

# STRIKE

## RESOURCES LIMITED

### 30 JUNE 2007 QUARTERLY REPORT

#### SUMMARY OF ACTIVITIES IN JUNE 2007 QUARTER

**18 May 2007** - Uranium assets spin-off vehicle, Alara Uranium Limited lodges its IPO Prospectus seeking to raise up to \$10 million at 25 cents per share. Eligible Strike shareholders were entitled to a priority pool of \$5.5 million (22 million shares).

**18 May 2007** - Completion of share sale agreements to dispose of uranium assets to Alara Uranium Limited in consideration for 28.75 million shares.

**18 May 2007** - Peruvian subsidiary, Strike Resources Peru SAC, enters into a lease and option agreement in respect of 3 mineral concessions totalling 1,900 hectares in the Apurimac District, in consideration for staged lease payments of US\$200,000 (over 18 months); the exercise price for the acquisition of the concessions is US\$3 million (expiring in 2 years).

**24 May 2007** - Completion of \$15.12 million share placement at \$2.10 per share to overseas (UK and US based) institutional investors.

**24 May 2007** - Alara Uranium Limited (ASX Code: AUQ) admitted to Australian Securities Exchange (ASX) and commences trading on ASX; AUQ opens at \$0.40 per share.

**19 June 2007** - Released results from 19 hole RC drilling totalling 2,650 metres on the Opaban I concession in the Apurimac Project area; key intercepts from this March 2007 drilling programme were:

Hole No	Intersection / Total Cumulative Intervals (metres)	Average Fe Grade
OP1-053	108	62.17%
OP1-059	70	63.50%
OP1-060	72	61.55%
OP1-054	62	61.37%

**27 June 2007** - Indonesian subsidiary, PT Indo Batubara, assigns 70% interest in the Berau Coal Project (East Kalimantan) to PT Orion Indo Mining (PTOIM) (a subsidiary of Orion Equities Limited) in consideration of PTOIM assuming Strike's obligations under the cooperation agreement with the concession holder. Strike's 30% interest will be free-carried until a decision to mine is made by PTOIM.

**19 July 2007** - Released JORC Inferred Resource estimate of 172 million tonnes grading 62.28% Fe from the Opaban I and III concessions in the Apurimac Project area.

**26 July 2007** - Completion of 6 core holes in northern section of Opaban 1 concession. Preliminary analysis indicates intervals of up to 43 metres of massive iron ore mineralisation.

#### OBJECTIVES FOR SEPTEMBER 2007 QUARTER

##### Apurimac Iron Ore (Peru):

- Upon receipt of local community approvals and environmental permits, undertake further drilling campaigns:
  - Opaban I concession - to the north, west and at depth;
  - Opaban III concession - to test further iron ore mineralisation;
  - In priority targets showing surface outcrops of iron ore mineralisation within the remaining 23 Apurimac Project concessions.
- Interpretation of assay results from recently completed (June 2007) drilling in the northern section of the Opaban I concession;
- Completion of 9,198 line kilometres of airborne geophysical (magnetic) surveying over the north-western parts of the Apurimac district;
- Conduct detailed ground magnetic and gravity geophysical surveys over priority concessions within the Apurimac Project area to define additional iron ore targets.

##### Cuzco Iron Ore (Peru):

- Interpretation of assay results and mineralogy/metallurgical testing from recently completed (June 2007) scout drilling;
- Determine extent of near surface iron ore mineralisation through mapping, trenching and sampling.

##### Banten Copper/Gold (Indonesia)

Completion of diamond core drilling programme and interpretation of assay results.

##### Return of Capital of Alara Uranium Limited Shares

Subject to receipt of shareholder approval and final tax advice, undertake the completion of an *in-specie* distribution of AUQ shares.

**Dated: 31 July 2007**

##### Further information:

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## COMPANY PROFILE

Strike Resources Limited (ASX Code: SRK) is an Australian based mineral exploration and development company with a prospective portfolio of mineral exploration projects in Australia, Peru and Indonesia:

PROJECTS	LOCATION	COMMODITY	AREA (Hectares)
(1) Apurimac	Apurimac District, Peru	Iron Ore	20,888
(2) Cuzco	Cuzco District, Peru	Iron Ore	4,926
(3) Banten	West Java, Indonesia	Copper/Gold	5,601
(4) Paulsens East	West Pilbara, Western Australia	Iron Ore and Gold	1,964
(5) King Sound	West Kimberley, Western Australia	Mineral Sands	65,200

Peru is a major mining country and a top five producer of several base and precious metals, including copper and gold. Strike's confidence in Peru's mining and contractual laws is supported by the presence in the country of some of the world's leading mining companies. Although the country has had a long history of mining, its mineral potential is still considered outstanding as mineral discoveries continue to be made.

The Board comprises members with extensive experience in the resources sector, including Chairman, **Dr John Stephenson**, previously Exploration Director for Rio Tinto Australasia with more than 35 years experience in mineral exploration, Managing Director, **Mr H. Shanker Madan**, an experienced senior geologist with more than 30 years of world-wide experience in the exploration and evaluation of mineral deposits for various commodities, and **Professor Malcolm Richmond**, who has 30 years experience with the Rio Tinto and CRA Groups in a number of positions including: Vice President, Strategy and Acquisitions, Managing Director, Research and Technology, Managing Director Development (Hamersley Iron Pty Limited).

Strike continues to investigate prospective iron ore resources in Peru, Australia and other regions. This includes applying for mineral concessions, entering into joint ventures and taking options over and acquiring concessions.

## APURIMAC AND CUZCO PROJECTS (IRON ORE)

The Company has secured the right to progressively earn a 68.15% or greater interest in potentially large high grade hematite and magnetite deposits in Peru - the Apurimac and Cuzco Projects - through an investment in Apurimac Ferrum S.A. (AF), a Peruvian company that holds title to the concessions in the projects.

On 19 July 2007, the Company announced a total JORC Compliant Inferred Resource within the Opaban I and III concessions of 172 million tonnes grading 62.28%, based on 6,383 metres of assayed RC and diamond drilling conducted at Opaban I and 1,102 metres of assayed diamond drilling conducted at Opaban III.

The Company has previously announced details of these projects based upon reports issued by the Peruvian Ministry of Energy and Mines (PMEM).

Subsequent announcements by the Company have contained JORC compliant resource estimates for a portion of the Apurimac Project area based on drilling conducted within 2 (Opaban I and III) of the 25 concessions for that area and a resource estimate for the Cuzco Project area based on detailed geophysical work conducted on that area.

The following table summarises these estimates:

	Estimate	Source
<b>Apurimac Project</b>	730 Mt target mineralisation	PMEM
<i>Including: Opaban I Concession</i>	151 Mt JORC Inferred Mineral Resource	Strike <sup>1</sup>
<i>Opaban III Concession</i>	21 Mt JORC Inferred Mineral Resource	Strike <sup>2</sup>
<b>Cuzco Project</b>	570Mt to 650Mt target mineralisation	Strike <sup>3</sup>

(It is noted however that the target mineralisation referred to above by PMEM and for the Cuzco Project is conceptual in nature as there has been insufficient exploration to define a JORC compliant Mineral Resource and it remains to be ascertained if exploration will result in the determination of a Mineral Resource.)

The Company's investigations suggest that the iron oxide deposits in the Apurimac and Cuzco districts are metamorphic skarn deposits in limestone at the contact of intrusive monzonite and granodiorite rocks. At both these locations, much of the contact is obscured by Quaternary sediments. Most of the deposits outcrop as massive hematite and hematite-magnetite deposits having being variously oxidised since their formation.

The Company's drilling has now confirmed that the deposits at the Apurimac Project range from high-grade hematite, hematite-goethite to high-grade hematite-magnetite and magnetite enrichment to various grades. Such deposits are generally known to be subsequently intruded by porphyry dykes and also contain remnants of metamorphosed calcareous rocks.

1 [19 July 2007: ASX market announcement titled "Apurimac Project - JORC Resource Statement"](#)

2 [23 August 2006: ASX market announcement titled "Peru Iron Ore Update on Apurimac Project"](#)

3 [1 November 2006: ASX market announcement titled "Peru Iron Ore Update - Cuzco Project"](#)

# PROJECT OVERVIEW



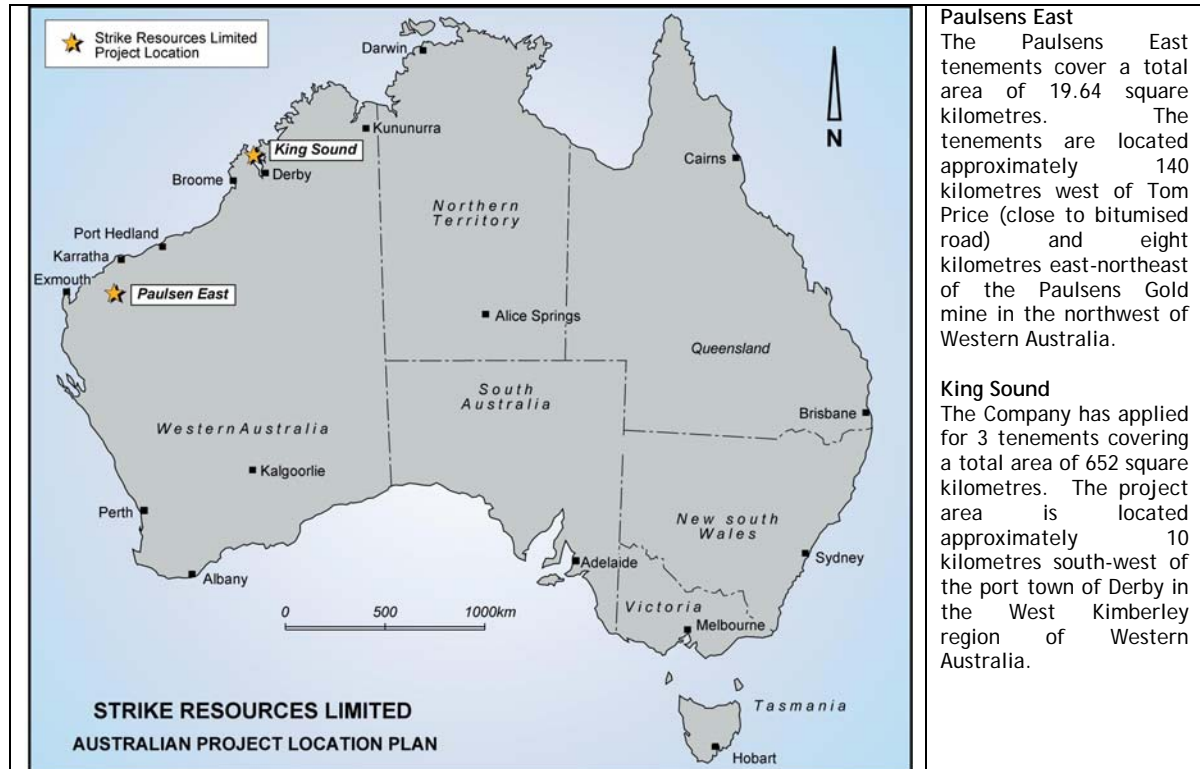
**STRIKE RESOURCES LIMITED**  
**PERU IRON ORE PROJECTS**  
**LOCATION PLAN**



# PROJECT OVERVIEW

## AUSTRALIAN PROJECTS

Strike's project areas in Western Australia are located in the geographic map below.



