

STRIKE

RESOURCES LIMITED

DECEMBER 2009 QUARTERLY REPORT

For the 3 months to 31 December 2009

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Date: 31 January 2010

For further information:

Shanker Madan
 Managing Director
 T | +61 8 9214 9700
 E | smadan@strikeresources.com.au

SUMMARY

- **Cash Position** - Strong cash position of -\$49.3m (31 December).
- **Apurimac and Cuzco Iron Ore Projects (Peru)**
 - **Apurimac bankable feasibility study proposed** - Strike's Peruvian JV company Apurimac Ferrum (AF) approved a budget and work program to take the Apurimac Project to the commencement of a bankable feasibility study (BFS) for the Apurimac Project, targeted for the 3rd quarter of 2011.
 - **Apurimac drilling campaign** - Preparations commenced for a ~29,000m drilling program with a view to locating additional iron ore on Opaban I and III and satellite concessions in the Apurimac Project. The drilling commencement target, following community approvals, is May 2010.
 - **Supplementary pre-feasibility studies** - AF has commenced the process for conducting pre-feasibility studies on the option of transporting iron ore from the Apurimac Project by rail, and alternative mine production targets. These studies will supplement the initial AF PFS to generate a single preferred option as the basis for the bankable feasibility study.
 - **Cuzco resource definition** - Assaying drill cores from previous drilling at the Cuzco Project has been completed and interpretation. A resource definition is pending.
- **Berau Thermal Coal Project (Indonesia)**
 - **Environmental approval** - Berau Project environmental approval (AMDAL) granted.
 - **JORC upgrade** - The Berau Coal JORC Resource was upgraded to 27.7 million tonnes (Mt) (11 Mt Measured, 11.1 Mt Indicated and 5.6 Mt Inferred - inclusive of a 7.7Mt Probable Reserve).
 - **Tender responses** - Evaluation of tenders for project infrastructure construction indicates that capital costs are in line with capital cost estimates used in the feasibility study.
- **Pulsens East Iron Ore Project (Western Australia)**
 - **Agreement signed to farm out iron ore rights to Process Minerals International Pty Ltd**, a subsidiary of ASX-listed Mineral Resources Limited (ASX Code: MIN), with Strike receiving a royalty on any iron ore mined.

Registered Office:

Level 14, The Forrest Centre
 221 St Georges Terrace
 Perth, Western Australia 6000

Local T | 1300 762 678
 T | +61 8 9214 9700
 F | +61 8 9322 1515
 E | info@strikeresources.com.au
 W | www.strikeresources.com.au

A.B.N. 94 088 488 724

ASX Codes: SRK



Share Registry:

Advanced Share Registry Services
 Suite 2, 150 Stirling Highway
 Perth, Western Australia 6009

T | +61 8 9389 8033
 F | +61 8 9389 7871
 E | admin@advancedshare.com.au
 W | www.advancedshare.com.au

COMPANY PROFILE

Strike Resources Limited (ASX Code: SRK) is an Australian-based mineral development company with a diversified asset portfolio including hematite and magnetite iron ore projects in Peru and a thermal coal project in Indonesia:

PROJECT	LOCATION	INTEREST HELD BY STRIKE
(1) Apurimac Iron Ore	Apurimac District, Peru	44% (with potential to increase to 100%)
(2) Cuzco Iron Ore	Cuzco District, Peru	44% (with potential to increase to 100%)
(3) Berau Thermal Coal	East Kalimantan, Indonesia	100%
(4) Paulsens East Iron Ore	West Pilbara, Western Australia	100% (subject to farm-out described on p8)

ABOUT THE PERUVIAN IRON ORE PROJECTS

Apurimac Project:

(44% with potential to increase to 100%, Apurimac Region, Peru)

This project comprises 72 concessions totalling ~59,000 hectares located ~16 kilometres from Andahuaylas, the capital of the Apurimac Province, in Peru's southern Andes.

AF previously completed a Pre-Feasibility Study¹ (PFS) on its Apurimac Iron Ore Project, which focuses on the development of a 20 million tonnes per annum mining operation with iron ore concentrate transported by slurry pipeline to a proposed new port near the town of San Juan. The PFS has confirmed that the Apurimac Iron Ore Project has the potential to become a highly profitable iron ore operation, with:

- average operating costs of approximately US\$14.50 per tonne;
- total capital cost of approximately US\$2.3 billion; and
- high-quality product grading of +68% Fe; very low in alumina, phosphorous and other impurities.

Cuzco Project:

(44% with potential to increase to 100%, Cuzco Region, Peru)

This project comprises 23 concessions totalling 17,963 hectares located ~130 kilometres south-east of the Apurimac Project area and 80 kilometres south of the city of Cuzco.



1 [23 July 2008 ASX announcement entitled "Pre-Feasibility Results Confirm World Class Prospects for Apurimac Project in Peru"](#)

COMPANY PROFILE

JORC Resources

The resource estimate completed as part of the PFS provided a significant re-rating of the resource on two Apurimac concessions, from a JORC-Inferred Iron Ore Resource of 172 million tonnes at 62.28% Fe to a JORC Indicated Resource of 133.5 million tonnes at 59.40% Fe²:

Apurimac Concessions	Tonnes (JORC Indicated)	Fe%	Al ₂ O ₃ %	SiO ₂ %	P%	S%
Opaban I	125,000,000	59.26	2.12	7.87	0.04	0.14
Opaban III	8,530,000	62.08	1.37	4.58	0.07	0.25
Total/Average	133,530,000	59.40	2.07	7.66	0.04	0.15

ABOUT THE BERAU THERMAL COAL PROJECT

(100%, East Kalimantan, Indonesia)

The project concession totalling 5,000 hectares is located 40 kilometres south-west of Tanjung Redeb (Berau) (the capital of the Berau Regency) and 350 kilometres north of Balikpapan, East Kalimantan.

In June 2009 Strike completed a Feasibility Study³ which focussed on the development of an open-cut contract mining operation with production scaling up from 1.5 Mt per annum (Mtpa) to 3 Mtpa.

The study confirmed that the Berau Project has the potential to generate an annual operating surplus of approximately US\$33m, with:

- a total capital cost of approximately US\$19.5m;
- average operating costs of approximately US\$41 per tonne;
- a projected coal price of approximately US\$52/tonne, FOB ship. (The current price for similar-quality coal is approximately US\$60); and
- a run of mine coal product of medium calorific value of 5,400-5,600 kcal/kg GAR with low sulphur - 0.66%, as received (ar); ash - 7.3% (ar) and total moisture - 16.6% (ar).



There is an established coal mining industry in the region. Other coal operators regularly barge coal down local rivers to the sea for trans-shipment. It is envisaged that the coal from the project will be sold to one or more power station operators and/or industry consumers in South East Asia. In this regard, Strike signed two Heads of Agreement for the sale of 2.4 million tonnes of coal over two years in July 2009.



