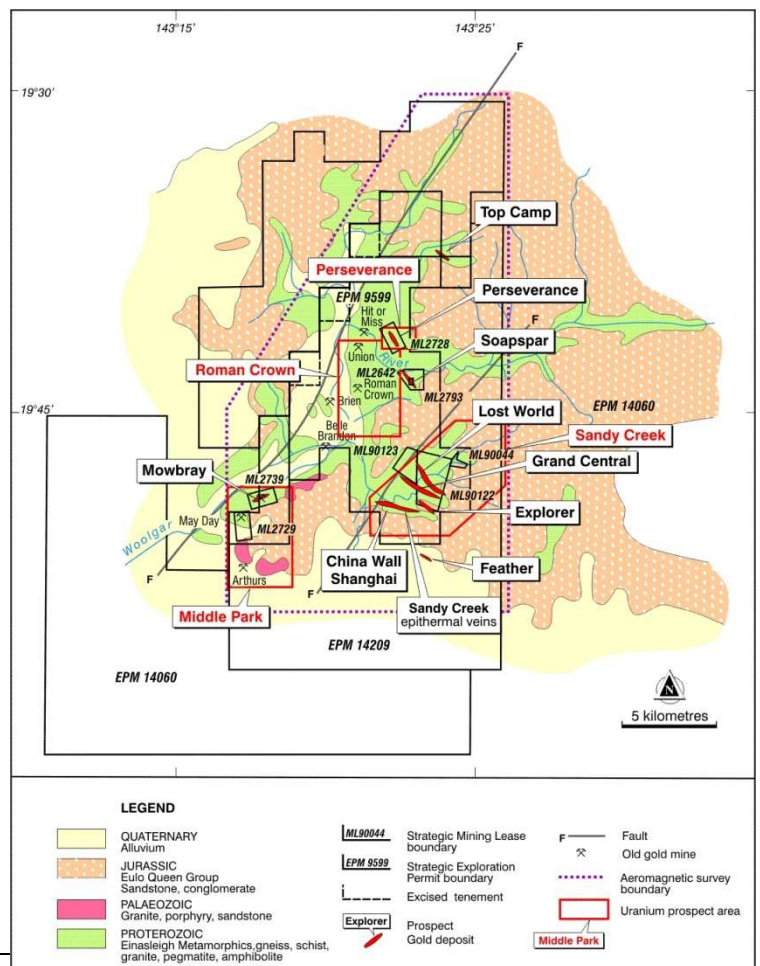
Hole MBRC0005, 2m @ 1.71 g/t Gold, from 67 to 69m down hole

Hole MBRC0003, intersected an old open mining stope at the target position.

The drill holes are widely separated and the mineralised intersections are open in all directions. The dips of the mineralised veins are not well understood at this stage, but are thought to be generally steep. Summary drilling results and drilling location statistics are provided in Tables 1 & 2 below.

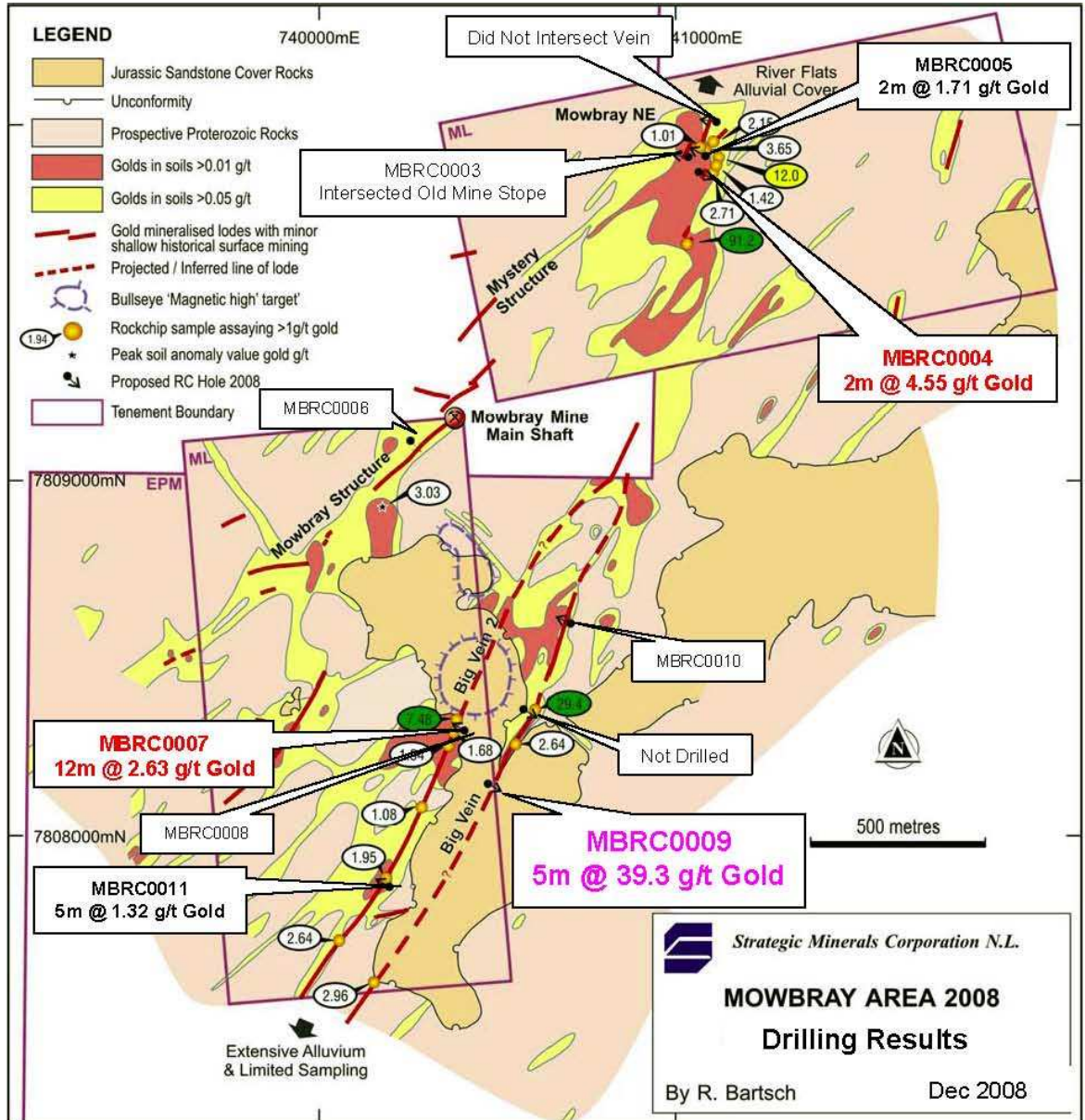
The holes which returned the significant intersections were part of a widely dispersed reconnaissance first pass drill program directed at targets defined by surface sampling programs conducted in 2008. Previously published data relating to the targets are outlined below.