## INDONESIAN PROJECTS

### Banten (Copper/ Gold)

This project comprises a 5,601 hectare concession located approximately 100 kilometres south-west of Jakarta.

Strike has identified epithermal gold veins, gold stock works and associated porphyry copper targets within the concession.



## 1. Apurimac Iron Ore Project (Peru)

By the AF Agreement<sup>4</sup> and the MAPSA Agreement<sup>5</sup>, the Company has secured the right to earn a 68.15% (or greater) interest in the Apurimac Project or the Cuzco Project or both (at the Company's election).

Apurimac Project summary details are as follows:

- JORC Compliant Inferred Resource within the Opaban I and III concessions of 172 million tonnes grading 62.28% Fe, based on 6,383 metres of assayed RC and diamond drilling conducted at Opaban I and 1,102 metres of assayed diamond drilling conducted at Opaban III;
- Based upon a report issued by the Peruvian Ministry of Energy and Mines (PMEM): estimated target mineralisation of 730 million tonnes of high grade hematite and magnetite iron ore grading at between 60 and 66% Fe, between 2 and 5% Silica and between 0.2 and 0.8% Alumina;
- 25 mining concessions having a total area of 20,888 hectares;
- Concessions are located close to the city of Andahuaylas in Peru's southern Andes.

It is noted that the potential quantity and grades of the PMEM target mineralisation referred to above are conceptual in nature; there has been insufficient exploration to define a JORC compliant Mineral Resource; it remains to be ascertained if exploration will result in the determination of a Mineral Resource. The Company further notes that the estimate by PMEM is based on mapping and surface sampling and have not been based on drilling. Detailed exploration will be required to confirm the estimate and to determine the full iron ore potential of the project.

### 172 MILLION TONNE JORC INFERRED RESOURCE

The total JORC Inferred Resource within the Opaban I and III concessions is currently 172 million tonnes grading 62.28% Fe.

This is based on 6,383 metres of assayed RC and diamond drilling conducted at the Opaban I concession and 1,102 metres of assayed diamond drilling conducted at the Opaban III concession.

The Inferred Resource estimate for Opaban I has been calculated at 151 million tonnes grading 62.16% Fe with a cut-off grade of 55% Fe.

The Inferred Resource estimate for Opaban III has been previously reported<sup>6</sup> at 21 million tonnes grading 63.1% Fe with a cut-off grade of 55% Fe.

The Opaban I and Opaban III iron mineralisation present as high grade hematite/magnetite aggregates with low levels of impurities.

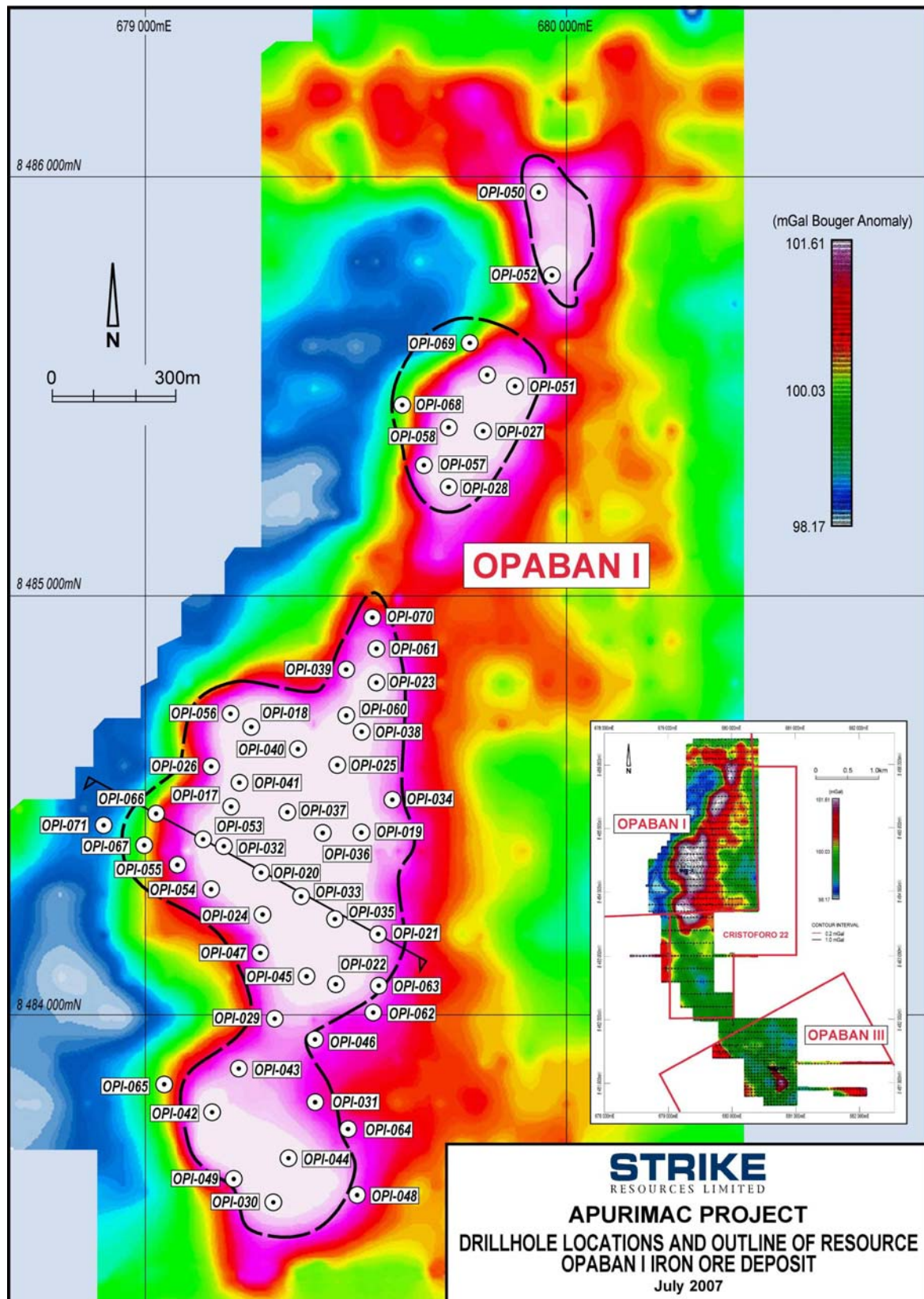
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4 By an agreement dated 2 July 2006 between Strike and Peruvian companies, Apurimac Ferrum S.A (AF), Minera los Andes y el Pacifico S.A. (MAPSA) and D&C Pesca S.A.C. (D&C) (and a more formal shareholders' agreement executed on 10 November 2006) pursuant to which Strike has secured the right to earn a 51% (or greater) interest in the Apurimac Project or the Cuzco Project or both (at Strike's election) through a progressive US\$6.5 million investment in AF (which holds title to such projects) and the exercise of options to acquire AF shares from D&C and MAPSA (at a total cost of US\$34.5 million), within a 5 year period. After such investment and acquisition, Strike will hold a 51% shareholding in AF with D&C and MAPSA each holding a 24.5% interest in AF.

5 By an agreement dated 1 February 2007 between Strike, MAPSA and shareholders of MAPSA (MAPSA Shareholders), Strike has acquired a 70% interest in MAPSA's residual 24.5% interest in AF, in consideration for staged payments totalling US\$10 million (being a combination of \$6 million cash and the issue of 3 million Strike shares) over 2 years and a further US\$10 million when production and sales from these projects first exceeds 20 million tonnes per annum.

6 [23 August 2006: ASX market announcement titled "Peru Iron Ore Update on Apurimac Project "](#)

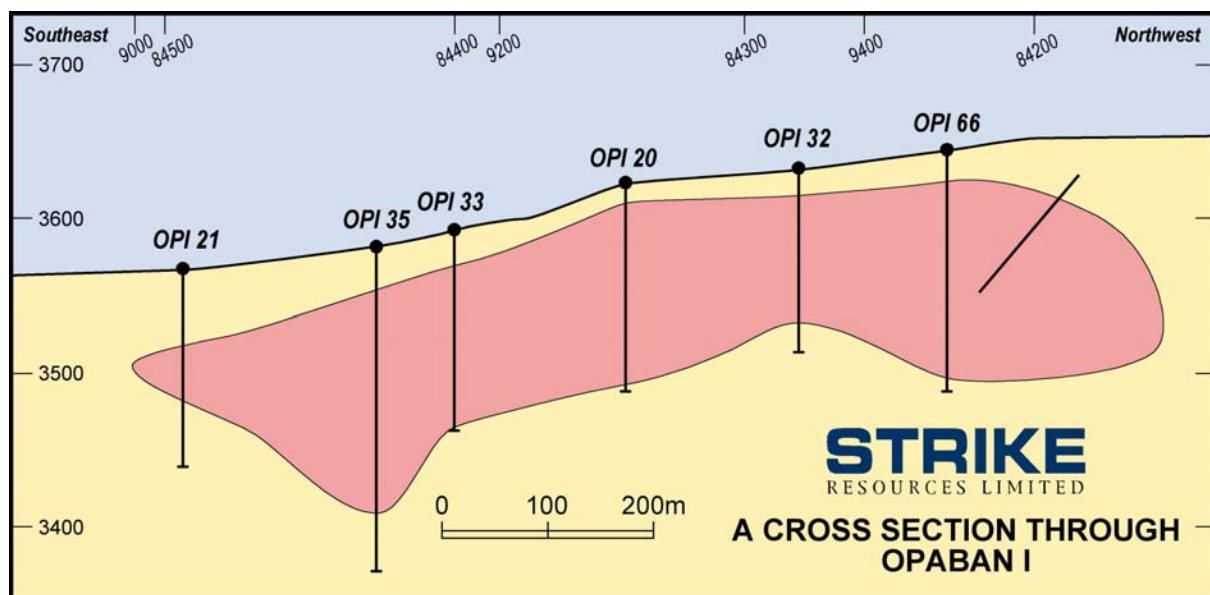
Details of the drilling conducted at Opaban I to outline the JORC Resource estimate for this concession are presented in the following diagram:



(Holes described as OP1-17 to OP1-31 were the drill locations for the 2005 diamond drilling programme, OP1-32 to OP1-52 were the drill locations for the December 2006 RC drilling programme and OP1-53 to OP1-71 were the drill locations for the March 2007 RC drilling programme.)