ABOUT THE PAULSENS EAST PROJECT

(100%, West Pilbara, Western Australia)

This project covers a total area of 19.64 square kilometres. The project is located 140 kilometres west of Tom Price, close to a bitumen road, and eight kilometres east-northeast of the Paulsens Gold mine in the northwest of Western Australia.

The project is also close to the route of a proposed railway line which is the subject of a feasibility study by the Australian Premium Iron (API) Joint Venture - a joint venture between Aquila Resources Limited and American Metals and Coal International Inc. in respect of the West Pilbara Iron Ore Project.

This project is now managed by Strike's farm-out partner, Process Minerals International Pty Ltd, a subsidiary of ASX-listed Mineral Resources Limited (ASX Code: MIN).

2 [19 July 2007: ASX market announcement titled "Apurimac Project - JORC Resource Statement"](#)

3 [11 June 2009 ASX announcement entitled "Completion of Feasibility Study"](#)

1. Apurimac and Cuzco Iron Ore Projects

(44% with potential to increase to 100%, Apurimac and Cuzco Regions, Peru)

Preparation for Bankable Feasibility Study

In November 2009 the AF board of directors approved a US\$12.3 million budget for a work program to take the Apurimac project to the stage of issuing tenders for a bankable feasibility study (BFS) on a potential iron ore mine at the Apurimac project. The BFS commencement target is third quarter 2011. Prior to BFS commencement, AF will undertake the following activities:

Resource increase - seek to identify total iron ore mineralisation at Apurimac of at least 300-350 Mt (including existing JORC Resources). This additional iron ore is targeted to come from the following areas:

- **Opaban I and III** - AF has a target mineralisation of 210 to 260 Mt on the Opaban I and Opaban III concessions (including the existing JORC Resource of 133.5 Mt at 59.40% Fe). The potential target is based on the existence of undrilled gravity anomalies on these concessions. The existing Resource on the concessions was established by drilling gravity anomalies identified by the same survey. AF is seeking approval to drill 19,000 metres at Opaban I and III.
- **Pampachiri and Cristoforo** - AF has a target mineralisation of 70 to 100 Mt at the Pampachiri and Cristoforo concessions. The potential target is based on reconnaissance geological surveys and surface sampling. AF proposes to conduct a 10,000 metre drilling campaign on these concessions.

A detailed assessment of potential iron ore in the remaining Apurimac concessions is also underway. Surface sampling has shown high-grade outcrops in numerous locations. This process has the potential to identify substantial additional iron ore in the Apurimac project.

(The potential quantity and grade of the target iron ore is conceptual in nature. There has been insufficient exploration to define an additional mineral resource in relation to that target iron ore. It is uncertain whether further exploration will result in the determination of an additional mineral resource in relation to that target iron ore.)

Alternative mine production study - The initial Apurimac pre-feasibility study was based on a proposed mine with annual production of 20 million tonnes. AF has determined to conduct a pre-feasibility study on the options of mining 15 Mt and 10 Mt per annum, to identify whether lower capital expenditure alternatives are available. AF is reviewing proposals from consultants with a view to awarding a contract to perform this study by mid February.

Rail pre feasibility study - The initial Apurimac pre-feasibility study considered transporting ore to the coast by slurry pipeline. AF has determined to conduct a pre-feasibility study to determine whether transporting ore by rail is a lower-cost option. The rail study will consider the options of transporting 20 Mt per annum (**Mtpa**), as well as the 15 Mtpa and 10 Mtpa options to be considered by the alternative mine production study. AF is reviewing proposals from consultants, again with a view to awarding a contract for this study by mid February.

The two additional pre-feasibility studies are expected to generate a single preferred production and transportation option, which will form the subject of the bankable feasibility study.

Cuzco Project Drilling Results

Assaying drill cores from an earlier drilling program at the Cuzco Project has been completed and interpretation and resource estimation is pending. AF expects to announce a maiden JORC-compliant Resource for this project upon completion of this estimation.

2. Berau Thermal Coal Project

(100%, East Kalimantan, Indonesia)

Project Development

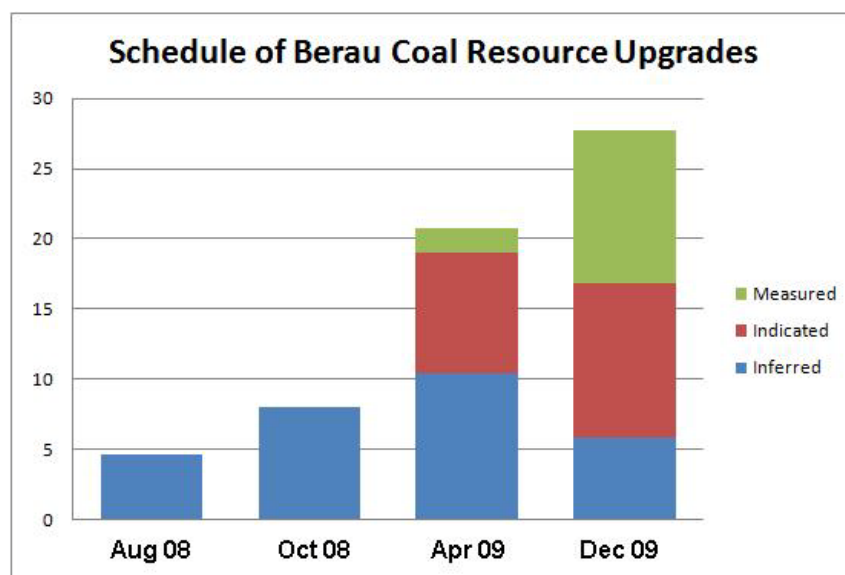
During the December quarter and to the date of this Report:

- Strike’s Berau Coal Project received approval for its Environmental Impact Analysis (Analisis Mengenai Dampak Lingkungan or AMDAL) from the Bupati (Governor) of Berau in January 2010. AMDAL approval is the key pre-requisite to conversion of the project concession to an IUP - Production, which permits the mining and sale of coal. An application to convert the IUP is expected to be submitted shortly.
- The JORC resource was increased by approximately 33%, as detailed in the section “JORC Resource Increase” below.
- The Company has completed evaluation of tenders for construction of all project infrastructure, consisting of road construction and civil works at the mine and port sites. The tender evaluation process indicates that capital costs are in line with those used in the feasibility study. The tender for the provision of contract mining services has closed and the Company is evaluating responses.
- Consultations with local communities, land owners, concession holders and government authorities are ongoing in order to secure necessary approvals to use land for road construction.
- A major drilling campaign was completed - explained in detail in the “JORC Resource Increase” section below.

JORC Resource Increase

The total coal JORC Resource at Berau was increased to 27.7 Mt during the December quarter, an increase of 6.9 Mt over the previous JORC Resource of 20.8 Mt.

The table below outlines the growth in coal JORC Resources and at the Berau Coal Project since inception of drilling in 2008.

