



Cover Story



## **STRATEGIC MINERALS CORPORATION INCREASES RESOURCES AND EXPLORATION PROGRAM**

*Woolgar Gold Project – Queensland.*

During the December 2007 Quarter the Company commenced resource modeling of the most recent gold discovery at Camp Vein and the extensions to known mineralized positions at Grand Central West and Lost World for inclusion in the global resource estimate in due course.

The Camp Vein has similar geometry, grade and strike extent to the high grade Explorer Vein which contains an estimated 59,000 ounces of gold.

In response to higher gold price levels, resource estimates and mining economics of the project are being reassessed.

Recent drilling results clearly demonstrate potential to expand the near surface gold resource space to a target of 1 million oz. The near surface resources are amenable to open pit mining. Mining leases have been granted over the deposits, cultural heritage surveys have been completed and a 1 million cubic metre dam for supply of water has been constructed in preparation for mining.

At lower resource estimation gold cut-off grades, a larger unpublished gold resource exists in the Sandy Creek epithermal vein system at open cut mining depths.

The published Woolgar Project global gold resource is estimated at 449,000 ounces gold (which excludes unpublished new discoveries).

The global resource figure consists of several deposits, with Lost World being the largest. The 2001 resource estimate for Lost World was published at a 0.8 g/t gold cut off.

At a 0.5 g/t cut-off grade, an additional 138,000 ounces is estimated at Lost World, which when added to the current published resource estimates, gives a total global resource of 587,000 ounces of gold.

Low grade silver credits occur throughout the Sandy Creek epithermal veins with the gold mineralization, but are not quantified to date.

### Soapspar Gold Deposit Mining Assessment

Work on the Soapspar mining pre-feasibility study is progressing. Initial work involved the construction of a new resource model, which resulted in a resource upgrade to an estimated 95,200 oz gold.

The resource has been estimated with open cut mining and heap leach processing in mind with block sizes and estimation techniques as appropriate.

Current pre-feasibility work is focused on metallurgy. Preliminary results from additional metallurgical test work completed in the past quarter indicates fine crush sizes in the order of 1.2mm are required to achieve consistent good gold recoveries from lower grade

unweathered mineralization at Soap spar. The viability and costs associated with crushing to this size fractions are currently being assessed.

#### 2008 Exploration and Development Program

SMC is planning significant gold exploration programs at its Woolgar project in 2008.

Several high priority shallow drill targets are proposed for drill testing. Targets include additional shallow positions within the Sandy Creek area and the historical Woolgar Goldfield.

The company has elected to withdraw the IPO for Alpha uranium due to lack of liquidity in the market.

Ownership of the uranium interests in Queensland and South Australia will continue to be held by Strategic's subsidiary company, Alpha uranium, and in the course of the year's drilling program it is likely that SMC will include a number of holes in some of the selected uranium targets as part of its drilling campaign

The Managing Director of Strategic Minerals, Mr Walter Martin, told the Australian Investor, the withdrawal of the Alpha Prospectus had been fortuitous.

"We still own 100% of the asset, and will review the situation later on.

"We are in the fortunate position of having no debt at a time of very strong gold prices and have a gold resource which is near surface and open pit and could be brought into production relatively quickly. Additionally with the work completed to date we have increased the potential for extension of the existing resource" Mr Martin explained.

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