A cross section of the Opaban I deposit is shown in the diagram below. This cross section highlights the flat lying tabular nature of the deposit and also demonstrates the potential for a low waste to ore ratio for any future mining of the deposit.



*Note: Vertical exaggeration is approximately 2:1*

The 151 million tonne Inferred resource classification has been made based upon a number of criteria, including the geological confidence, the integrity of the drilling data and the spatial continuity of the mineralisation. Polygonal resource calculation methodology was adopted using weighted average grades and cumulative thicknesses of +55% Fe intervals within drill holes. The nature of the deposit is high grade iron skarn mineralisation hosted in limestone at the margins of and intruded by diorite.

## Exploration Programme

The JORC Inferred Resource estimate referred to above has been based on 3 drilling programmes, the most recent of which was completed in March 2007, the results of which are outlined below.

### Apurimac Project: Opaban I March 2007 Drilling Results

A 2,652 metre, 20 drill hole infill reverse circulation (RC) drilling programme was completed in late March 2007 at the Opaban I concession within the Apurimac Project to expand the resource and delineate the extent of high grade mineralisation outlined in previous drilling.

Summary of results released on 18 June 2007<sup>7</sup>:

- Assay results indicate the presence of massive iron mineralisation with individual grades of up to 69% Fe with the highest average grade being 66.8% Fe for 34 metres.
- Drilling also indicates the presence of significant cumulative thicknesses of high grade mineralisation with the best result being 108 metres @ 62.17% Fe.
- Cumulative thicknesses of between 26 metres and 108 metres of +60% iron mineralisation were intersected in 13 RC drill holes.
- Drilling indicates that the high grade mineralisation continues to extend to the west and north and remains open in both directions.



- Key intersection results from 4 holes, which confirms the high grade nature of the mineralisation to considerable depth at Opaban 1:

Hole No	Intersection / Total Cumulative Intervals (metres)	Average Fe Grade
OP1-053	108	62.17%
OP1-059	70	63.50%
OP1-060	72	61.55%
OP1-054	62	61.37%

Details of the drilling results from the 19 drill holes completed in March 2007 are contained in the table below:

March 2007 Drilling Results for Opaban 1 Concession (Apurimac Project, Peru)

Hole	Easting	Northing	Dip	Depth	Mineralisation			Cumulative	Fe	P	Al2O3	SiO2	S	TiO2	LOI 1000	Comment
				m	From (m)	To (m)	Thickness (m)	Thickness(m)	%	%	%	%	%	%	%	
OP1-053	679134	8484528	-90	210	26	70	44	108	64.05	0.03	1.13	4.42	0.03	0.07	-0.01	
					118	182	64		60.79	0.03	2.18	6.87	0.03	0.11	0.53	
OP1-054	679153	8484309	-90	190	72	118	46	62	61.67	0.02	1.16	3.99	0.1	0.07	1.34	
					162	178	16		60.49	0.03	2.05	6.36	0.03	0.11	0.33	
OP1-055	679072	8484363	-90	190	38	52	14	78	62.57	0.03	1.41	5.29	0.07	0.08	0.96	
					74	138	64		59.08	0.04	2.55	7.82	0.05	0.17	0.86	
OP1-056	679199	8484722	-90	160	20	46	26	48	62.18	0.03	1.45	6.78	0.01	0.09	-0.62	
					72	94	22		61.68	0.03	1.62	6.84	0.01	0.1	-0.17	
OP1-057	679658	8485317	-90	152	38	84	46	46	60.45	0.04	2.06	7.17	0.12	0.11	1.01	
OP1-058	679721	8485406	-90	82	0	26	26	26	63.29	0.03	1.3	4.21	0.19	0.09	2.29	
OP1-059	679812	8485532	-90	122	12	52	40	70	64.12	0.02	1.14	5.26	0.04	0.12	-0.18	
					76	106	30		62.67	0.02	0.8	3.42	2.06	0.06	-0.54	
OP1-060	679475	8484719	-90	108	0	54	54	72	62.7	0.04	1.41	7.26	0.01	0.15	-0.24	
					58	76	18		58.1	0.03	1.71	6.61	0.02	0.1	2.91	
OP1-061	679545	8484880	-90	130	24	44	20	34	63.25	0.03	1.5	5.43	0.07	0.08	-0.18	
					80	94	14		60.56	0.07	1.72	6.44	0.03	0.1	0.36	
OP1-062	679537	8484012	-90	80												Defines eastern limit of Opaban 1
OP1-063	679554	8484078	-90	110												Defines eastern limit of Opaban 1
OP1-064	679478	8483735	-90	120												Defines eastern limit of Opaban 1
OP1-065	679041	8483841	-90	118												Faulted.
OP1-066	679022	8484486	-90	126	50	84	34	34	66.8	0.03	0.59	2.04	0.1	0.05	0.94	
OP1-067	678992	8484413	-90	132	60	104	44	44	65.98	0.03	0.52	2.18	0.15	0.05	1.33	
OP1-068	679607	8485461	-90	142	50	72	22	38	63.69	0.03	1.03	5.6	0.04	0.05	0.64	
					82	98	16		61.5	0.02	1.01	3.93	1.86	0.05	-0.02	
OP1-069	679768	8485610	-90	190	50	68	18	44	59.37	0.07	2.12	8.17	0.01	0.13	0.27	
					82	96	14		66.74	0.03	0.97	3.32	0.04	0.06	-0.89	
					114	126	12		63.73	0.01	0.78	3.01	1.85	0.05	-0.78	
OP1-070	679539	8484955	-90	130	0	10	10	48	61.48	0.07	2.86	6.09	0.03	0.15	1.21	
					78	116	38		63.9	0.03	1.01	3.79	0.51	0.07	0.2	
OP1-071	678897	8484461	-90	160												Mineralisation sub 60% Fe

The proposed exploration programme for the July to September 2007 quarter is outlined below:

- (a) Upon receipt of local community approvals and environmental permits, undertake further drilling campaigns at:
  - (i) Opaban I concession - to the north, west and at depth;
  - (ii) Opaban III concession - to test further iron ore mineralisation;
  - (iii) Priority targets of surface outcrops of iron ore mineralisation within the remaining 23 Apurimac Project concessions.
- (b) Fugro Airborne Surveys (Peru) will be completing a 9,198 line kilometres of airborne geophysical (magnetic) survey over the north-western parts of the Apurimac District for the Company. The survey will be flown at 500 metre line spacings;
- (c) Conduct detailed ground magnetic and gravity geophysical surveys over priority concessions within the Apurimac Project area. The surveys will define additional iron ore targets over concessions, including Opaban I, Opaban III, Cristoforo 11, Cristoforo 14, Cristoforo 22, Cristoforo 28, Los Andes, MAPSA 2001, Ferrum 4, Ferrum 2, Ferrum 7, Ferrum 8, Ferrum 9, Corominas 5 and Corominas 2, within the Apurimac Project area, each of which have high grade iron ore exposed at surface. In addition, gravity surveys will be conducted to define anomalous iron ore targets in Opaban III.

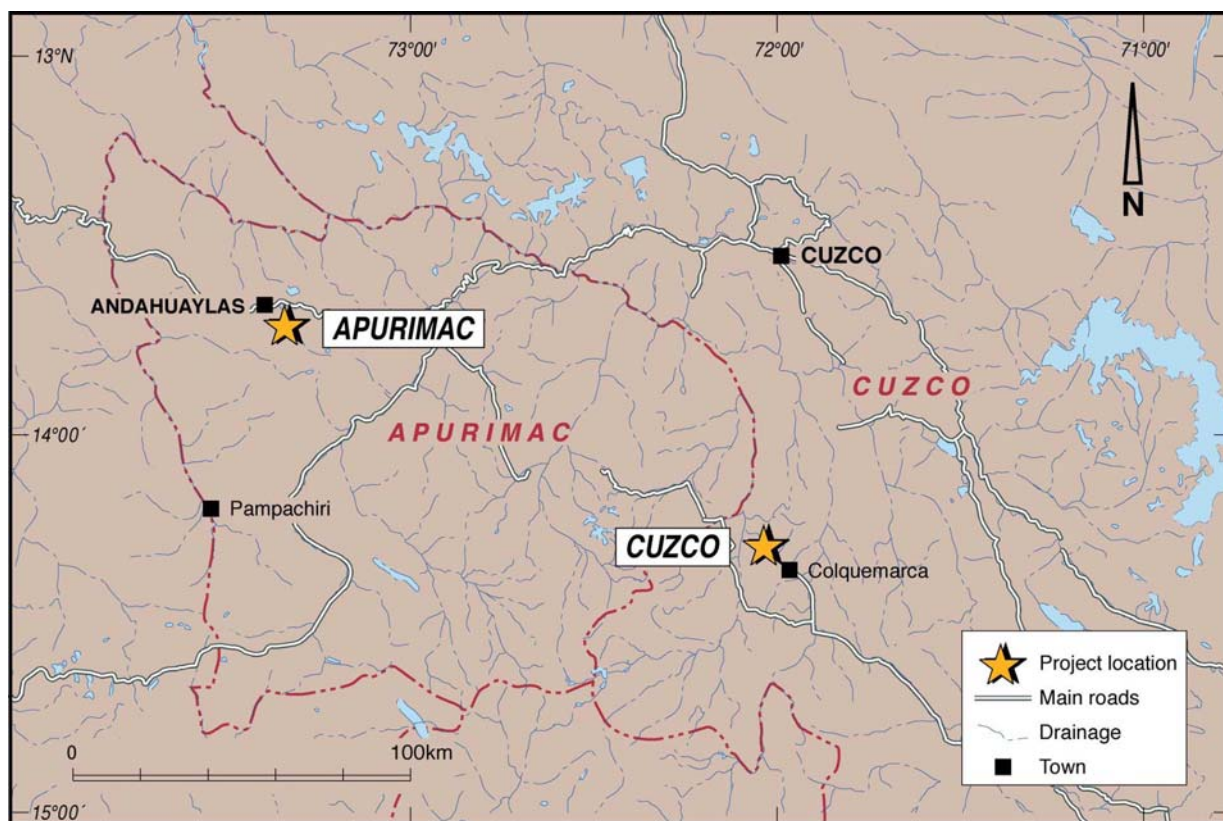
### Community Relations

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The Company recognises the importance of establishing and maintaining positive relations with community groups in the Apurimac and Cuzco Project areas. In particular, community approvals are required for each drilling programme and the conduct of subsequent mining activity. To date, approvals have been sought and obtained on a programme by programme basis.