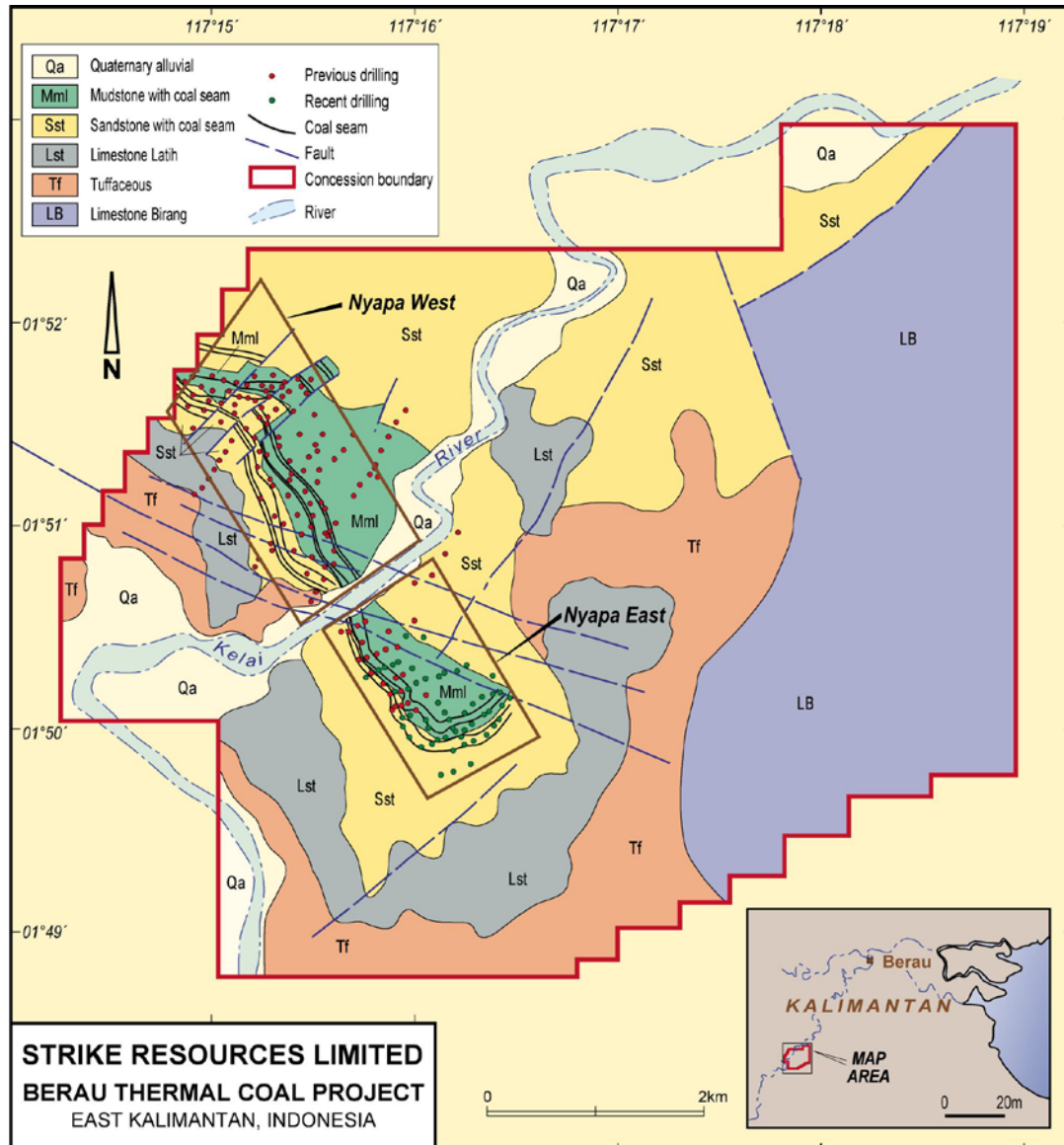


The mineralisation upon which the current JORC Resource is based is contained within an area of activity of approximately 1,000 hectares out of a total concession area of approximately 5,000 hectares. The Company notes that no significant exploration activity has been conducted outside of the current area of activity, though such areas are known to host coal seams. Whilst no target mineralisation can yet be provided for these areas, the Company is hopeful of delineating further significant additional coal deposits once further exploration is commenced.

Project Geology

The Nyapa Coalfield is located in the southern Berau Sub-Basin. The identified Coal Resources occur within a sequence of mudstones, siltstones, sandstones and conglomerates - correlated as being within the Latih Formation of Miocene age.

A series of faults are interpreted to traverse the deposit. The figure below is a drill hole and geology map of the Berau concession. Both the sandstone (yellow) and mudstone (green) are highly prospective lithologies.



Basis of JORC Estimation

The latest JORC Resource assessment was conducted by independent consultants, SRK Consulting (unrelated to Strike Resources Limited), based upon a 9,866 metre HQ diamond core drilling program, comprised of 8697.55m open-hole and 1169.35m full-core drill holes. A total of 94 vertical holes were drilled. Down-hole geophysical logging was performed on all drill holes. This drilling campaign built upon previous drilling totalling 10,000m.

The coal tonnage calculations were based on the relative density (RD) model for the coal seams on an air dried basis (adb). A default density of 1.34 g/cc (deposit mean RD (adb)) was used where there was no borehole coverage. A minimum seam thickness of 0.3 m was applied to the East and West Coal Resources. The resource was vertically constrained by the modelled base of weathering surface.

The Resource upgrade was performed within the Nyapa East block only. No additional work was conducted within the Nyapa West block.

Coal Resources for both blocks are summarised below:

Blocks within concession	JORC Coal Resources (Mt)			
	Measured	Indicated	Inferred	Sub-Total
Nyapa West	1.8	8.6	3.6	14.0
Nyapa East	9.2	2.5	2.0	13.7
Total	11.0	11.1	5.6	27.7

Coal Resources

The coal Resource in the Nyapa West block is estimated to be 14 Mt, comprising 1.8 Mt of Measured Resource, 8.6 Mt of Indicated Resource and 3.6 Mt of Inferred Resource.

The coal Resource in the Nyapa East block is estimated to be 13.7 Mt, comprising 9.2 Mt of Measured Resource, 2.5 Mt of Indicated Resource and 2 Mt of Inferred Resource.

Structural Domain	Nyapa East Coal Resources			
	Measured (Mt)	Indicated (Mt)	Inferred (Mt)	Sub-Total (Mt)
South Domain	9.2	1.5	0.4	11.1
North Domain	-	1.0	1.6	2.6
Total	9.2	2.5	2.0	13.7

The in-situ coal within Nyapa West and Nyapa East Resources are of low ash, sub bituminous rank, with the following average qualities:

Coal property	Nyapa West	Nyapa East
JORC Resource	14 Mt	13.7 Mt
Calorific Value cal/g (gar)	5605	5633
Calorific Value cal/g (adb)	5800	5892
Total Moisture % (ar)	16.6	16.9
Inherent Moisture % (adb)	13.7	13.1
Ash % (adb)	5.8	6
Total Sulphur % (adb)	0.71	0.97

Coal Reserves

Within the 14Mt Coal Resources in the Nyapa West block described above, 7.7 Mt of Probable Reserves with the following qualities have been estimated.