Figure 1. Plan of the Woolgar Project area and location of the new Big Vein target in relation to



established drilled gold deposits.

Figure 2. Schematic plan of Mowbray area, showing drilling, gold in soils and preliminary rock sampling results and schematic geology.



Mowbray Area Target Overview

The new Big Vein / Mowbray targets are located within the historical Woolgar Goldfield approx 7 kms to the west of the established Sandy Creek epithermal vein system which hosts the majority of the projects published 774,000 oz gold resource (refer table 4).

The new target areas were highlighted by soil sampling, and are located to the SE and E of historical gold mines at Mowbray (Figure 2).

Extensions of the soil sampling surveys (ASX Release dated 28th July 2008) to the North and South of the Big Vein anomalies **have identified additional significant gold anomalies over a 2.5km strike length**. Soil samples are -80 mesh sieved samples collected at a 20m spacing on 100m spaced lines.

The most prominent anomaly identified by the recent sampling, **is a major >0.05ppm gold in soils anomaly at Mowbray NE, located along strike to the NNE of the Big Vein area. The >0.05ppm anomaly is approximately 600m x 125 m and has a peak value of 0.52ppm gold.**

Initial rock sampling from the area returned maximum values of up to **91.4 g/t gold** and **12.9g/t gold** from vein outcrops, and several lower grade gold mineralised samples (Table 3). Initial mapping has identified several intersecting gold mineralised structures within the anomaly.

In July 2008 the Company identified two **extensive, >0.05ppm gold in soils anomalies, with peaks of 0.45ppm and 0.47ppm gold respectively**, which occur on either side of a ridge covered by a blanket of Jurassic sandstone. The sandstone masks the underlying rocks which are prospective hosts to gold mineralisation. **The gold anomalies and mapped gold mineralised veins project under the Jurassic cover, and are likely to be a single larger gold anomalous zone >450m x 200m**A small 200m diameter "bullseye" magnetic anomaly is situated immediately adjacent to the gold anomalies. The source of the magnetic anomaly is masked by the Jurassic sandstone cover rocks. A weak magnetic anomaly is associated with the Kidston gold deposit located to the north of the Woolgar Project area.

New Mapping has identified two major sub-parallel veined structures coincident with the anomalies, to date these have been mapped and sampled over a strike length of approximately 1km. The soil anomaly on the eastern side of the Jurassic sandstone ridge coincides in part with the historical 'Big Vein' gold workings. The historical workings were shallow.

Initial rock sampling returned a maximum value of up to **29.4 g/t gold** from Big Vein and **7.48g/t gold** from Big Vein 2, and several lower grade gold mineralised samples (Table 1).

Additional smaller high level gold in soil anomalies have been highlighted by the current sampling, with peaks as high as 3.03 ppm gold. The majority of these anomalies coincide with outcropping lodes with historical shallow gold workings.

Ongoing Work Programs

Additional infill and step-out standard and MMI soil sampling was conducted in the Mowbray area in October 2008 to expand the sampling coverage over similar target areas to the South of the Big Vein zone. Results from the last phase of sampling are still being received and processed.

The Company is designing a follow-up drill program to be implemented in 2009.

Sandy Creek Targets -Drilling Results

Significant results were also received from additional shallow RC drilling conducted in the established Sandy Creek epithermal vein system which hosts the majority of the projects published 774,000 oz gold resource (refer table 4).

Drill results from the Sandy Creek area have highlighted incremental strike and/or plunge extensions to gold mineralised zones within the Grand Central; Grand Central West End and Hillview South structures. At the Telecom vein, the drilling has highlighted a narrow mineralised structure with several 100m defined strike length; the grade and width of the structure is variable and more drilling will be required to properly assess

Resource Model Updates

Additional resource model updates are currently being finalised by SRK Consulting Engineers and Bartsch Geoscience Pty Ltd for the Lost World gold deposit; in addition to several small deposits delineated within the historical Woolgar Goldfield, for inclusion in the global resource inventory.

Table 1. Sept – Oct 2008 drilling results; significant intersections > 1g/t gold.