The Company has determined to approach community relations on a long term basis, recognising the importance of sustaining positive long term relationships with the local communities. To this end, the Company has recently appointed Socios Peru, a consulting firm that assists in fostering relationships between project developers and local community groups.

Socios Peru, together with local Company community relations officers, is assisting the Company in current consultations with communities in the Apurimac Project areas and the development and implementation of a longer term Communities Relations Strategy in the area. Drilling will re-commence as and when appropriate community approvals are received.



**STRIKE RESOURCES LIMITED**  
**PERU IRON ORE PROJECTS**  
**PROJECT LOCATION PLAN**

## 2. Cuzco Iron Ore Project (Peru)

By the AF Agreement and the MAPSA Agreement, the Company has secured the right to earn a 68.15% (or greater) interest in the Cuzco Project.

Cuzco Project summary details are as follows:

- The Company has determined a target mineralisation in the Cuzco concessions of between 570Mt to 650MT of high grade iron ore.<sup>8</sup> This is based on the Company's review of a 2006 report on detailed geophysical surveys on the Cuzco project area by Val D'or Geofisica, a Peruvian geophysical consultancy group;
- 6 mining concessions having a total area of 4,926 hectares;
- Concessions are located approximately 80 kilometres south from the city of Cuzco in Peru's southern Andes.

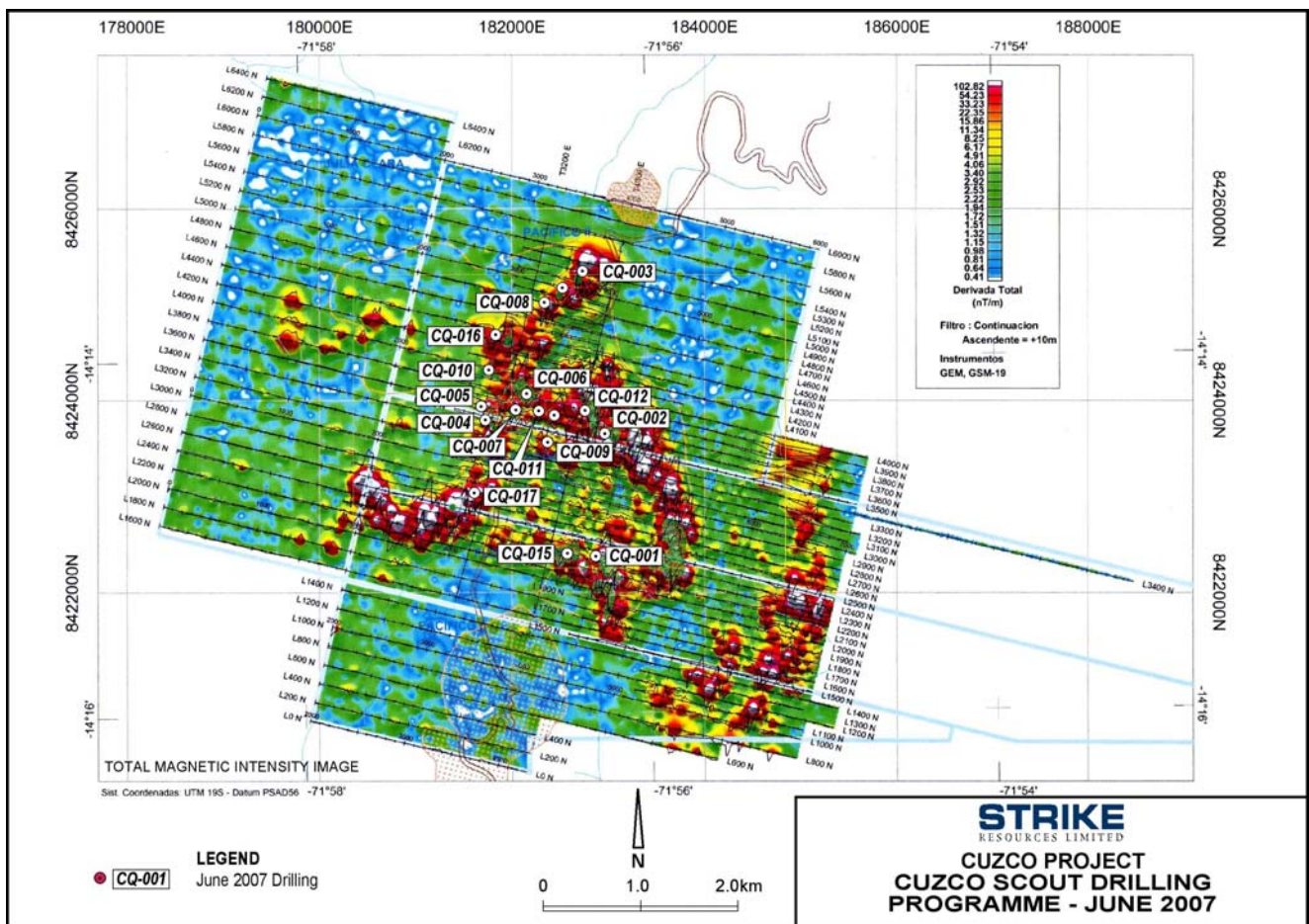
It is noted that the potential quantity and grades of the target mineralisation referred to above are conceptual in nature; there has been insufficient exploration to define a JORC compliant Mineral Resource; it remains to be ascertained if exploration will result in the determination of a Mineral Resource. The Company further notes that the estimate is based on mapping and surface sampling and have not been based on drilling. Detailed exploration will be required to confirm the estimate and to determine the full iron ore potential of the project.

8 [1 November 2006: ASX market announcement titled "Peru Iron Ore Update - Cuzco Project"](#)

## Exploration Programme

As part of its contractual obligations to earn its 51% controlling interest in Apurimac Ferrum SA (the Peruvian company which holds the concessions in the Apurimac and Cuzco Projects), the Company completed a 2,618 metres 17 holes scout core and RC drilling programme at Cuzco in June 2007.

Details of the scout drill hole locations (overlaid on to a magnetic intensity image) are presented in the diagram below.



Drill samples are currently being assayed and the Company will announce these results in due course.

The proposed exploration programme for the July to September 2007 quarter is outlined below:

- Interpretation of assay results and mineralogy/metallurgical testing from recently completed (June 2007) scout drilling;
- Determine extent of near surface iron ore mineralisation through mapping, trenching and sampling.



## 2. Banten Copper/Gold Project (West Java, Indonesia)

This project comprises a 5,601 hectare concession located approximately 100 kilometres south-west of Jakarta. Strike has identified epithermal gold veins, gold stock works and associated porphyry copper targets within the concession.

PT Indo Batubara<sup>9</sup> (PTIB) commenced a diamond core drilling programme in late June 2007. The first hole was drilled to a final depth of 43.6 metres. The hole intersected altered volcanic rocks, assay results are pending. Drilling was slower than anticipated due to fractured ground conditions and the presence of several underground workings. The drilling programme will continue until the end of August and assay results are expected in September.

PTIB has previously conducted survey and sampling programmes within the concession area. Lead-Zinc skarn mineralization was observed and sampled at a number of localities. Rock chip assay results of skarn type mineralization have yielded up to 5.49% Zinc (Zn) and 3.53% Lead (Pb). Petrographic analysis of selected samples from the sampling programme has confirmed the presence of both epithermal and Pb-Zn skarn mineralization styles within close proximity.

A summary of the sampling programme conducted during the March 2007 quarter is outlined below:

SAMPLE	Au ppm	Pb %	Zn %
SM001	1.16		
SM002A		1.35	1.59
SM003		3.53	5.49
SM004			
SM005		1.05	2.78
SM006			
SM006B	1.09		

By a cooperation agreement dated 16 March 2005 between Strike Operation Pty Ltd<sup>10</sup> (SOPL), PTIB and PT Suda Miskin (Suda Miskin), PTIB has acquired the right to exclusively conduct general survey activities, explore for, exploit, mine and sell gold and any other minerals in the concession area.

Under the terms of the agreement, Strike has paid US\$55,000 to Suda Miskin and has the following future payment and profit sharing obligations to Suda Miskin:

- (a) US\$30,000 by April 2008; and
- (b) A 19% share of after tax net profits from production.

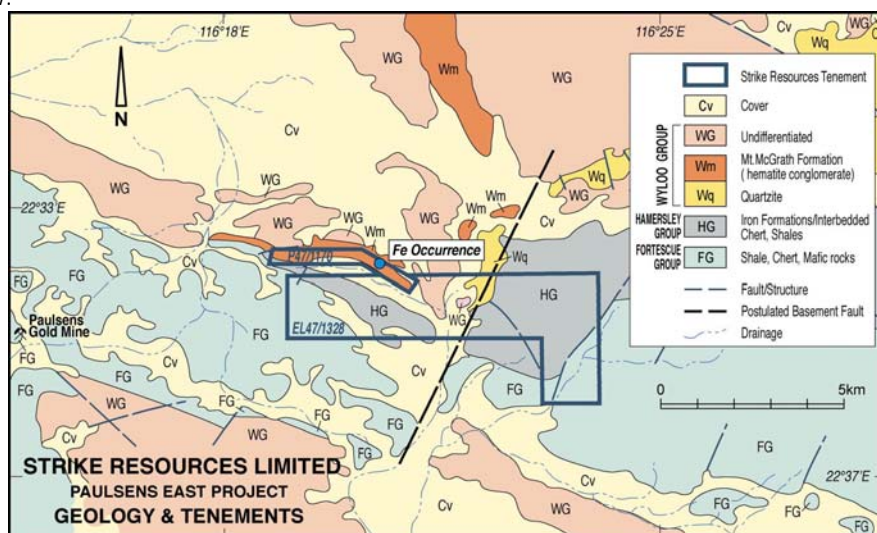
<sup>9</sup> An Indonesian company beneficially owned by SOPL

<sup>10</sup> A wholly owned subsidiary of Strike

## 3. Paulsens East Iron Ore Project (West Pilbara Region, Western Australia)

The Paulsens East tenements cover a total area of 19.64 square kilometres. The tenements are located approximately 140 kilometres west of Tom Price (close to bitumised road) and eight kilometres east-northeast of the Paulsens Gold mine in the northwest of Western Australia.

A map outlining these tenements and the area of the high grade hematite conglomerate mineralisation is shown below.