Probable Reserves(Mt)	Calorific Value kcal/kg (gar)	Total Sulphur (ar)	Ash (ar)	Total Moisture (ar)
7.7 Mt	5,546	0.66%	7.3%	16.6%

Coal Resources are reported inclusive of Coal Reserves (that is, Coal Reserves are not additional to Coal Resources). No studies have yet been undertaken to establish the extent of Coal Reserves in the Nyapa East block.

Indonesian Mining Law Update

A new Mining Law took effect in Indonesia in January 2009. The operation of this law is to be clarified by implementing regulations. The regulations were due to be issued by January 2010. The Indonesian Government has commenced issuing the regulations in instalments. Only two instalments have been issued to date. The first instalment, amongst other things, prohibits a concession owner from receiving fees for work performed by a mining services company and may prevent concession owners from contracting out certain aspects of their mining and processing activities. The precise effect of the first instalment of the regulations is uncertain in the absence of the release of the full implementing regulations.

The first instalment has created a degree of uncertainty with respect to Strike's obligations to carry out certain aspects of mining operations and make payments to the Berau concession owner under the Co-operation Agreement between the Company and that owner.

After reviewing and taking advice on these matters, Strike and the concession owner have begun discussions about potential amendments to the contractual arrangements between them to ensure that they remain consistent with the New Mining Regulations as they are released, whilst preserving the economic substance of their original agreement. These discussions are ongoing but do require the release of the full regulations so that the relationship between the parties can be adjusted to accord with a final position under the new Mining Law. Both parties await the release of the final regulations so that adjustments can be made to their contractual relationship. The concession owner is obligated to accommodate any changes in the law. Whilst Strike is proceeding on an operational basis towards mine commencement, awaiting the issue of the new Mining Regulations has resulted in an overall delay to Strike's project commencement timetable.

3. Paulsens East Iron Ore Project

(100%, West Pilbara Region, Western Australia)

Farm-out agreement executed

On 19 November 2009 Strike executed an agreement with Process Minerals International Pty Ltd (PMI), a subsidiary of ASX-listed Mineral Resources Limited, under which PMI will evaluate the iron ore potential of this Project on a farm-out basis. If PMI determines that iron ore mining is feasible, it will commence mining and pay Strike a royalty of A\$3.20 per tonne, subject to variations in line with movements in an iron ore benchmark price.

The Company considers a farm-out to be the most appropriate method of seeking to unlock value from this Project while preserving cash for use on priority projects.

The information in this document that relates to Exploration Results, Mineral Resources or Ore Reserves relating to iron ore in Peru 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 document of the matters based on his information in the form and context in which it appears.

The information in this document that relates to Nyapa West (Berau Indonesia) Mineral Resources relating to coal has been compiled by Mr William Park (BSc (Geology), BEcon, MAIG) who is a member of the Australian Institute of Geoscientists and the information in this document that relates to Coal Reserves has been compiled by Mr Michael Trainor (BE (Mining), MAusIMM) who is a Member of The Australian Institute of Mining and Metallurgy. Mr Park and Mr Trainor are employees of Minarco-MineConsult Pty Ltd. Mr Park and Mr Trainor have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking, to qualify as Competent Persons as defined in the 2004 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves (the JORC Code)." Mr Park and Mr Trainor consent to the inclusion in this document of the matters based on their information in the form and context in which it appears.

The information in this document which relates to the Nyapa East (Berau Indonesia) Mineral Resource estimate relating to coal is based on data compiled and supplied to SRK Consulting by Ms Cherie Leeden who is a Member of The Australasian Institute of Mining and Metallurgy. Ms Leeden is the Exploration Manager for Strike Resources. The Responsible Person for the Nyapa East Coal Resource estimate is Dr Gerry McCaughan who is a member of the AusIMM. Dr McCaughan is a full time employee of SRK Consulting and has sufficient relevant experience to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr McCaughan consents to the inclusion in this document of the matters based on the Nyapa East Resource information in the form and context in which it appears.

1. Cash Position

The Strike group's total cash and investments in listed securities as at 31 December 2009 was ~A\$49.3m, including exposure to ~US\$ US\$4.43m (A\$4.944m at 31 December 2009) held in at-call accounts and term deposits.

The Strike group also has a smaller exposure to the Peruvian Nuevo Sol and the Indonesian Rupiah currencies. These foreign currency holdings facilitate Strike's operations and activities in Peru and Indonesia.

2. Managing Director's Options

The Company issued 2.25 million options to managing Director Shanker Madan on 25 November 2009, pursuant to shareholders' approval given at the Annual General Meeting on that date, comprised of:

- 750,000 options with an exercise price of \$2.50;
- 750,000 options with an exercise price of \$2.75; and
- 750,000 options with an exercise price of \$3.25.

The options are exercisable at any time on or before 24 November 2012.