Hole ID	Depth (m)		Gold Intercept	Target
	From	To		
Mowbray Area - Regional Reconnaissance Drilling				
MBRC0004	17	18	1m @ 1.06 ppm	Mowbray NE
MBRC0004	24	26	2m @ 4.55 ppm	Mowbray NE
MBRC0005	67	69	2m @ 1.71 ppm	Mowbray NE
MBRC0007	4	16	12m @ 2.63 ppm	Big vein No. 2
MBRC0009	40	45	5m @ 39.30 ppm	Big Vein
MBRC0009	51	52	1m @ 5.85 ppm	Big Vein
MBRC0011	11	16	5m @ 1.32 ppm	Big vein No. 2
Sandy Creek Epithermal Veins				
GCRC0135	26	32	6m @ 2.03 ppm	Grand Central Veins
GCRC0136	48	49	1m @ 3.18 ppm	Grand Central Veins
GCRC0138	30	31	1m @ 1.30 ppm	Grand Central Veins
TERC0005	5	6	1m @ 4.22 ppm	Telecom Vein
TERC0006	37	39	2m @ 1.91 ppm	Telecom Vein
TERC0007	8	9	1m @ 1.80 ppm	Telecom Vein
TERC0007	19	20	1m @ 1.94 ppm	Telecom Vein
TERC0007	26	27	1m @ 1.26 ppm	Telecom Vein
TERC0008	23	24	1m @ 1.21 ppm	Telecom Vein
TERC0008	43	45	2m @ 2.13 ppm	Telecom Vein
TERC0008	64	65	1m @ 1.90 ppm	Telecom Vein
WERC0018	0	6	6m @ 1.80 ppm	West End Grand Central Veins
WERC0018	13	19	6m @ 1.70 ppm	West End Grand Central Veins
WERC0018	22	23	1m @ 2.10 ppm	West End Grand Central Veins
WERC0020	34	35	1m @ 1.11 ppm	West End Grand Central Veins
WERC0027	47	48	1m @ 2.68 ppm	West End Grand Central Veins
WERC0029	34	35	1m @ 3.32 ppm	West End Grand Central Veins
HVRC0059	11	12	1m @ 4.26 ppm	Hillview South Vein
HVRC0059	17	18	1m @ 1.47 ppm	Hillview South Vein
HVRC0059	32	33	1m @ 1.13 ppm	Hillview South Vein
HVRC0061	23	25	2m @ 1.13 ppm	Hillview South Vein
HVRC0062	0	1	1m @ 1.03 ppm	Hillview South Vein
HVRC0062	21	22	1m @ 1.88 ppm	Hillview South Vein
HVRC0066	55	58	3m @ 1.50 ppm	Hillview South Vein
HVRC0066	61	62	1m @ 1.49 ppm	Hillview South Vein
HVRC0066	67	72	5m @ 1.72 ppm	Hillview South Vein

Table 2. Sept – Oct 2008 RC drill program summary statistics.

Hole ID	Easting (m)	Northing (m)	RL (m)	Dip	Azimuth	End of Hole Depth (m)	Target
Mowbray Area - Regional Reconnaissance Drilling							
MBRC0001	741101	7809968	374	-60	280	80	Mowbray NE
MBRC0002	741112	7810000	367	-60	180	60	Mowbray NE
MBRC0003	741048	7809922	375	-60	295	45	Mowbray NE
MBRC0004	741105	7809918	385	-60	290	100	Mowbray NE
MBRC0005	741118	7809901	385	-60	128	70	Mowbray NE
MBRC0006	740204	7809048	380	-60	130	90	Mowbray Vein
MBRC0007	740409	7808332	411	-55	290	68	Big vein No. 2
MBRC0008	740421	7808328	412	-60	290	70	Big vein No. 2
MBRC0009	740480	7808145	418	-60	103	70	Big Vein
MBRC0010	740698	7808586	385	-60	280	48	Big Vein North
MBRC0011	740186	7807840	392	-60	300	55	Big vein No. 2
Metres Drilled Subtotal						756	
Sandy Creek Epithermal Veins							
GCRC0135	750750	7809858	418	-60	204	70	Grand Central Veins
GCRC0136	750783	7809826	415	-60	200	70	Grand Central Veins
GCRC0137	750835	7809788	425	-60	235	80	Grand Central Veins
GCRC0138	750859	7809757	426	-68	200	60	Grand Central Veins
TERC0004	750713	7810144	455	-60	210	60	Telecom Vein
TERC0005	750624	7810146	456	-60	209	80	Telecom Vein
TERC0006	750618	7810131	457	-58	210	80	Telecom Vein
TERC0007	750524	7810152	450	-80	210	60	Telecom Vein
TERC0008	750451	7810187	443	-83	210	70	Telecom Vein
WERC0017	749304	7810308	409	-60	228	35	West End Grand Central Veins
WERC0018	749275	7810319	406	-60	215	45	West End Grand Central Veins
WERC0019	749249	7810328	403	-60	205	60	West End Grand Central Veins
WERC0020	749309	7810337	405	-60	200	70	West End Grand Central Veins
WERC0021	749292	7810340	405	-60	215	85	West End Grand Central Veins
WERC0022	749129	7810338	404	-60	215	45	West End Grand Central Veins
WERC0023	749124	7810355	406	-60	215	80	West End Grand Central Veins
WERC0024	749112	7810343	402	-60	215	45	West End Grand Central Veins
WERC0025	749096	7810356	405	-60	215	45	West End Grand Central Veins
WERC0026	749080	7810366	407	-60	215	45	West End Grand Central Veins
WERC0027	749088	7810380	410	-60	215	80	West End Grand Central Veins
WERC0028	749043	7810375	407	-60	215	45	West End Grand Central Veins
WERC0029	749046	7810395	407	-60	215	80	West End Grand Central Veins
HVRC0059	751347	7810995	467	-60	180	35	Hillview South Vein
HVRC0060	751348	7811007	467	-60	180	60	Hillview South Vein
HVRC0061	751325	7810997	468	-60	180	35	Hillview South Vein
HVRC0062	751305	7810998	466	-60	180	35	Hillview South Vein
HVRC0063	751306	7811011	469	-60	180	64	Hillview South Vein
HVRC0064	751001	7811050	462	-66	185	90	Hillview South Vein
HVRC0065	751047	7811026	460	-60	180	35	Hillview South Vein
HVRC0066	751014	7810998	449	-66	15	80	Hillview South Vein
MYRC0001	749850	7809416	438	-60	20	100	Myopia Vein
WVRC0003	750669	7810966		-60	215	111	Valleyview IP anomaly
WVRC0004	750587	7811028		-66	215	111	Valleyview IP anomaly
Metres Drilled Subtotal						2146	
Metres Drilled Total						2902	