The Company believes that there may be sufficient high-grade resource above the surface and at shallow depths up to 20 metres to support a small mining operation. The Company notes however that additional work would need to be undertaken before any mining operation could commence.

During the quarter, the Company did not engage in any further exploration works on the tenements.

The Company has previously conducted analysis and evaluation of results obtained from a RC drilling programme completed in December 2006. A summary of the drilling results is outlined below:

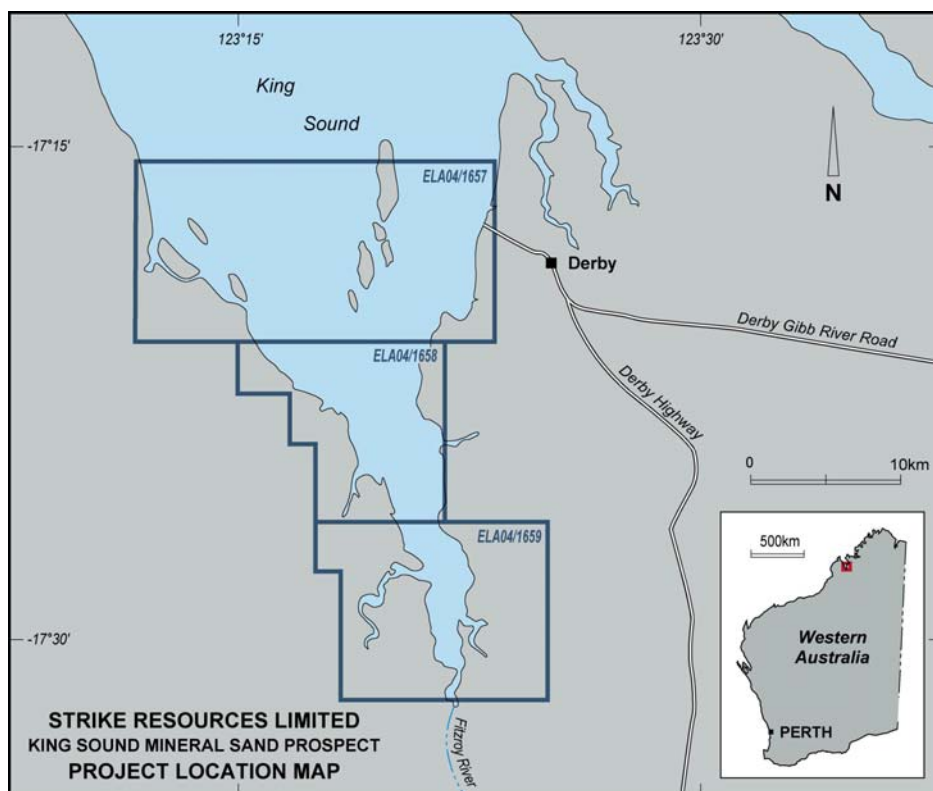
Hole ID	Mineralisation			Fe	SiO2
	From (m)	To (m)	Width (m)	%	%
PERC001	21	22	1	63.09	4.96
PERC001	28	29	1	64	5.26
PERC002	14	16	2	65.15	3.2
PERC002	18	22	4	63.45	4.58
PERC003	82	83	1	65.19	3.34
PERC003	86	87	1	64.62	4.26
PERC003	88	90	2	62.79	6.17
PERC004	12	14	2	65.73	3.2
PERC004	17	19	2	63.86	4.19
PERC005	126	128	2	60.79	7.48
PERC006	58	60	2	61.23	6.56
PERC006	64	65	1	61.32	5.34
PERC006	71	72	1	59.58	5.79
PERC006	75	78	3	60.71	6.06
PERC006	82	83	1	64.73	4.46
PERC007	73	74	1	60.93	5.48
PERC008	35	36	1	60.77	8.75

The drilling results show high grade intersections in PERC002 averaging 65.15% Fe from 14 to 16 metres and 63.4% Fe from 18 to 22 metres. However, in the remaining 7 holes designed to intersect the mineralisation at depths between 12 metres and up to 128 metres only narrow thicknesses of one and 2 metres of high-grade conglomerate analysing between 60% Fe and 65% Fe, sandwiched between siliceous metasediments were encountered.

## 4. King Sound Mineral Sands Project (West Kimberley Region, Western Australia)

The Company has identified the King Sound area as being prospective for the accumulation of heavy minerals. During the March 2007 quarter, the Company applied for 3 tenements covering a total area of 652 square kilometres. The project area is located approximately 10 kilometres south-west of the port town of Derby in the West Kimberley region of Western Australia.

Historical reporting indicates Carr Boyd Minerals Limited took two samples for mineralogical determinations in 1971. One of the samples contained 1.1% magnetite, 12.1% ilmenite and 3.5% zircon before concentration. Heavy minerals made up 22.7% of the material. The area was subsequently sampled by Metal Investment Pty Ltd (Reported by Geodrillers P.L., 1971) using lines of auger holes. Their preliminary petrological examination gave the following mineralogical composition: 20% magnetite (by weight), 50% to 60% ilmenite (of which 10% is highly altered leucosene), 1% to 5% rutile and approximately 5% zircon.



*The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves has been compiled by Mr Hem Shanker Madan who is a Member of The Australian Institute of Mining and Metallurgy. Mr Madan is the Managing Director of the Company. Mr Madan has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves (the JORC Code)." Mr Madan consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

## 1. COMPLETION OF \$15.12 MILLION SHARE PLACEMENT

On 24 May 2007, the Company was pleased to announce the completion of a \$15.12 million share placement to UK and US based institutional and professional clients of Patersons Securities Limited through the issue of 7.2 million shares at an issue price of \$2.10 each.

These funds will allow the Company to continue to accelerate its US\$6.5 million investment commitments in relation to the Apurimac and Cuzco Iron Ore Projects in Peru.

In addition, the funds raised will permit the commencement of detailed pre-feasibility studies referred to earlier in this report.

The Company will also apply the funds raised to continue to evaluate other prospective mineral resources in Peru, Indonesia and Australia.

## 2. URANIUM ASSETS SPIN-OFF INTO ALARA URANIUM LIMITED

On 18 May 2007, the Company completed the sale of its uranium tenement interests in Peru, the Northern Territory and Western Australia to Alara Uranium Limited (Alara) (ASX Code: AUQ).

It was first announced on 16 February 2007 that Alara was acquiring Strike's and Orion Equities Limited's (Orion) uranium tenement interests and would be undertaking an Initial Public Offering (IPO) of up to \$10 million at 25 cents per share. Completion of the minimum subscription of \$4 million was a condition of the sale agreements entered into between Alara and each of Strike and Orion.

Alara lodged its IPO Prospectus on 3 April 2007. Alara's IPO successfully closed on 9 May 2007 with applications received of nearly \$27 million, well in excess of the maximum issue of \$10 million.

40 million shares (at \$0.25 each raising \$10 million gross) were allotted to applicants on 18 May 2007.

Alara was admitted to the Official List of the Australian Securities Exchange (ASX) and AUQ shares commenced trading on ASX on 24 May 2007.

The share sale agreements for Alara to acquire uranium assets from Strike and Orion were completed on 18 May 2007 with 35 million shares issued to these vendors.

18,750,000 shares were issued to Strike as consideration for the acquisition of Strike Uranium Pty Ltd (now known as Alara Operations Pty Ltd) and Strike Uranium Peru Pty Ltd (now known as Alara Peru Operations Pty Ltd); Alara Peru Operations Pty Ltd has a Peruvian subsidiary, Alara Peru S.A.C (formerly Strike Uranium Peru S.A.C). These shares are subject to escrow for 24 months from the date of official quotation of Alara's shares on ASX.



The post-IPO (and current) capital structure of Alara is as follows:

		% of Issued Capital
Existing shares (at incorporation)	5,500,000	6.8%
Issue to Strike under Strike Uranium Agreement <sup>11</sup>	18,750,000	35.7%
Issue to Strike under Peru Sale Agreement <sup>12</sup>	10,000,000	
Issue to Orion under Hume Sale Agreement <sup>13</sup>	6,250,000	7.8%
Shares issued under the Prospectus:		
Strike Priority Pool to Eligible Strike Shareholders <sup>14</sup>	22,000,000	27.3%
Orion Priority Pool <sup>15</sup>	2,000,000	2.5%
Public Offer pool	16,000,000	19.9%
<b>Total Shares</b>	<b>80,500,000</b>	<b>100.00%</b>

### Strike's Distribution Of Alara Shares *In Specie*

Strike has agreed to undertake an *in-specie* distribution of up to 16,000,000 shares in Alara held by Strike (the *In-Specie* Distribution) to Strike shareholders at a time to be nominated by the Strike board but being not more than 6 months after the Alara shares commence quotation on the ASX, subject to the ASX granting a waiver for such dealing of escrowed shares, all regulatory and shareholder approvals and consideration by Strike of the tax consequences arising therein.

As at the date of this report, the Strike Board has not yet determined the timetable for the *In-Specie* Distribution.

Strike's current 28.75 million Alara shares are currently escrowed for 24 months from the date of official quotation of Alara's shares on ASX. ASX has confirmed that the *In-Specie* Distribution received by Strike shareholders (other than the related parties and promoters of Alara, Strike or any of their associates) will cease to be subject to restriction after the despatch of holding statements to Strike shareholders.

### 3 for 4 Rights Issue of Alara Options

As set out in Alara's IPO Prospectus:

- All shareholders registered on the share register of Alara at the relevant options record date will be entitled to participate in a proposed non-renounceable rights issue of options on the basis of 3 options for every 4 shares then held (**Options Offer**).
- The options are to be issued at one (1) cent each with an exercise price of 25 cents and an expiry date of 30 June 2009. Alara will apply for the options to be granted quotation on ASX.
- The terms and conditions of the options to be issued pursuant to the rights issue are set out in Section 18.2 of Alara's IPO Prospectus.

A prospectus for the rights issue of options will be issued when the options are offered. Shareholders registered at the options record date and who wish to subscribe for options will need to complete the application form that will accompany and form part of the prospectus at that time.

11 The share sale agreement between Alara and Strike dated 19 March 2007 for the company to acquire Strike Uranium Pty Ltd now known as Alara Operations Pty Ltd, referred to section 16.1 of the Alara Prospectus.

12 The share sale agreement between Alara and Strike dated 20 March 2007 for the company to acquire Strike Uranium Peru Pty Ltd now known as Alara Peru Operations Pty Ltd, referred to section 16.3 of the Alara Prospectus.

13 The share sale agreement between Alara and Orion dated 19 March 2007 for the company to acquire Hume Mining NL, referred to section 16.2 of the Alara Prospectus.