PERUVIAN CONCESSIONS

APURIMAC PROJECT

CONCESSION NAME	AREA (Ha)	DISTRICT	PROVINCE	NATIONAL CHART REFERENCE	CODE	TITLE	FILE NUMBER
(1) Opaban I	999.00	Andahuaylas	Andahuaylas	Andahuaylas (28-P).	05006349X01	No. 8625-94/RPM dated December 16, 1994	20001465
(2) Opaban III	990.00	Andahuaylas	Andahuaylas	Andahuaylas (28-P).	05006351X01	No. 8623-94/RPM dated December 16, 1994.	20001464
(3) Los Andes I	999.00	Andahuaylas	Andahuaylas	Andahuaylas (28-P).	05006372X01	No. 0134-95-RPM dated January 31, 1995.	200001481
(4) Pitumarca II	1,000.00	Pampachiri	Andahuaylas	Andahuaylas (28-P).	05006385X01	No. 8686-94-RPM dated December 22, 1994.	20001478
(5) Lucrecia Esperanza	66.43	Pampachiri	Andahuaylas	Chalhuana (29-P).	01-00649-99	No. 00623-2001-INACC/J dated July 26, 2001.	11032475
(6) Nueva Oropampa 6	400.00	Pampachiri	Andahuaylas	Chalhuana (29-P).	01-00860-99	No. 04043-2000-RPM dated October 13, 2000.	11032603
(7) Mapsa 2001	800.00	San Jerónimo / Pacucha	Andahuaylas	Andahuaylas (28-P).	01-01204-01	No. 00590-2002-INACC/J dated April 8, 2002.	11032600
(8) Coriminas II	1,000.00	Pampachiri / Sañayca / Capay	Andahuaylas	Chalhuana (29-P).	01-01624-99	No. 02760-2000-RPM, dated July 25, 2000.	11032965
(9) Coriminas V	1,000.00	Pampachiri	Andahuaylas	Chalhuana (29-P).	01-01626-99	No. 0936-00-RPM dates March 16, 2000.	20003140
(10) Ferrum 1	965.06	Andahuaylas / San Jerónimo	Andahuaylas	Andahuaylas (28-P).	01-02983-04	No. 00228-2005-INACC/J dated January 19, 2005.	11053798
(11) Ferrum 2	1,000.00	San Jerónimo	Andahuaylas	Andahuaylas (28-P).	01-02984-04	No. 00227-2005-INACC/J dated January 19, 2005.	11053836
(12) Ferrum 3	1,000.00	Andahuaylas / San Gerónimo	Andahuaylas	Andahuaylas (28-P).	01-02985-04	No. 00229-2005-INACC/J dated January 19, 2005.	11053807
(13) Ferrum 4	1,000.00	San Jerónimo / Lucre	Andahuaylas / Aymaraes	Andahuaylas (28-P).	01-02986-04	No. 00230-2005-INACC/J dated January 19, 2005.	11053810
(14) Ferrum 5	959.43	Lucre	Aymaraes	Andahuaylas (28-P).	01-02987-04	No. 00323-2005-INACC/J dated January 25, 2005.	11053816
(15) Ferrum 7	437.00	San Juan de Chacña	Aymaraes	Andahuaylas (28-P).	01-02989-04	No. 00396-2005-INACC/J dated January 27, 2005.	11053822
(16) Ferrum 8	900.00	Andahuaylas / Talavera	Andahuaylas	Andahuaylas (28-P).	01-02990-04	No. 00232-2005-INACC/J dated January 19, 2005.	11053827
(17) Ferrum 9	1,000.00	Lucre / San Juan de Chacña	Aymaraes	Andahuaylas (28-P).	01-02991-04	No. 00324-2005-INACC/J dated January 25, 2005.	11053830
(18) Ferrum 10	1,000.00	San Juan de Chacña	Aymaraes	Andahuaylas (28-P).	01-02992-04	No. 00325-2005-INACC/J dated January 25, 2005.	11053833
(19) Ferrum 11	1,000.00	Lucre / San Juan de Chacña	Aymaraes	Andahuaylas (28-P).	01-02993-04	No. 02512-2005-INACC/J dated June 12, 2005.	11053835
(20) Ferrum 13	600.00	Andahuaylas / Pacucha / San Jerónimo / Talavera	Andahuaylas	Andahuaylas (28-P).	01-03139-06	No. 4416-2006-INACC/J dated October 16, 2006	11061068
(21) Ferrum 26	827.51	Andahuaylas	Andahuaylas	Andahuaylas (28-P).	01-02274-07	No. 000853-2007-INGEMMET/PCD/PM dated September 07, 2007.	11073793
(22) Ferrum 27	1,000.00	Pacucha / San Jerónimo / Andahuaylas	Andahuaylas	Andahuaylas (28-P).	01-02629-07	No. 000581-2007-INGEMMET/PCD/PM dated September 05, 2007.	11073799
(23) Ferrum 36	1,000.00	San Jerónimo / Andahuaylas	Andahuaylas	Andahuaylas (29-P).	10553307	Feb. 29, 2008 RP. 0176-2008-INGEMMET/PCD/PM	11075418
(24) Cristoforo 22	379.52	Andahuaylas / San Jerónimo	Andahuaylas	Andahuaylas (29-P).	01-01656-02	Dec. 13, 2007 RP2849-2007-INGEMMET/PCD/PM	11067786
(25) Ferrum 28	1,000.00	San Jerónimo	Andahuaylas	Andahuaylas (29-P).	10507407	Mar, 07, 2008 RP0601-2008-INGEMMET/PCD/PCM	11075423
(26) Ferrum 29	1,000.00	San Jerónimo	Andahuaylas	Andahuaylas (29-P).	10507507	Mar, 07, 2008 RP0365-2008-INGEMMET/PCD/PM	11075419

PERUVIAN CONCESSIONS

CONCESSION NAME	AREA (Ha)	DISTRICT	PROVINCE	NATIONAL CHART REFERENCE	CODE	TILE	FILE NUMBER
(27) Ferrum 30	963.20	Tumay Huaraca	Andahuaylas	Chalhuana (29-P).	10525907	May, 05, 2008 PP 1024-2008-INGEMMET/PCD/PM	11076757
(28) Ferrum 31	327.24	Andahuaylas	Andahuaylas	Andahuaylas (29-P).	10552807	May, 12, 2008 RP 1266-2008-INGEMMET/PCD/PM	11076509
(29) Ferrum 32	900.00	San Jerónimo	Andahuaylas	Andahuaylas (29-P).	10552907	Mar, 07, 2008 RP0402-2008-INGEMMET/PCD/PM	11075425
(30) Ferrum 33	900.00	San Jerónimo	Andahuaylas	Andahuaylas (29-P).	10553007	Mar, 07, 2008 RP0547-2008-INGEMMET/PCD/PM	11075421
(31) Ferrum 34	800.00	San Jerónimo	Andahuaylas	Andahuaylas (29-P).	10553107	Apr. 17, 2008 RP0764-2008-INGEMMET/PCD/PM	11075427
(32) Ferrum 35	1,000.00	San Jerónimo / Kishuara	Andahuaylas	Andahuaylas (29-P).	10553207	Mar, 07, 2008 RP0347-2008-INGEMMET/PCD/PCM	11075426
(33) Ferrum 37	695.34	Andahuaylas / Kishuara / Talavera	Andahuaylas	Andahuaylas (29-P).	10621507	May, 12, 2008 RP 1164-2008-INGEMMET/PCD/PM	11076534
(34) Ferrum 56	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P).	10133508	Jun 19, 2008 RP 1971-2008-INGEMMET/PCD/PM	11077123
(35) Ferrum 57	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P).	10133608	Sept. 9, 2008 RP 3279-2008-INGEMMET/PCD/PM	11081417
(36) Ferrum 58	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P).	10133708	Jun 27, 2008 RP 2206-2008-INGEMMET/PCD/PM	11077127
(37) Ferrum 59	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P).	10133808	Jun 27, 2008 RP 2272-2008-INGEMMET/PCD/PM	11077122
(38) Ferrum 61	1,000.00	Sañayca	Aymaraes	Andahuaylas (29-P).	010073308	-	in process
(39) Pacunco 1	800.00	Kishuara	Andahuaylas	Andahuaylas (29-P).	10019508	May 29, 2008 RP 1806-2008-INGEMMET/PCD/PM	11076523
(40) Minas Huaycco	800.00	Circa	Abancay	Abancay (28Q)	10168708	Aug. 08, 2008 RP 2541-2008-INGEMMET/PCD/PM	11081416
(41) Cassio 100	400.00	Tumay Huaraca	Andahuaylas	Chalhuana (29-P).	10182808	Sept. 10, 2008 RP 3321-2008-INGEMMET/PCD/PM	11081415
(42) Ferrum 38	800.00	Turpo/ Andahuaylas	Andahuaylas	Andahuaylas (29-P).	10015205	May, 12, 2008 RP1288-2008-INGEMMET/PCD/PM	11064280
(43) Ferrum 39	1,000.00	Andahuaylas / Turpo	Andahuaylas	Andahuaylas (29-P).	10047605	May 29, 2008 RP 1573-2008-INGEMMET/PCD/PM	11064281
(44) Ferrum 40	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P).	10623507	Aug 19, 2008 RP 2905-2008-INGEMMET/PCD/PM	11076528
(45) Ferrum 41	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P).	10131408	Jun 19, 2008 RP 1965-2008-INGEMMET/PCD/PM	11076755
(46) Ferrum 42	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P).	10131508	Jun 19, 2008 RP 1975-2008-INGEMMET/PCD/PM	11077114
(47) Ferrum 43	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P).	10131608	Sept. 9, 2008 RP 3243-2008-INGEMMET/PCD/PM	11077113
(48) Ferrum 44	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P).	10131908	Jun 19, 2008 RP 1934-2008-INGEMMET/PCD/PM	11077115
(49) Ferrum 45	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P).	10132008	Jun 27, 2008 RP 2283-2008-INGEMMET/PCD/PM	11077116
(50) Ferrum 46	1,000.00	Tumay Huaraca / Turpo / Andahuaylas	Andahuaylas	Andahuaylas (29-P).	10132108	Aug. 08, 2008 RP 2523-2008-INGEMMET/PCD/PM	11079784
(51) Ferrum 47	1,000.00	Andahuaylas / Tumay Huaraca	Andahuaylas	Andahuaylas (29-P).	10132208	Jun 18, 2008 RP 1908-2008-INGEMMET/PCD/PM	11077117
(52) Ferrum 48	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P).	10132308	May 29, 2008 RP 1756-2008-INGEMMET/PCD/PM	11076584
(53) Ferrum 49	1,000.00	Andahuaylas / Tumay Huaraca	Andahuaylas	Andahuaylas (29-P).	10132408	Jun 19, 2008 RP 2000-2008-INGEMMET/PCD/PM	11077118