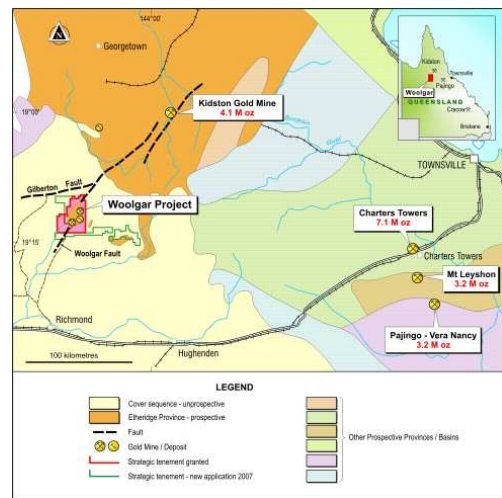
Table 3. "Mowbray NE" and "Big Vein" area surface rock sample gold assays (note all reconnaissance samples are reported (i.e. Samples are not restricted to identified mineralised structures).

Sample	Prospect	Sample Type	East	North	Au (G/T)
P767943	Mowbray NE	Subcrop	741048	7809673	91.2
P767926	Mowbray NE	Subcrop	741128	7809906	12.9
P767928	Mowbray NE	Outcrop	741084	7809861	5.14
P767909	Mowbray NE	Mullock	741087	7809917	3.65
P767922	Mowbray NE	Outcrop	741115	7809865	2.71
P767913	Mowbray NE	Mullock	741117	7809951	2.15
P767925	Mowbray NE	Outcrop	741124	7809892	1.42
P767908	Mowbray NE	Subcrop	741079	7809938	1.01
P767927	Mowbray NE	Outcrop	741131	7809922	0.95
P767920	Mowbray NE	Mullock	741035	7809924	0.78
P767901	Mowbray NE	Outcrop	741101	7810003	0.71
P767919	Mowbray NE	Outcrop	741040	7809931	0.58
P767903	Mowbray NE	Outcrop	741095	7809982	0.56
P767904	Mowbray NE	Subcrop	741094	7809975	0.52
P767910	Mowbray NE	Mullock	741092	7809927	0.4
P767905	Mowbray NE	Subcrop	741091	7809966	0.3
P767906	Mowbray NE	Subcrop	741086	7809957	0.14
P767915	Mowbray NE	Mullock	741127	7809965	0.11
P767902	Mowbray NE	Outcrop	741097	7809992	0.03
P767907	Mowbray NE	Subcrop	741084	7809949	0.03
P767924	Mowbray NE	Outcrop	741121	7809883	0.02
P767942	Mowbray NE	Subcrop	741055	7809768	0.02
P767947	Mowbray NE	Float	741767	7809716	0.02
P767911	Mowbray NE	Mullock	741103	7809937	0.01
P767916	Mowbray NE	Mullock	741132	7809971	0.01
P767912	Mowbray NE	Mullock	741111	7809944	0.005
P767914	Mowbray NE	Mullock	741122	7809958	0.005
P767917	Mowbray NE	Mullock	741144	7809978	0.005
P767918	Mowbray NE	Mullock	741150	7809989	0.005
P767921	Mowbray NE	Subcrop	741051	7809948	0.005
P767923	Mowbray NE	Outcrop	741117	7809874	0.005
P767929	Mowbray NE	Subcrop	741058	7809732	0.005
P767930	Mowbray NE	Outcrop	741097	7809780	0.005
RB767231	Big Vein	Mullock	740580	7808322	29.4
P767946	Big Vein	Outcrop	740161	7807582	2.96
P767933	Big Vein	Subcrop	740511	7808191	2.64
RB767235	Big Vein	Subcrop	740517	7808194	0.7
RB767234	Big Vein	Subcrop	740517	7808194	0.53
P767934	Big Vein	Subcrop	740524	7808200	0.53
P767940	Big Vein	Subcrop	740572	7808310	0.39
P767937	Big Vein	Subcrop	740549	7808250	0.37
P767938	Big Vein	Subcrop	740554	7808273	0.3
P767936	Big Vein	Subcrop	740538	7808238	0.16
RB767233	Big Vein	Subcrop	740540	7808253	0.09
RB767232	Big Vein	Outcrop	740568	7808298	0.08
P767931	Big Vein	Subcrop	740504	7808173	0.08
P767939	Big Vein	Subcrop	740567	7808297	0.07
P767935	Big Vein	Subcrop	740531	7808210	0.04
P767932	Big Vein	Subcrop	740509	7808182	0.01
RB767236	Big Vein	Outcrop	740480	7808160	0.005