14 Strike shareholders holding 5,000 or more SRK shares as at 6 March 2007

15 Orion Equities Limited

### 3. ACQUISITION OF ADDITIONAL CONCESSIONS IN APURIMAC DISTRICT (PERU)

On 18 May 2007, Strike Resources Peru SAC (the Peruvian subsidiary of the Company) entered into an assignment and option agreement with a Peruvian vendor in respect of three mineral concessions in the Apurimac District totalling 1,900 hectares, being the Cristoforo 14, Cristoforo 28 and Ferroso 29 concessions.

The agreement was executed as the Company had determined that these concessions contained outcrops of iron ore mineralisation which extend from Apurimac Ferrum's existing concessions. The Company believes these concessions have the potential to expand the total resource base of the Apurimac Project.

The consideration payable for the assignment of mining rights to Strike Resources Peru SAC (or assignees) for a two year period is US\$200,000, of which US\$70,000 was paid on execution of the agreement and US\$70,000 is payable after 12 months and US\$60,000 is payable after 18 months.

The option to acquire these three mineral concessions is for a period of two years and the exercise price is US\$3 million.

Strike Resources Peru SAC's rights under this assignment and option agreement is assignable and as the concessions are located near some of the Apurimac Project concessions held by Apurimac Ferrum, it is intended that these concessions be assigned to Apurimac Ferrum at cost.

### 4. SALE OF INTEREST IN BERAU COAL PROJECT (EAST KALIMANTAN, INDONESIA)

The total area of the concession in this project is 5,000 hectares. It is located approximately 40 kilometres south-west of Tanjungredeb (Berau) and approximately 350 kilometres north of Balikpapan (the capital city of Kalimantan). The concession is accessible by road from Berau.

By a cooperation agreement dated 12 April 2007 between SOPL, PTIB and PT Kaltim Jaya Bara (KJB), PTIB had acquired the right to exclusively conduct general survey activities, explore for, exploit, mine and sell coal and methane gas and other minerals in the concession area.

Under the terms of the agreement, Strike had paid US\$30,000 (after execution of the agreement) to KJB and had the following future payment and royalty obligations to KJB:

- (a) Three staged cash payments totalling US\$0.50 million over a 12 month period; and
- (b) Royalties of between US\$1.00 to \$4.00 per dry metric tonne of coal mined and sold from the concession area, depending on the calorific value of the coal (ranging from 5,000 to 6,000 KCal and above) and the waste to ore ratio.

On 27 June 2007, SOPL and PTIB reached agreement with Orion Indo Operations Pty Ltd<sup>16</sup> (OIOPS) and PT Orion Indo Mining (PTOIM) for PTIB assigned to PTOIM 70% of its interest in the Berau Coal Project; PTOIM has agreed to assume the obligations (effective from 19 June 2007) under the original cooperation agreement with KJB; PTIB 30% interest is free-carried until a Decision to Mine<sup>17</sup> is made by PTOIM.

If a party elects not to contribute to expenditure in such circumstances, its interest in the Berau Coal Project shall be diluted on a pro-rata basis. If PTIB's interest is diluted to below 10%, PTIB's interest shall be transferred to PTOIM in consideration for a royalty to PTIB of 7.5% of net profits derived from coal resources produced and sold.

The decision to farm-out its interest in this project was made to allow Strike to focus on development of its core Peruvian iron ore projects.

<sup>16</sup> A subsidiary of Orion Indo Operations Pty Ltd (OIOPS), which, in turn, is a subsidiary of Orion Equities Limited.

<sup>17</sup> "Decision to Mine" means PTOIM providing written notice to PTIB that, having completed an exploration programme and project feasibility study, it wishes to proceed to commercial exploitation of coal resources in the concession area

## 5. SUMMARY OF SHARE CAPITAL CHANGES

A summary of share capital changes since 31 March 2007 is as follows:

Date	Description	Issue Price	No. Shares	Value of Issue	Running Balance of Issued Share Capital	Running Balance of Issued Listed Options
30/06/2006	Balance				47,835,701	23,369,141
31/12/2006	Balance				58,834,870	20,384,296
31/03/2007	Balance				67,723,453	14,495,714
2/04/2007	Conversion of options	\$0.20	6,000	\$1,200.00	67,729,453	14,489,714
2/04/2007	Conversion of options	\$0.20	300,714	\$60,142.80	68,030,167	14,189,000
12/04/2007	Conversion of options	\$0.20	4,167	\$833.40	68,034,334	14,184,833
16/04/2007	Conversion of options	\$0.20	26,760	\$5,352.00	68,061,094	14,158,073
30/04/2007	Conversion of options	\$0.20	143,260	\$28,652.00	68,204,354	14,014,813
4/05/2007	Conversion of options	\$0.20	20,000	\$4,000.00	68,224,354	13,994,813
9/05/2007	Conversion of options	\$0.20	85,384	\$17,076.80	68,309,738	13,909,429
22/05/2007	Conversion of options	\$0.20	202,488	\$40,497.60	68,512,226	13,706,941
25/05/2007	Conversion of options	\$0.20	157,555	\$31,511.00	68,669,781	13,549,386
30/05/2007	Share Placement	\$2.10		\$15,120,000.00	75,869,781	13,549,386
7/06/2007	Conversion of options	\$0.20	56,667	\$11,333.40	75,926,448	13,492,719
7/06/2007	Conversion of options	\$0.20	9,300	\$1,860.00	75,935,748	13,483,419
21/06/2007	Conversion of options	\$0.20	9,500	\$1,900.00	75,945,248	13,473,919
28/06/2007	Conversion of options	\$0.20	44,000	\$8,800.00	75,989,248	13,429,919
29/06/2007	Conversion of options	\$0.20	20,000	\$4,000.00	76,009,248	13,409,919
30/06/2007	Balance				76,009,248	13,409,919
16/07/2007	Conversion of options	\$0.20	51,899	\$10,379.80	76,061,147	13,358,020
18/07/2007	Conversion of options	\$0.20	59,367	\$11,873.40	76,120,514	13,298,653
24/07/2007	Conversion of options	\$0.20	57,117	\$11,423.40	76,177,631	13,241,536

## 6. OPTIONS

### (a) Listed Options (ASX Code: SRKO)

During the quarter ending 30 June 2007, 1,085,795 listed \$0.20 (30 June 2008) options were exercised and converted into shares (as described in the above table), raising a total of \$217,159.

During the year ended 30 June 2007, a total of 9,959,222 listed \$0.20 (30 June 2008) options were exercised and converted into shares, raising a total of \$1,991,844.40.

### (b) Employees' Options

133,333 employee options were issued during the quarter ending 30 June 2007:

- (i) On 8 May 2007 - 100,000 options issued to an employee (a Project Geologist), each with an exercise price of \$2.90 and expiring on 1 May 2012 with one-third vesting on 1 November 2007, one-third vesting on 1 November 2008 and one-third vesting on 1 November 2009.<sup>18</sup> The exercise price was calculated by reference to the 5 day volume weighted average price (VWAP) of the Company's shares up to the date of confirmation of the Project Geologist as a permanent employee.
- (ii) On 5 June 2007: 33,000 options to an employee (Group Accountant), each with an exercise price of \$2.90 and expiring on 1 May 2012 with one-third vesting on 1 November 2007, one-third vesting on 1 November 2008 and one-third vesting on 1 November 2009.<sup>19</sup> The Board had determined to issue these options in the same class of options issued to the Project Geologist employee on 8 May 2007.

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18 The terms and conditions of issue were set out in an Appendix 3B Notice of New Issue dated 11 May 2007 and released on ASX on 14 May 2007.

19 The terms and conditions of issue were set out in an Appendix 3b Notice of New Issue dated 11 June 2007 and released on ASX on 12 June 2007.

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## BOARD OF DIRECTORS

There were no Board changes during the June 2007 quarter. The experience and qualifications of current directors are as follows:

<b>John Stephenson</b>	— Non-Executive Chairman
<i>Appointed</i>	— 26 October 2005
<i>Qualifications</i>	— BSc (honours) in Geology from the University of London through the former University College of Rhodesia and a PhD in Geology from the University of Manitoba, Canada.
<i>Experience</i>	<p>— Dr Stephenson is a highly experienced geologist with over 35 years experience in the mining sector. He has held senior positions in large mining companies, most recently as Exploration Director for Rio Tinto Australasia where he led Rio Tinto's exploration activities for five and a half years based in Perth.</p> <p>Dr Stephenson has also during his career led and managed exploration teams for both junior and major mining companies in several parts of the world, mainly in Southern and East Africa, North America and Australia exploring for gold, uranium, diamonds and base metals. He has also been involved with projects in Europe, South America and India. He led teams responsible for the discovery of a world class diamond deposit, the Diavik diamond mine in Canada's Northwest Territories and a high grade gold deposit, the former Golden Patricia gold mine in Ontario.</p> <p>Dr Stephenson has particular experience in the uranium sector having in the early to mid 1970's led reconnaissance airborne and ground surveys for uranium in Canada. Between 1978-1981, Dr Stephenson headed the ground follow-up of a country-wide airborne radiometric and magnetic survey for uranium and other minerals in Tanzania. In the early 90's Dr Stephenson led exploration for a subsidiary of Rio Tinto exploring for uranium and base metals in eastern Canada. Dr Stephenson also led Rio Tinto's exploration activities in Australia in the late 90's which included the search for uranium.</p>
<i>Relevant interest in securities</i>	<p>— Shares - 200,000</p> <p>Unlisted \$0.96 (21 July 2011) directors' options - 800,000</p> <p>Unlisted \$2.81 (7 March 2012) directors' options - 350,000</p>
<i>Other current directorships in listed entities</i>	— Chairman of Alara Uranium Limited (AUQ) (since 18 May 2007)

<b>H. Shanker Madan</b>	— Managing Director
<i>Appointed</i>	— 26 September 2005
<i>Qualifications</i>	— Honours and Masters Science degrees in Applied Geology
<i>Experience</i>	<p>— Mr Madan has had world-wide experience in the exploration and evaluation of mineral deposits for various commodities. Mr Madan has been a Manager with Hamersley Iron, Group Leader with BHP Minerals, Chief Geologist with Hancock and Wright Prospecting and a Senior Geological Consultant to the Rio Tinto Group.</p> <p>Mr Madan has managed a range of mineral evaluation studies in Iran, Brazil and Western Australia for BHP, Rio Tinto and Hamersley Iron. He has also acted as a consultant to Rio Tinto, Ashton Mining and others on mineral projects in Brazil, South Africa, India, the Philippines, Fiji and United States, working on a range of iron ore, diamonds, gold, copper and chromite deposits.</p> <p>He has been involved in the discovery of 3 world class iron deposits in Western Australia for TexasGulf and BHP Minerals. From 1997 to 2001, Mr Madan managed the evaluation of resource projects for Hamersley Iron and more recently completed a resource due diligence study of the billion-dollar West Angelas project in the Pilbara region of Western Australia.</p>
<i>Relevant interest in securities</i>	<p>— Shares - 503,846</p> <p>Unlisted \$0.96 (21 July 2011) directors' options - 1,800,000</p> <p>Unlisted \$2.81 (7 March 2012) directors' options - 950,000</p>
<i>Other current directorships in listed entities</i>	— Managing Director of Alara Uranium Limited (AUQ) (since 18 May 2007)