PERUVIAN CONCESSIONS

CONCESSION NAME	AREA (Ha)	DISTRICT	PROVINCE	NATIONAL CHART REFERENCE	CODE	TILE	FILE NUMBER
(54) Ferrum 50	900.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P).	10132508	Jun 19, 2008 RP 1922-2008-INGEMMET/PCD/PM	11077120
(55) Ferrum 51	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P).	10132608	Jun 18, 2008 RP 1893-2008-INGEMMET/PCD/PM	11077121
(56) Ferrum 52	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P).	10132708	Aug 18, 2008 RP 2803-2008-INGEMMET/PCD/PM	11079786
(57) Ferrum 53	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P).	10132808	Aug. 08, 2008 RP 2550-2008-INGEMMET/PCD/PM	11079787
(58) Ferrum 54	700.00	Colcabamba	Andahuaylas	Andahuaylas (29-P).	10132908	Aug. 19, 2008 RP 2899-2008-INGEMMET/PCD/PM	11079788
(59) Ferrum 55	800.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P).	10133408	Aug. 19, 2008 RP 2951-2008-INGEMMET/PCD/PM	11079789
(60) Ferrum 60	200.00	Abancay	Abancay	Abancay (28Q)	10073208	Aug. 19, 2008 RP 2986-2008-INGEMMET/PCD/PM	11084879
(61) Ferrum 62	900.00	Lambrama	Abancay	Abancay (28Q)	10073408	Sept . 8, 2008 RP 3177-2008-INGEMMET/PCD/PM	in process
(62) Ferrum 63	300.00	Curpahuasi	Grao	Abancay (28Q)	10073008	Aug. 28, 2008 RP 3040-2008-INGEMMET/PCD/PM	11076586
(63) Pichirhua 1	800.00	Pichirhua	Abancay	Andahuaylas (29-P).	10151708	Aug. 11, 2008 RP 2638-2008-INGEMMET/PCD/PM	11079794
(64) Pichirhua 2	400.00	Pichirhua	Abancay	Andahuaylas (29-P).	10151808	Sept . 8, 2008 RP 3183-2008-INGEMMET/PCD/PM	11081445
(65) Colcabamba 1	600.00	Lucre/ Colcabamba	Aymaraes	Andahuaylas (29-P).	10212308	Aug. 19, 2008 RP 2986-2008-INGEMMET/PCD/PM	11079780
(66) Colcabamba 2	500.00	Lucre/ Colcabamba	Aymaraes	Andahuaylas (29-P).	10212408	Sept . 8, 2008 RP 3177-2008-INGEMMET/PCD/PM	11081451
(67) Colcabamba 3	900.00	Colcabamba/ Toraya	Aymaraes	Andahuaylas (29-P).	10217208	Aug. 28, 2008 RP 3040-2008-INGEMMET/PCD/PM	11079781
(68) Sillaccassa 1	700.00	Santa Maria de Chicmo	Andahuaylas	Chincheros (28- O)	10212608	Nov. 19, 2008 RP 5088-2008-INGEMMET/PCD/PM	11079791
(69) Sillaccasa 2	400.00	Santa Maria de Chicmo	Andahuaylas	Chincheros (28- O)	10212508	Sept . 8, 2008 RP 3183-2008-INGEMMET/PCD/PM	11081449
(70) Cristoforo 14	1000	Pampachiri	Andahuaylas	Andahuaylas (29-P).	01-02327-99	No. 02693-2000 RPM dated 24 July 2000	11034702
(71) Cristoforo 28	500	Toraya	Aymaraes	Chalhuanca (29-P)	01-00152-05	No. 01824-2005 INACC/J dated 4 May 2005	11064280
(72) Ferroso 29	400	Tumay Huaraca	Andahuaylas	Andahuaylas (29-P).	01-00473-05	No. 01709-2005 RPM dated 21 April 2004	11064281