Sample	Prospect	Sample Type	East	North	Au (G/T)
P767953	Big Vein 2	Subcrop	740385	7808306	7.48
P767969	Big Vein 2	Subcrop/Float	740051	7807700	2.64
P767966	Big Vein 2	Outcrop	740189	7807873	1.95
P767951	Big Vein 2	Subcrop	740364	7808250	1.94
P767952	Big Vein 2	Subcrop	740384	7808296	1.68
P767962	Big Vein 2	Subcrop	740301	7808079	1.08
P767950	Big Vein 2	Subcrop	740365	7808242	0.58
P767964	Big Vein 2	Subcrop/Float	740217	7807960	0.49
P767944	Big Vein 2	Outcrop	740090	7807742	0.48
P767960	Big Vein 2	Subcrop/Float	740275	7808053	0.42
P767965	Big Vein 2	Outcrop	740194	7807888	0.4
P767967	Big Vein 2	Outcrop	740174	7807850	0.38
P767959	Big Vein 2	Outcrop/Subcrop	740255	7808014	0.33
P767963	Big Vein 2	Subcrop	740226	7807981	0.33
P767958	Big Vein 2	Subcrop/Float	740250	7808002	0.16
P767945	Big Vein 2	Outcrop	739983	7807597	0.06
P767949	Big Vein 2	Outcrop	740332	7808157	0.06
P767961	Big Vein 3	Subcrop	740280	7808056	0.91
P767968	Big Vein 3	Outcrop	740084	7807730	0.07
P767948	Mowbray East	Subcrop	740860	7808991	0.38
P767941	Mowbray SW	Mullock	739954	7808339	0.6

Project Overview

- The project has an established resource of 774,000 oz's gold (approx. 25.15M tonnes at an average grade of 0.96g/t gold; refer to Table 4 – for published estimates consistent with JORC guidelines). This resource includes a number of higher grade deposits. Additional unpublished resources have been drilled at Perseverance, Mowbray, Hillview & Lost World, where additional drilling is planned or modelling is underway for inclusion in the project inventory. Significant Ag credits (approx 3g/t average or crudely estimated at approximately 2.5M oz's silver – estimate not consistent with JORC guidelines) occur throughout the Sandy Creek deposits.



- The majority of resources are outcropping or at shallow depths, mineable by open pit methods.
- Gold occurs within low sulphidation epithermal veins.
- Potential exists to expand the shallow gold resource quickly to +1M oz's gold.
- The project has potential to deliver 1 - 3M oz's gold at a potential grade

between 0.9 – 4g/t gold (the described project resource potential quantity and grade is conceptual in nature, there has been insufficient exploration to define a Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral Resource; the conceptual potential is based on analogy with the similar epithermal deposits such as the Pajingo Deposit, located to the east of Woolgar).

- Subject to positive feasibility assessment the Woolgar project can be advanced to the development stage relatively quickly. Mining Leases covering the main gold deposits have been granted, Cultural heritage surveys have been completed on key areas, Native title agreements formalised, and a major water supply dam to service a mining operation has been constructed. Prefeasibility work is on going.

Systematic Drilling & Resource Expansion

- **Since 2000 Strategic has, consistently, and cost effectively expanded its global gold resource base at Woolgar at a cost of <\$16 per oz gold.**

Year	Published Gold Resource
2000	- 202,000 oz's
2004	- 404,000 oz's
2008	- 774,000 oz's

Table 4. Woolgar Project Global Resource Summary

Classification	Resources Estimated At Higher Cut-off Grades				Resources Estimated At Lower Cut-off Grades			
	Cut-off Grade	Tonnage	Gold Grade	Gold Metal	Cut-off Grade	Tonnage	Gold Grade	Gold Metal
		T x 1000	g/t	oz's		T x 1000	g/t	oz's
SOAPSPAR DEPOSIT								
Measured	0.4	1,667	0.91	48,800	0.4	1667	0.91	48,800
Indicated	0.4	1,175	0.90	34,000	0.4	1175	0.9	34,000
Inferred	0.4	472	0.82	12,400	0.4	472	0.82	12,400
SUBTOTAL		3,314	0.89	95,200		3314	0.89	95,200
SANDY CREEK EPITHERMAL VEIN DEPOSITS								
Measured	0.8 - 1.0*	4,752	1.62	247,100	0.4 - 0.8**	12066	0.98	381,700
Indicated	0.8 - 1.0*	953	1.38	42,370	0.4 - 0.8**	5113	1.04	171,100
Inferred	0.8 - 1.0*	989	1.95	62,130	0.4 - 0.8**	4672	0.84	126,100
SUBTOTAL		7,117	1.63	351,600		21850	0.97	678,900
TOTAL		10,431	1.39	446,800		25,164	0.96	774,100

* The majority of resources estimated at a 0.8 g/t gold cut-off grade; Explorer estimated at a 1.0 g/t cut-off grade. ** The majority of resources estimated at a 0.4 or 0.5 g/t gold cut-off grade; Shanghai & Finn estimated at a 0.8 g/t cut-off grade.