## BOARD OF DIRECTORS

<b>Farooq Khan</b>	— Executive Director
<i>Appointed</i>	— 9 September 1999
<i>Qualifications</i>	— BJuris , LLB. ( <i>Western Australia</i> )
<i>Experience</i>	— Mr Khan is a qualified lawyer having previously practiced principally in the field of corporate law. Mr Khan has extensive experience in the securities industry, capital markets and particularly capital raisings, mergers and acquisitions and investments. Mr Khan has also led the executive management of a number of ASX listed companies through their establishment and growth
<i>Relevant interest in securities</i>	— Shares - 353,340 (directly) and 2,380,996(indirectly <sup>20</sup> ) Listed \$0.20 (30 June 2008) options - 176,670 (directly) and 1,014,806 (indirectly <sup>11</sup> ) Unlisted \$0.20 (9 February 2011) options - 1,833,333 (indirectly <sup>11</sup> ) Unlisted \$0.30 (9 February 2011) options - 1,666,667 (indirectly <sup>11</sup> ) Unlisted \$0.96 (21 July 2011) directors' options - 1,400,000 (directly) Unlisted \$2.81 (7 March 2012) directors' options - 700,000 (directly)
<i>Other current directorships in listed entities</i>	— Current Chairman and Managing Director of: (1) Queste Communications Ltd (since 10 March 1998)  Current Chairman of: (2) Orion Equities Limited (OEO) (since 23 October 2006) (3) Bentley International Limited (BEL) (director since 2 December 2003) (4) Scarborough Equities Limited (SCB) (since 29 November 2004)  Executive Director of: (5) Alara Uranium Limited (AUQ) (since 18 May 2007)

<b>Malcolm Richmond</b>	— Non-Executive Director
<i>Appointed</i>	— 25 October 2006
<i>Qualifications</i>	— B. Science Hons (Metallurgy) and B. Commerce Merit (Econs) ( <i>New South Wales</i> )
<i>Experience</i>	— Professor Richmond has 30 years experience with the Rio Tinto and CRA Groups in a number of positions including: Vice President, Strategy and Acquisitions, Managing Director, Research and Technology, Managing Director Development (Hamersley Iron Pty Limited) and Director of Hismelt Corporation Pty Limited. He was formerly Deputy Chairman of the Australian Mineral Industries Research Association and Vice President of the WA Chamber of Minerals and Energy. Professor Richmond also served as a Member on the Boards of a number of public and governmental bodies and other public listed companies.  Professor Richmond is a qualified metallurgist and economist with extensive senior executive and board experience in the resource and technology industries both in Australia and internationally. His special interests include corporate strategy and the development of markets for internationally traded minerals and metals - particularly in Asia.  He is currently a Visiting Professor at the Graduate School of Management and School of Engineering, University of Western Australia, and a Fellow of the Australian Academy of Technological Sciences & Engineering, a Fellow of Australian Institute of Mining and Metallurgy and a Member of Strategic Planning Institute (US).
<i>Relevant interest in securities</i>	— Shares - 100,000 (indirectly) Unlisted \$2.10 (7 March 2012) directors' options - 500,000 Unlisted \$2.81 (7 March 2012) directors' options - 600,000
<i>Other current directorships in listed entities</i>	— Non-Executive Director of: (1) Magnesium International Limited (MGK) (since August 2001) (2) Structural Monitoring Systems Plc (SMN) (since 17 October 2006) (3) Safe Effect Technologies Limited (SAF) (since 28 August 2006)

20. Held by Orion Equities Limited (OEO); Queste Communications Ltd (QUE) is deemed to be a controlling shareholder of OEO; Mr Farooq Khan (and associated companies) is deemed to have a deemed relevant interest in the securities in which QUE has a relevant interest, by reason of having >20% voting power in QUE.

## BOARD OF DIRECTORS

### William M. Johnson — Non-Executive Director

*Appointed* — 14 July 2006

*Qualifications* — MA (Oxon), MBA

*Experience* — Mr Johnson commenced his career in resource exploration and has most recently held senior management and executive roles in a number of public companies in Australia, New Zealand and Asia. Mr Johnson brings a considerable depth of experience in business strategy, investment analysis, finance and execution.

Mr Johnson is a director of Orion Equities Limited, a significant shareholder in Strike Resources Limited.

*Relevant interest in securities* — Unlisted \$0.96 (13 September 2011) directors' options - 500,000  
Unlisted \$2.81 (7 March 2012) directors' options - 350,000

*Other current directorships in listed entities* — Current Director of:  
(1) Orion Equities Limited (OEO) (since 28 February 2003)  
(2) Scarborough Equities Limited (SCB) (since 29 November 2004)  
(3) Drillsearch Energy Limited (DLS) (since 23 October 2006)  
(4) Sofcom Limited (SOF) (since 18 October 2005)

### Victor P. H. Ho — Executive Director and Company Secretary

*Appointed* — Secretary since 9 March 2000 and Director since 12 October 2000

*Qualifications* — BCom, LLB (*Western Australia*)

*Experience* — Mr Ho has been in company secretarial/executive roles with a number of public listed companies since early 2000. Previously, Mr Ho had 9 years experience in the taxation profession with the Australian Tax Office and in a specialist tax law firm. Mr Ho has been actively involved in the structuring and execution of a number of corporate transactions, capital raisings and capital management matters and has extensive experience in public company administration, corporations law and ASX compliance and shareholder relations.

*Relevant interest in securities* — Shares - 16,667  
Unlisted \$0.96 (21 July 2011) directors' options - 600,000  
Unlisted \$2.81 (7 March 2012) directors' options - 350,000

*Other positions held in listed entities* — Current Executive Director and Company Secretary of:  
(1) Orion Equities Limited (OEO) (Secretary since 2 August 2000 and Director since 4 July 2003)  
(2) Sofcom Limited (SOF) (Director since 3 July 2002 and Secretary since 23 July 2003)  
Current Company Secretary of:  
(3) Queste Communications Ltd (QUE) (since 30 August 2000)  
(4) Bentley International Limited (BEL) (since 5 February 2004)  
(5) Scarborough Equities Limited (SCB) (since 29 November 2004)  
(6) Alara Uranium Limited (AUQ) (since 4 April 2007)

## AUSTRALIAN TENEMENT SCHEDULE

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Project	Status	Application No	Grant / Application Date	Expiry Date	Area (Blocks)	Area (km <sup>2</sup> )	Location / Property Name	State	Company's Interest
Paulsen East (West Pilbara Region)	Granted	EL 47/1328	05/10/06	04/10/11	6	18	Paulsen East	WA	75%
	Granted	PL 47/1170	27/03/06	26/03/11	164 hectares	1.64	Paulsen East	WA	75%
King Sound (West Kimberley Region)	Application	ELA 04/1657	26/02/07	N/A	43	141	King Sound	WA	100%
	Application	ELA 04/1658	26/02/07	N/A	58	190	King Sound	WA	100%
	Application	ELA 04/1659	26/02/07	N/A	98	321	King Sound	WA	100%
Angela (Northern Territory)	Application	ELA 25862	07/12/06	N/A	12	38	Alice Springs	NT	75%



## SECURITIES INFORMATION

as at 30 June 2007

### ISSUED CAPITAL

	Quoted / To be Quoted	Not Quoted	Total
Fully paid ordinary shares	76,009,248	-	76,009,248
\$0.20 (30 June 2008) Options	13,409,919	-	13,409,919
\$0.20 (9 February 2011) Unlisted Options	-	1,833,333	1,833,333
\$0.30 (9 February 2011) Unlisted Options	-	1,666,667	1,666,667
\$0.96 (21 July 2011) Directors' Options	-	4,600,000	4,600,000
\$0.96 (13 September 2011) Unlisted Directors' Options		500,000	500,000
\$1.20 (6 October 2011) Unlisted Employee Options		150,000	150,000
\$2.10 (7 March 2012) Unlisted Directors' Options		500,000	500,000
\$2.81 (7 March 2012) Unlisted Directors' Options		3,300,000	3,300,000
\$2.90 (1 May 2012) Unlisted Employee' Options		133,000	133,000
<b>Total</b>	<b>89,419,167</b>	<b>12,683,000</b>	<b>102,102,167</b>

### DISTRIBUTION OF ORDINARY FULLY PAID SHARES

Spread	of	Holdings	Number of Holders	Number of Units	% of Total Issue Capital
1	-	1,000	407	197,760	0.260
1,001	-	5,000	1,300	4,523,590	5.951
5,001	-	10,000	497	3,845,429	5.059
10,001	-	100,000	642	20,594,749	27.095
100,001	-	and over	95	46,847,720	61.634
<b>Total</b>			<b>2,941</b>	<b>76,009,248</b>	<b>100%</b>

### TOP 20 ORDINARY FULLY PAID SHAREHOLDERS

Rank	Shareholders	Total Shares	% Issued Capital
1	ANZ NOMINEES LIMITED <CASH INCOME A/C>	5,785,587	7.612
2	DATABASE SYSTEMS LIMITED	4,839,356	6.367
3	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	4,047,171	5.325
4	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,657,500	3.496
5	ORION EQUITIES LIMITED	2,380,996	3.498
6	NATIONAL NOMINEES LIMITED	1,855,500	2.441
7	CLASSIC CAPITAL PTY LTD	1,580,000	2.321
8	CITICORP NOMINEES PTY LIMITED	1,541,334	2.028
9	PATER INVESTMENTS PTY LTD	1,523,710	2.005
10	NEFCO NOMINEES PTY LTD	1,244,846	1.638
11	DR SALIM CASSIM	1,100,846	1.448
12	BLUE CRYSTAL PTY LTD	800,000	1.053
13	BELL POTTER NOMINEES LTD <100905 A/C>	700,000	1.028
14	MR GEORGE BRYANT MACFIE	634,846	0.933
15	CITYSIDE INVESTMENTS PTY LTD	550,000	0.724
16	R & A MULE INVESTMENTS PTY LTD	500,000	0.735
17	EMPIRE HOLDINGS PTY LTD	500,000	0.735
18	MR SHANKER MADAN & MRS ANU MADAN	500,000	0.735
19	MR RUSS WALKER	410,000	0.539
20	MRS LINDA SALA TENNA & MRS LISA SHALLARD	400,000	0.526
<b>Total</b>		<b>33,551,692</b>	<b>45.187%</b>