PERUVIAN CONCESSIONS

CUZCO PROJECT

CONCESSION NAME	AREA (Ha)	DISTRICT	PROVINCE	NATIONAL CHART REFERENCE	CODE	TILE	FILE NUMBER
(1) Flor de María	906.94	Santo Tomás	Chumbivilcas	Livitaca (29-S).	05006521X01	No. 7078-95-RPM dated December 29, 1995.	20001742
(2) Delia Esperanza	1,000.00	Santo Tomás	Chumbivilcas	Livitaca (29-S).	05006522X01	No. 0686-95-RPM dated March 31, 1995.	20001743
(3) Julia Clara	1,000.00	Colquemarka	Chumbivilcas	Livitaca (29-S).	05006523X01	No. 4600-95/RPM dated September 26, 1995.	20001744
(4) El Pacífico I	618.95	Cápacmarca	Chumbivilcas	Livitaca (29-S).	05006536X01	No. 7077-95/RPM dated December 29, 1995.	20001785
(5) El Pacífico II	1,000.00	Santo tomás	Chumbivilcas	Livitaca (29-S).	05006524X01	No. 7886-94/RPM dated November 25, 1994.	20001746
(6) Ferrum 14	268.40	Chamaca	Chumbivilcas	Livitaca (29-S).	01-03047-05	No. 05032-2005-INACC/J dated November 30, 2005.	11053842
(7) Ferrum 15	992.13	Chamaca / Colquemarka	Chumbivilcas	Livitaca (29S)	10494906	Mar. 05, 2007 RJ. 0753-2007-INACC/J	11073796
(8) Ferrum 17	500.00	Colquemarka	Chumbivilcas	Livitaca (29S)	10026607	Oct. 30, 2007 RP. 1815-2007-INGEMMET/PCD/PM	11073794
(9) Ferrum 18	800.00	Quiñota / Haquira	Chumbivilcas /Cotabambas	Santo Tomas (29R)	10026707	May 29, 2008 RP 1761-2008-INGEMMET/PCD/PM	11076514
(10) Ferrum 72	1,000.00	Ccapi	Paruro	Cotabamba(28R)	10408208	Oct. 21, 2008 RP 4435-2008-INGEMMET/PCD/PM	11084851
(11) Ferrum 73	1,000.00	Ccapi	Paruro	Cuzco(28S)	10409608	Nov. 19, 2008 RP 5050-2008-INGEMMET/PCD/PM	11084874
(12) Ferrum 74	1,000.00	Ccapi	Paruro	Cuzco(28S)	10408208	Nov. 19, 2008 RP 5006-2008-INGEMMET/PCD/PM	11084871
(13) Ferrum 75	302.85	Ccapi	Paruro	Cotabamba(28R)	10409808	Nov. 19, 2008 RP 5130-2008-INGEMMET/PCD/PM	11084873
(14) Ferrum 76	973.83	Capacmarca	Chumbivilcas	Cotabamba(28R)	10409908	Oct. 20, 2008 RP 4323-2008-INGEMMET/PCD/PM	11084870
(15) Ferrum 77	1,000.00	Ccapi	Paruro	Cotabamba(28R)	10408108	Nov. 19, 2008 RP 5227-2008-INGEMMET/PCD/PM	11084868
(16) Ferrum 65	1,000.00	Ccapi	Paruro	TBA	010580008	Feb. 19, 2009 RP 0337-2009-INGEMMET/PCD/PM	in process
(17) Ferrum 66	100.00	Ccapi	Paruro	TBA	010580208	March. 2009	in process
(18) Ferrum 68	1,000.00	Pomacanchi	Acomayo	Cusco-28-S Livitaca-29-S	010579808	March 31, 2009 RP 1185-2009-INGEMMET/PCD/PM	in process
(19) Ferrum 69	1,000.00	Pomacanchi	Acomayo	TBA	010579608	March. 2009	in process
(20) Ferrum 70	1,000.00	Pomacanchi	Acomayo	Livitaca-29-S	010579608	March. 2009	in process
(21) Ferrum 71	1,000.00	Pomacanchi	Acomayo	Livitaca-29-S	010579508	March 31, 2009 RP 1120-2009-INGEMMET/PCD/PM	in process
(23) Colcabamba 4	400.00	Pomacanchi	Acomayo		010580108	March 31, 2009 RP 1117-2009-INGEMMET/PCD/PM	in process

AUSTRALIAN TENEMENTS

PROJECT	STATUS	APPLICATION NO	GRANT DATE	EXPIRY DATE	AREA	AREA (KM ²)	LOCATION / PROPERTY NAME	STATE	COMPANY'S INTEREST
Paulsens East (West Pilbara Region)	Granted	EL 47/1328	05/10/06	04/10/11	6 blocks	18	Paulsens East	WA	100%*
	Granted	PL 47/1170	27/03/06	26/03/11	164 hectares	1.64	Paulsens East	WA	100%*
	Pending	M 47/1437*	N/A	N/A	164 hectares	1.64	Paulsens East	WA	100%*

* Subject to the farm-out referred to in the Paulsens East Project section on page 8.

* Represents an application to convert PL 47/1170 into a Mining Lease.

SECURITIES INFORMATION

as at 31 December 2009

Issued Securities

	Quoted on ASX	Not Quoted on ASX	Total
Fully paid ordinary shares	130,034,268	-	130,034,268
\$0.178 (9 February 2011) Unlisted Options	-	1,833,333	1,833,333
\$0.278 (9 February 2011) Unlisted Options	-	1,666,667	1,666,667
\$0.938 (20 July 2011) Unlisted Directors' Options	-	4,600,000	4,600,000
\$2.75 (29 July 2011) Unlisted Options	-	903,404	903,404
\$0.938 (12 September 2011) Unlisted Director's Options	-	500,000	500,000
\$1.178 (5 October 2011) Unlisted Employee's Options	-	150,000	150,000
\$2.078 (6 March 2012) Unlisted Director's Options	-	500,000	500,000
\$2.788 (6 March 2012) Unlisted Directors' Options	-	3,300,000	3,300,000
\$2.878 (30 April 2012) Unlisted Employees' Options	-	133,000	133,000
2.878 (4 September 2012) Unlisted Employee's Options	-	200,000	200,000
2.878 (16 November 2012) Unlisted Employee's Options	-	250,000	250,000
\$2.50 (24 November 2012) Unlisted Director's Options	-	750,000	750,000
\$2.75 (24 November 2012) Unlisted Director's Options	-	750,000	750,000
\$3.25 (24 November 2012) Unlisted Director's Options	-	750,000	750,000
\$3.978 (2 December 2012) Unlisted Directors' Options	-	4,000,000	4,000,000
\$2.878 (3 March 2013) Unlisted Employee's Options	-	250,000	250,000
\$2.75 (13 October 2013) Unlisted Employee's Options	-	250,000	250,000
Total	130,034,268	20,786,404	150,820,672

Distribution of Ordinary, Fully-Paid Shares

Spread	of	Holdings	Number of Holders	Number of Units	% of Total Issue Capital
1	-	1,000	582	314,163	0.242
1,001	-	5,000	1,609	5,077,317	3.905
5,001	-	10,000	644	5,206,974	4.004
10,001	-	100,000	768	23,192,463	17.836
100,001	-	and over	81	96,243,351	74.014
Total			3,684	130,034,268	100%