URANIUM PROJECTS

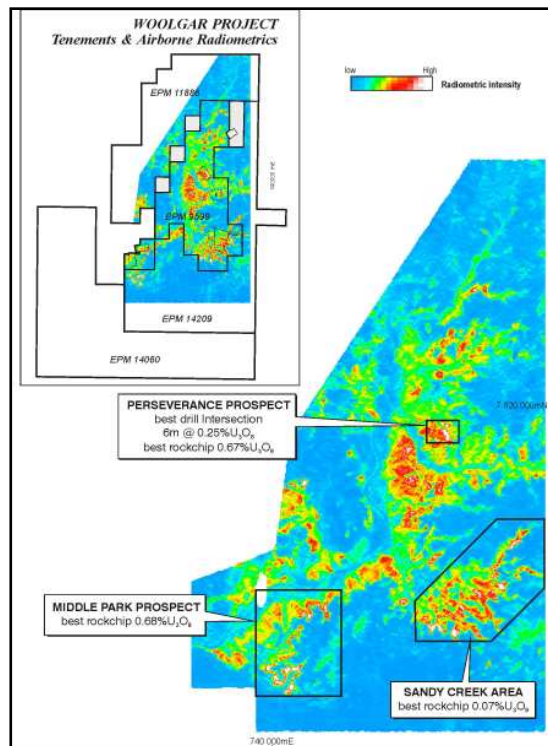
Woolgar Uranium Project, Queensland

Alpha Uranium Limited (100% Strategic Subsidiary Company)

In light of recent global financial market conditions, the Company has reviewed its exploration program planning and subject to available working capital has deferred its test drilling of the Perseverance and Middle Park (Figure 4) uranium targets until late 2009. The established drill targets include partially drilled outcropping uranium occurrences at the Perseverance-Shamrock prospect where previous drilling in the 1970's defined zones of mineralisation with high grade drill intersections up to 6m @ 0.25% eU₃O₈ and at the Middle Park prospect where mineralised rock chips samples returned values up to 0.67% U₃O₈. The primary uranium targets in the district are numerous untested airborne radiometric (uranium channel) anomalies associated with a regionally extensive unexplored unconformity.

Unconformity-related uranium deposits constitute approximately 33% of the world's uranium resources and include some of the largest and richest deposits.

Figure 4. Airborne radiometric data (uranium channel) & uranium prospect locations. Unconformity style uranium mineralisation targets correspond to the white areas on the image.



Frome Basin Projects, South Australia

Alpha Uranium Limited (100% Strategic Subsidiary Company)

The Company's Frome Basin projects consists of four tenements, Alpha has free carried interests in three of these tenements. The Martins Well project (EL3508) is however 100% owned and operated by the company.

The South Australian tenements are located in an established district of past and present producing uranium mines, close to the existing Beverly uranium mine and the identified resource at Honeymoon Well. The projects include Martins Well (Alpha Uranium Ltd 100%) and the Siccus JV (Alpha 10% free carried interest to bankable feasibility).

The project areas are believed to be highly prospective for further deposits of the style analogous to Beverly and Honeymoon Well, where uranium occurs in Tertiary palaeochannels (Figure 5). The Beverley and Honeymoon Well projects are located 100km north and 100km southeast of the Siccus JV tenement respectively.

Compilation of available geological data and targeting has confirmed the potential for palaeochannels that host uranium mineralisation. In addition, other priority target styles have been identified, including a strong magnetic anomaly which may reflect magnetic alteration minerals associated with Cu-Au mineralisation (see Frome Basin Base Metal project map below).

Siccus Joint Venture EL 3288

Alpha Uranium Limited (100% Strategic Subsidiary Company) (10% Free Carried To Bankable Feasibility)

The joint venture uranium interest forms part of the Siccus Joint Venture managed by Uranio.

A 1600m rotary mud drill program was conducted by Uranio in the first quarter of 2008. While the prospective stratigraphy was intersected no significant results were recorded. Uranio have advised that follow up drilling is planned for 2009 to better define and test the main palaeochannel and tributaries and to locate prospective redox interfaces in the prospective Eyre Formation

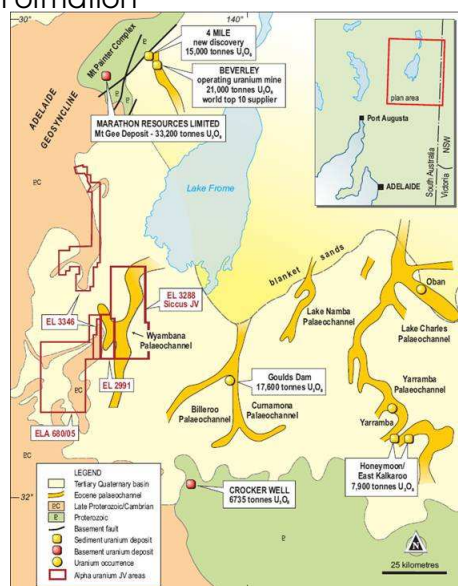


Figure 5. Frome Basin project areas & schematic geology.

COPPER PROJECTS

Martins Well Project, South Australia

Alpha Uranium Limited (100% Strategic Subsidiary Company) **100%**

2008 Field Work Program Results

Assay results were also received from rock sampling programs conducted at the Martins Well Project in South Australia in the previous quarter.

The Reconnaissance surface rock sampling was conducted over several targets including the Cu – Au targets within the Willippa Dome and the Black Mammoth Gossans. 84 rock samples were collected. Assays results from these samples have been received and are reported below. Significant Copper and Iron assays were recorded at Mammoth Black Ridge.