## SECURITIES INFORMATION

as at 30 June 2007

### DISTRIBUTION OF LISTED \$0.20 (30 JUNE 2008) OPTIONS

Spread	of	Holdings	Number of Holders	Number of Units	% of Total Issue Capital
1	-	1,000	17	7,290	0.054
1,001	-	5,000	58	183,412	1.368
5,001	-	10,000	29	229,718	1.713
10,001	-	100,000	52	1,702,451	12.695
100,001	-	and over	21	11,287,048	84.169
<b>Total</b>			<b>186</b>	<b>13,409,919</b>	<b>100%</b>

### TOP 20 LISTED \$0.20 (30 JUNE 2008) OPTIONS

Rank	Optionholder	Total Options	% Total Options On Issue
1	DATABASE SYSTEMS LIMITED	4,537,734	33.839
2	SUNSHORE HOLDINGS PTY LTD	1,360,879	10.148
3	ORION EQUITIES LIMITED	1,014,806	7.568
4	MR DENIS IVAN RAKICH	903,000	6.734
5	TALEX INVESTMENTS PTY LTD	700,000	5.220
6	RENMUIR HOLDINGS LIMITED	417,917	3.116
7	MR TROY VALENTINE	300,000	2.237
8	CITYSIDE INVESTMENTS PTY LTD	281,666	2.100
9	ANZ NOMINEES LIMITED	254,778	1.900
10	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	250,000	1.864
11	MS ROSANNA DE CAMPO	217,598	1.623
12	BERENES NOMINEES PTY LTD	201,001	1.499
13	FAROOQ KHAN	176,670	1.317
14	MR RODNEY MALCOLM JONES & MRS CAROL ROBIN JONES	160,000	1.193
15	WILLBURY HOLDINGS PTY LTD	155,000	1.156
16	MRS LINDA SALA TENNA & MRS LISA SHALLARD	150,000	1.119
17	MRS CLARA ELISABETH HALDANE	133,000	0.992
18	MR DENIS IVAN RAKICH	126,000	0.940
19	NEFCO NOMINEES PTY LTD	100,000	0.746
20	MR PHILLIP NICOLAOU & MRS NATALIE LUCIANA NICOLAOU <P & N NICOLAOU FAMILY A/C>	100,000	0.746
<b>Total</b>		<b>11,540,049</b>	<b>86.057</b>

## Appendix 5B

### Mining Exploration Entity Quarterly Report

Name of entity

STRIKE RESOURCES LIMITED and controlled entities

ACN or ARBN

088 488 724

Quarter Ended

30 June 2007

#### Consolidated statement of cash flows

#### Cash flows related to operating activities

1.1 Receipts from product sales and related debtors

1.2 Payments for

(a) exploration and evaluation

(b) development

(c) production

(d) administration

1.3 Dividends received

1.4 Interest and other items of a similar nature received

1.5 Interest and other costs of finance paid

1.6 Income taxes paid

1.7 Other (provide details if material)

(a) Professional fees

(b) Legal and settlement costs

Net operating cash flows

Consolidated	
Current Quarter Jun 2007 \$' 000	Year to Date 12 months \$' 000
-	-
(478)	(1,273)
-	-
-	-
(837)	(1,689)
-	31
138	367
-	-
-	-
-	-
-	-
-	-
(1,177)	(2,564)

	Consolidated	
	Current Quarter Jun 2007 \$' 000	Year to Date 12 months \$' 000
1.8 Net operating cash flows (carried forward)	(1,177)	(2,564)
<b>Cash flows related to investing activities</b>		
1.9 Payment for purchases of:		
(a) prospects	-	(22)
(b) equity investments	(1,868)	(6,520)
(c) other fixed assets	-	(17)
	-	-
1.10 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	65
(c) other fixed assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	35
1.13 Other (provide details if material)	-	-
Contribution towards development costs	-	-
Proceeds from return of capital	-	-
<b>Net investing cash flows</b>	<b>(1,868)</b>	<b>(6,459)</b>
1.14 Total operating and investing cash flows	<b>(3,045)</b>	<b>(9,023)</b>
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.	14,444	26,702
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
Payment for share issue and options costs	(71)	(383)
<b>Net financing cash flows</b>	<b>14,373</b>	<b>26,319</b>
<b>Net increase (decrease) in cash held</b>	<b>11,328</b>	<b>17,296</b>
1.21 Cash at beginning of quarter/year to date	7,197	1,294
1.22 Exchange rate adjustments to item 1.20	(197)	(262)
1.23 Cash at end of quarter	<b>18,328</b>	<b>18,328</b>

## Payments to directors of the entity and associates of the directors

### Payments to related entities of the entity and associates of the related entities

	Current Quarter Jun 2007 \$' 000
1.24 Aggregate amount of payments to the parties included in item 1.2	(279)
1.25 Aggregate amount of loans to the parties included in item 1.10	-

#### 1.26 Explanation necessary for an understanding of the transactions

(1) \$279,056 - Directors' fees, salaries and superannuation for the quarter.

## Non-cash financing and investing activities

#### 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

On 18 May 2007, the Company completed the sale of its uranium tenement interests in Peru, the Northern Territory and Western Australia to Alara Uranium Limited (Alara) (ASX Code: AUQ).

18,750,000 shares were issued to Strike as consideration for the acquisition of Strike Uranium Pty Ltd (now known as Alara Operations Pty Ltd) and Strike Uranium Peru Pty Ltd (now known as Alara Peru Operations Pty Ltd); Alara Peru Operations Pty Ltd has a Peruvian subsidiary, Alara Peru S.A.C (formerly Strike Uranium Peru S.A.C). These shares are subject to escrow for 24 months from the date of official quotation of Alara's shares on ASX.

Alara was admitted to the Official List of the Australian Securities Exchange (ASX) and AUQ shares commenced trading on ASX on 24 May 2007.

#### 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

None.

## Financing facilities available

	Amount available \$' 000	Amount used \$' 000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-



## Estimated cash outflows for next quarter

	Next Quarter \$' 000
4.1 Exploration and evaluation	(2,315)
4.2 Development	-
<b>Total</b>	<b>(2,315)</b>

Note that 4.1 includes an estimated A\$1.68 million (US\$1.43 million) investment into Apurimac Ferrum S.A (the Peruvian company which holds the Apurimac and Cuzco Iron Ore Projects). The funds invested into Apurimac Ferrum will be applied towards exploration and evaluation expenses on the projects. An exchange rate of US\$1.00 = A\$0.85 has been adopted.

## Reconciliation of cash

Reconciliation of cash at the end of the month (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows

	Consolidated	
	Current Quarter \$' 000	Previous Quarter \$' 000
5.1 Cash on hand and at bank	1,105	1,245
5.2 Deposits at call	3,797	3,961
5.3 Bank overdraft	-	-
5.4 Other (Bank Bills)	13,426	1,991
<b>Total: cash at end of quarter (item 1.22)</b>	<b>18,328</b>	<b>7,197</b>

## Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (4))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	On 19 and 20 March 2007, the Company entered into conditional share sale agreements with Alara Uranium Limited in respect of the sale of Strike's uranium tenement interests in Peru, the Northern Territory and Western Australia (held within Strike subsidiaries - Strike Uranium Pty Ltd and Strike Uranium Peru Pty Ltd), to Alara. These agreements were completed on 18 May 2007. For further information, please refer to Note 2.1 and page 16 of the attached June 2007 Quarterly Activities Report.		
6.2	Interests in mining tenements acquired or increased			

## Issued and quoted securities at end of current quarter

	Total number	Number quoted	Issue price per security (see note 5) (cents)	security (see note 5) (cents)
7.1 Preference securities+	n/a			
7.2 Changes during quarter				
(a) Increases through issues				
(b) Decreases through returns of capital, buy-backs, redemptions				
7.3 Ordinary securities+	76,009,248	76,009,248		
7.4 Changes during quarter				
(a) Increases through issues				
Conversion of SRKO options	1,085,795	1,085,795	20 cents	N/A
Issue under \$15.2M Share Placement (at \$2.10 per share)	7,200,000	7,200,000	210 cents	N/A
(b) Decreases through returns of capital, buy-backs				
7.5 Convertible debt securities+				
7.6 Changes during quarter				
(a) Increases through issues				
(b) Decreases through securities matured, converted				
7.7 Options			<i>Exercise price</i>	<i>Expiry date</i>
Vendor options	1,833,333	1,833,333	20 cents	9 February 2011
Vendor options	1,666,667	1,666,667	30 cents	9 February 2011
Listed SRKO options	13,409,919	13,409,919	20 cents	30 June 2008
Directors' options	4,600,000		96 cents	21 July 2011
Directors' options	500,000		96 cents	13 September 2011
Employee's options	150,000		120 cents	6 October 2011
Directors' options	500,000		210 cents	7 March 2012
Directors' options	3,300,000		281 cents	7 March 2012
7.8 Issued during quarter				
Employee's options	100,000		290 cents	1 May 2012
Employee's options	33,000		290 cents	1 May 2012
7.9 Exercised during quarter	1,085,795		20 cents	30 June 2008
7.10 Expired during quarter				
7.11 Debentures (totals only)				
7.12 Unsecured notes				

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



31 July 2007

Victor Ho  
Director

+ See Chapter 19 for defined terms

## NOTES

- 1) The Company currently holds the following share investments:

Company	No Shares	%	31-Jul-07	
			Last Bid Price	Market Value
Orion Equities Limited (OEO)	505,026	2.8%	\$1.360	\$686,835
Queste Communications Ltd (QUE)	826,950	2.9%	\$0.355	\$293,567
Sofcom Limited (SOF)	12,420,439	27.8%	suspended	
<b>Total</b>				<b>\$980,403</b>

Share investments are regarded as liquid assets to supplement the Company's cash reserves.

The Company is the largest shareholder in SOF which is currently suspended awaiting a potential recapitalisation and re-admission to ASX.

- 2) During the quarter ending 30 June 2007, 1,085,795 listed \$0.20 (30 June 2008) options were exercised and converted into shares (as described in the above table), raising a total of \$217,159
- 3) The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note
- 4) The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent
- 5) Issued and quoted securities The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 6) The definitions in, and provisions of, AASB 1022: Accounting for Extractive Industries and AASB 1026: Statement of Cash Flows apply to this report.
- 7) Accounting Standards ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.