SECURITIES INFORMATION

as at 31 December 2009

Top 20 Ordinary Fully-Paid Shareholders

Rank	Shareholders	Total Shares	% Issued Capital
1	ANZ NOMINEES LIMITED	23,990,566	18.449
2	ORION EQUITIES LIMITED	13,190,802	10.144
3	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	12,435,130	9.563
4	DATABASE SYSTEMS LIMITED	9,377,090	7.211
5	QUECHUA INVESTMENTS LIMITED	6,370,000	4.899
6	NEFCO NOMINEES PTY LTD	4,681,760	3.600
7	ALARA RESOURCES LIMITED	3,573,889	2.748
8	NATIONAL NOMINEES LIMITED	2,775,908	2.135
9	CITICORP NOMINEES PTY LIMITED	1,163,443	0.895
10	PATER INVESTMENTS PTY LTD	1,125,000	0.865
11	MR GORDON ANTHONY <ANTHONY FAMILY A/C>	800,000	0.615
12	MR GEORGE BRYANT MACFIE	800,000	0.615
13	ALIANA PTY LTD	700,000	0.538
14	EMPIRE HOLDINGS PTY LTD	700,000	0.538
15	JP MORGAN NOMINEES AUSTRALIA LIMITED	652,268	0.502
16	M&M HOLDINGS PTY LTD	600,000	0.461
17	MR FAROOQ KHAN	530,010	0.408
18	MRS ANUPAM SHOBHA MADAN AND MR HEM SHANKER MADAN	492,497	0.379
19	RENMUIR HOLDINGS LIMITED	487,428	0.375
20	KATANA ASSET MANAGEMENT LTD	430,000	0.331
Total		84,875,781	65.660

Appendix 5B

Mining Exploration Entity Quarterly Report

Name of entity

STRIKE RESOURCES LIMITED and controlled entities

ACN or ARBN

088 488 724

Quarter Ended

31 December 2009

Consolidated statement of cash flows

	Consolidated	
	Current Quarter Dec 2009 \$' 000	Year to Date 6 months \$' 000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	6
1.2 Payments for		
(a) exploration and evaluation	(1,210)	(2,884)
(b) development	-	-
(c) production	-	-
(d) administration	(1,220)	(1,917)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	268	657
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Other - Legal and professional fees	(80)	(856)
Net operating cash flows	(2,242)	(4,994)

Notes:

Strike has prepared a consolidated cashflow report incorporating the entities that it controlled during the quarter:

- (1) Strike Operations Pty Ltd ABN 12 102 978 370 (SOPL), a wholly owned subsidiary;
- (2) PT Indo Batubara (PTIB), a company registered in Indonesia in which SOPL is the 100% beneficial owner;
- (3) Strike Resources Peru SAC (Strike Peru), a wholly owned subsidiary company of SRK incorporated in Peru;
- (4) Ferrum Holdings Limited (FHL), a wholly owned subsidiary company incorporated in British Anguilla;
- (5) Strike Australian Operations Pty Ltd ACN 119 438 265, a wholly owned subsidiary;
- (6) Strike Indo Operations Pty Ltd ACN 124 702 245 (SIOPL), a wholly owned subsidiary;
- (7) PT Orion Indo Mining (PTOIM), a company registered in Indonesia in which SIOPL is the 100% beneficial owner; and
- (8) Strike Finance Pty Ltd ACN 136 444 696 (SRKF), a wholly owned subsidiary.

		Consolidated	
		Current Quarter Dec 2009 \$' 000	Year to Date 6 months \$' 000
1.8	Net operating cash flows (carried forward)	(2,242)	(4,994)
Cash flows related to investing activities			
1.9	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	(1,828)
	(c) other fixed assets	(6)	(18)
1.10	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.11	Loans to other entities *	(2,234)	(2,476)
1.12	Loans repaid by other entities	-	-
1.13	Other (provide details if material)	-	-
		-	-
	Net investing cash flows	(2,240)	(4,322)
1.14	Total operating and investing cash flows	(4,482)	(9,316)
Cash flows related to financing activities			
1.15	Proceeds from issues of shares, options, etc.	-	-
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	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(4,482)	(9,316)
1.21	Cash at beginning of quarter/year to date	51,446	55,727
1.22	Exchange rate adjustments to item 1.20	(266)	287
1.23	Cash at end of quarter	46,698	46,698

Note:

Loans to other entities comprised loans to Associate entity, Apurimac Ferrum S.A. (Peru) pursuant to an executed Loan and Mortgage Agreement formalised by public deed dated 23 July 2009

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 Dec 2009 \$' 000
1.24	Aggregate amount of payments to the parties included in item 1.2	(217)
1.25	Aggregate amount of loans to the parties included in item 1.10	-

1.26 Explanation necessary for an understanding of the transactions

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

None.

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	389
4.2	Development	-
4.3	Loans to Associate	1,391
Total		1,780

Note:

Loans to Associate will comprise loans to Associate entity, Apurimac Ferrum S.A. (Peru) pursuant to an executed Loan and Mortgage Agreement formalised by public deed dated 23 July 2009

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	2,998	1,552
5.2 Deposits at call	43,700	49,894
5.3 Bank overdraft	-	-
5.4 Other (Bank Bills)	-	-
Total: cash at end of quarter (item 1.22)	46,698	51,446

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	Refer to Concession/Tenements Schedules in December 2009 Quarterly Activities Report		
6.2	Interests in mining tenements acquired or increased	Refer to Concession/Tenements Schedules in December 2009 Quarterly Activities Report		

Issued and quoted securities at end of current quarter

	Total number	Number quoted	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+	130,034,268	130,034,268		
7.4 Changes during quarter				
(a) Increases through issues				
(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	17.8 cents	8 February 2011
Vendor options	1,666,667	1,666,667	27.8 cents	8 February 2011
Directors' options	4,600,000		93.8 cents	20 July 2011
Director's options	500,000		93.8 cents	12 September 2011
Director's options	500,000		207.8 cents	6 March 2012
Directors' options	3,300,000		278.8 cents	6 March 2012
Employees' options	133,000		287.8 cents	30 April 2012
Directors' options	4,000,000		397.8 cents	2 December 2012
Employee's options	250,000		287.8 cents	3 March 2013
Unlisted Options	903,404		275 cents	29 July 2011
Employee's options	250,000		275 cents	13 October 2013
7.8 Issued during quarter				
Director's options	750,000		250 cents	24 November 2012
Director's options	750,000		275 cents	24 November 2012
Director's options	750,000		325 cents	24 November 2012
7.9 Exercised during quarter				
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 January 2010

Victor Ho
Company Secretary

+ See Chapter 19 for defined terms

NOTES

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

Company	No Shares	%	31-Dec-09	
			Last Bid Price	Market Value
Alara Resources Limited (AUQ)	12,750,000	15.8%	\$0.175	\$2,231,250
Orion Equities Limited (OEO)	505,026	2.8%	\$0.515	\$260,088
Queste Communications Ltd (QUE)	826,950	2.9%	\$0.135	\$111,638
Total				\$2,602,977

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

The Company holds foreign currencies denominated in US dollars, Peruvian Nuevo Soles and Indonesian Rupiah. Fluctuations in foreign exchange rates have been accounted for in this cashflow report using the exchange rate as at 31 December 2009.

- 2) 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
- 3) 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
- 4) 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.
- 5) The definitions in, and provisions of, AASB 1022: Accounting for Extractive Industries and AASB 1026: Statement of Cash Flows apply to this report.
- 6) 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.