The highest priority target being assessed is an unexplained strong magnetic anomaly approximately 1km in length, within and cutting across the core of the Willippa anticline. It is postulated that this anomaly may represent a large magnetite constructive alteration zone, which could have associated Cu (Au-U) mineralisation. Small Cu occurrences are mapped in proximity to the anomaly. Modelling of the magnetic target (completed in 2008) suggested that the magnetic body comprises a series of stacked flat dipping bodies; the shallowest occurring at 80m depth. Extensive breccias and gossanous quartz veins were indentified at the up-plunge position of the magnetic body and throughout the footwall position.

Sampling was also conducted on several gossanous horizons mapped in the sequence directly north of the Willippa Dome in the Black Mammoth mine area. Rock chip samples taken from these gossans have indicated the presence of Cu. An assay of ore from the main occurrence at the Mammoth Black Ridge prospect is reported to have graded 16% Cu, 5,163g/t Ag and 15.5 g/t Au (Mining Journal RM1899, p29). The results from recent sampling are summarised below.

Mammoth Black Ridge Rockchip Sampling Results

At Mammoth Black a series of large 'ironstone lodes' forming ridges up to 20m high and wide, which extend over an area of 1.3kms long, were sampled during recent field work on the Martins Well project area.

The ironstones comprise dominantly of layers and large pods of secondary iron oxides (such as botryoidal hematite etc) within oxidized claystones. Minor quartz veins occur throughout the ironstones.

The 'ironstones' are being assessed for potential Cu (Ag-Au) mineralization and iron ore.

The new outcrop rockchip samples have returned both very high Fe values up to 62% and highly anomalous Cu values up to 0.35% Cu.

All sampling results from the Mammoth Ridge area are provided in Table 5 below.

Table 5. Rockchip assay results from the Mammoth Black Ridge 'ironstone lodes'. The 'ironstones' are heavily leached/oxidised and as such the elevated copper values may be highly significant.

Sample ID	Easting m	Northing m	Fe %	Cu %	P PPM	Au PPM	Ag PPM
MB0001	329702	6503418	55.6	0.06	440	0.013	<2
MB0002	329670	6503436	59.5	0.06	370	X	<2
MB0003	329638	6503355	52.1	0.16	790	0.001	5
MB0004	329604	6503262	30.6	0.02	1000	0.011	<2
MB0005	329687	6502985	49.8	0.22	1380	0.005	<2
MB0006	329630	6502984	27.4	0.26	1130	0.004	<2
MB0007	329644	6502951	57.6	0.33	1450	0.009	<2
MB0008	329644	6502945	60.2	0.06	750	0.01	<2
MB0009	329852	6502954	28.3	0.18	710	0.003	<2
MB0010	329601	6502890	59.7	0.04	530	0.014	<2
MB0011	329586	6502863	56.7	0.05	550	0.018	<2
MB0012	323561	6502826	41.4	0.02	740	0.009	<2
MB0013	329544	6502799	56.3	0.06	460	0.01	<2
MB0014	329512	6502773	54.7	0.02	400	0.01	<2
MB0015	329486	6502748	56.2	0.01	380	0.023	<2
MB0016	329364	6502640	50.9	0.02	880	0.004	<2
MB0017	329533	6502535	45.7	0.01	790	0.002	<2
MB0018	329495	6502487	43.6	0.34	640	0.014	18
MB0019	329449	6502452	55.1	0.09	1150	0.008	<2
MB0020	329381	6502430	61.2	0.08	480	0.013	<2
MB0021	329320	6502407	61.2	0.08	610	0.005	<2
MB0022	329323	6512400	62.3	0.05	370	0.01	<2
MB0023	329292	6502390	61.2	0.08	750	0.009	<2
MB0024	329253	6502384	55.1	0.10	510	0.01	<2
MB0025	329218	6502365	52.9	0.12	740	0.004	<2
MB0026	329194	6502353	44.9	0.04	680	0.005	<2
MB0027	329080	6502242	43.3	0.02	1000	0.015	<2
MB0028	329862	6502595	27	0.01	440	0.011	<2
MB0029	329882	6502634	52.9	0.24	600	0.001	<2
MB0030	329911	6502716	39.3	0.04	1100	0.004	<2
MB0031	329761	6503024	57	0.19	890	0.006	<2
MB0032	329764	6503025	29.9	0.15	840	0.004	<2
MB0033	329815	6503073	46.8	0.36	900	0.011	<2
MB0034	329798	6503086	50.5	0.17	1330	0.017	<2
MB0035	329821	6503102	11.8	0.07	680	0.005	<2
MB0036	329821	6503100	51.1	0.15	720	0.015	<2
MB0037	323881	6503110	61.2	0.11	1600	0.004	<2
MB0038	329864	6503132	49.9	0.11	1000	0.008	<2
MB0039	329980	6503167	52.8	0.27	380	0.006	<2
MB0040	329933	6503195	18.7	0.28	1210	0.004	<2
MB0041	329359	6503212	54.2	0.27	410	0.011	<2
MB0042	329978	6503231	45.4	0.20	300	0.008	<2

Willippa Dome Rockchip Sampling Results

A mapping and sampling traverse across the 'blind' magnetic anomaly within the Willippa Dome identified a zone of veining and breccias at the projected up plunge surface outcrop position of the magnetic anomaly. Several samples from this outcrop were highly anomalous in arsenic (maximum value sample WD0007=2940ppm As); base metal, and gold levels were generally low. Weak copper (maximum value sample WD0012=631ppm Cu) and silver (maximum value WD0013=44ppm Ag) anomalism were recorded along the traverse.

Samples of mullock from small Cu working to the NW of the magnetic anomaly, within the Willippa Dome returned assays of up to 11.3% (113000 ppm Cu - sample WD0020) further supporting the premise of Cu mineralising processes within the Willippa Dome.

Assay results from the Willippa Dome area are summarised in Table 6.

Ongoing Work Programs

Based on the field sampling and geophysical modelling, follow-up drilling for the project is being planned for the project.

Table 6. Rockchip assay results from the Willippa Dome area.

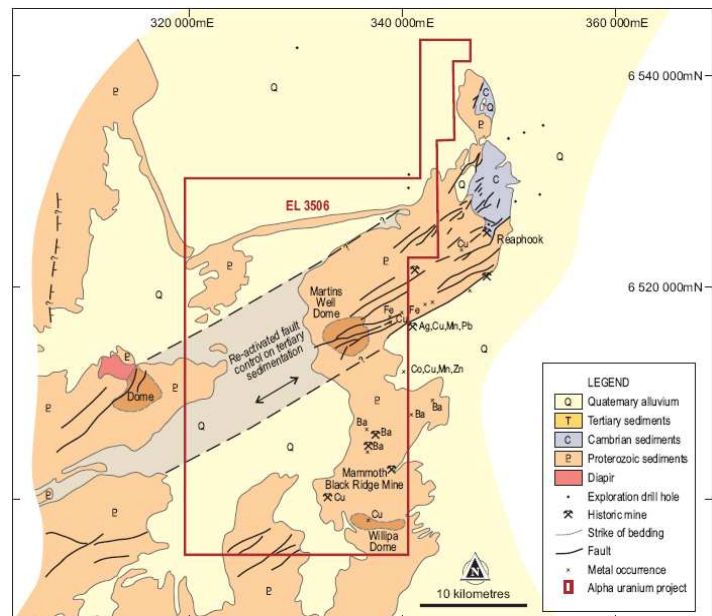
Sample ID	Easting m	Northing m	Fe %	Cu %	As PPM	Au PPM	Ag PPM
WD0001	329795	6497352	17.2	131	18	0.004	<2
WD0002	329795	6497352	2.44	515	9	0.006	3
WD0003	329809	6437408	4.42	100	<5	0.004	<2
WD0004	329837	8497458	4.97	82	<5	0.003	<2
WD0005	329954	6497608	6.32	74	214	0.004	<2
WD0006	329960	6497632	7.83	124	1310	0.007	<2
WD0007	329969	6497638	38.5	153	2940	0.002	4
WD0008	329977	6497642	31.3	95	2730	0.005	<2
WD0009	329978	6497661	19.4	69	2150	0.004	<2
WD0010	330026	6497697	29.3	104	919	0.002	<2
WD0011	330036	6497664	11.5	88	547	0.002	<2
WD0012	329900	6497712	21.9	631	23	0.003	41
WD0013	330010	6497743	40.6	573	17	0.003	6
WD0014	330004	6497755	45.1	108	11	0.002	<2
WD0015	330022	6497805	32.7	36	9	0.003	<2
WD0016	330094	6497855	26.3	94	60	0.002	3
WD0017	330083	6497877	26.2	40	134	0.002	<2
WD0018	330086	6497982	30.9	32	139	0.002	4
WD0019	323600	6519400	5.93	27	31	0.004	<2
WD0020	327995	6498399	14.6	11.30%	104	0.003	8
WD0021	327987	6498427	4.37	0.93%	572	0.002	<2
WD0022	328019	6498294	8.93	568	350	0.003	<2

Figure 6. Local geology of Martins Wells tenement

Project Overview

Parts of the Martins Well tenement EL3508 are covered by Pleistocene to Holocene sediments at the surface. Late Proterozoic sandstone, siltstone, dolomite and limestone subcrop, characterise the rest of the tenement.

Structural features consist of two domal features, the Martins Well and Willippa Domes, which define the distribution of Proterozoic and Cambrian strata. From the Martins Well Dome a swarm of barite, and manganese enriched faults extend northeast to the Reaphook Zn deposit. Similar style faults with a more northerly orientation extend north of the Willippa Dome. The Mammoth Black Ridge prospect is located on one of these faults and was developed on discordant, siliceous, ironstone striking approximately north northeast for 1.3km. Copper, silver and gold are reported to have been mined here.



The Quaternary sediments that cover a large portion of the tenement and mask older Tertiary sediments of the Eyre and Namba formations are host to the Beverly

and Honeymoon uranium deposits elsewhere in the Basin.

Three primary exploration target styles were identified within the area, namely Uranium: Palaeochannel ('Beverly Type') targets within the Frome Basin sediments; Cu (Au-U); Fe-oxide associated hydrothermal targets within the Willippa Dome, and several spatially associated gossanous zones to the North; and, Iron: in the Holowilena Ironstone.

ROLAND BARTSCH

CO-MANAGING DIRECTOR

Note: The information in this report that relates to exploration results is based on information compiled by Strategic Mineral Corporation NL's Technical Director Mr Roland Bartsch MSc. BSc. (Hons.) who is a member of the Australian Institute of Mining and Metallurgy. He has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration, and to the activity undertaken. He is qualified as a competent person as defined in the 2004 Edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves". He has consented to the inclusion of this information in the form and context in which it appears. The Australian Stock Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

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