

March 2010 Quarterly Report

For the 3 months to 31 March 2010

Highlights

- Board restructure and strengthening of executive team undertaken.
- Approvals for major drilling programs at Apurimac progressing well with drilling planned to commence in the September quarter.
- Trade-off studies to supplement Apurimac Pre-feasibility Study (PFS) progressing to plan.
- Significant approval milestones achieved for the Berau Coal Project, potentially enabling production from H1, 2011.
- Strong cash position retained with \$46.6 million in cash and liquid securities.

Summary

➤ Corporate

- **Board restructure and strengthening complete** - The appointment of Mr Ken Hellsten as Managing Director completes the board restructure and positions the Company for the next stage of development for its iron ore and coal projects.
- **Cash position** - Strong cash position retained with ~\$46.6 million in cash and liquid securities as at 31 March, comprised of ~\$44.3 million cash and ~\$2.3 million in ASX-listed securities.

➤ Apurimac Ore Project (Peru)

- **Approvals progress** - Community and environmental approvals for the 29,000 metre (m) drilling campaign at Opaban 1 and 3 and priority satellite targets progressing in line with the planned commencement target of September quarter 2010.
- **Additional drilling targets** - Several high-priority drilling targets have been identified on the remaining 68 Apurimac concessions. Initial drill testing forms part of the 2010 drilling program.
- **Pre-feasibility trade-off studies** - Contracts awarded to prepare "trade-off" studies to supplement the PFS, examining:
 - alternative production rates of 10 and 15 Mtpa of slurry concentrate; and
 - potential to produce traditional "fines" and "lump" products and transport ore to port by rail rather than slurry pipeline.

These studies are progressing to plan along with infrastructure options discussions with government.

➤ Berau Thermal Coal Project (Indonesia)

- **Development milestones** - Approvals and development targets achieved during the quarter include:
 - environmental approval for mining granted.
 - project concession converted to a Mining Production Operations Licence (IUP Production) under Indonesia's new Mining Law.
 - mine work plan and budget lodged with the Berau Regent, with final approval imminent.
- **Joint venture agreement** - Discussions on joint venture amendments to address Indonesia's new mining law are continuing.



Company Projects

1. Apurimac Iron Ore Project - Peru (SRK 44%)¹

Project Location



Overview

Strike's Joint venture company Apurimac Ferrum SA (AF) continued to make good progress on its development program during the March quarter. The current phase of Apurimac Project development, with a budgeted cost of US\$15 million, principally comprises:

- a 29,000m drilling campaign with the objectives of:
 - increasing the current iron ore Resources of 269 million tonnes (Mt) at an average grade of 57.3% Fe² to at least 400Mt; and
 - increasing the Measured and Indicated Resources within the total Resource to at least 250 Mt;
 - supplementing the PFS with trade-off studies to identify the optimum combination of annual mine production, products and ore transport method;
 - complete geotechnical and metallurgical core drilling and associated testwork to facilitate mining studies and processing optimisation;
 - undertake additional baseline environmental studies; and
 - progress port development plans in conjunction with the Peruvian government,
- as a precursor to a potential bankable feasibility study commencing in 2011.

¹ Strike has a 44% interest in this project, with potential to increase to 100% through a shoot-out mechanism. This mechanism is explained in Strike's [31 December 2009 Half-Year Report](#), at p 15.

² The total Mineral Resource at the Opaban 1 and 3 concessions is 269.4 Mt, consisting of a 142.2 Mt Indicated Mineral Resource at 57.84% Fe and a 127.2 Mt Inferred Mineral Resource at 56.7% Fe. The basis for this Mineral Resource estimation and JORC competent person statements are contained in Strike's 11 February 2010 ASX Announcement: [Peruvian Apurimac Iron Ore Project Resource Increased to 269 Million Tonnes](#).

Increased Mineralisation Target

In the current drilling program AF is seeking to identify total iron ore mineralisation at Apurimac of 370-450 Mt at 56% to 62% Fe (including existing mineral resources), comprised of:

- 300 to 350Mt at 56% to 62% Fe on the Opaban 1 and 3 concessions. The target is based on depth extensions to the current resource as well as testing undrilled gravity anomalies. The existing resource on these concessions was established by drilling gravity anomalies identified by the same survey; and
- 70 to 100Mt at 56% to 62% Fe on the Pampachiri, Cristoforo and other satellite concessions. This target is based on reconnaissance geological surveys and surface sampling with results similar to those at the Apurimac and Cuzco mineralisation, including significant areas with rock chip sample results greater than 60% Fe.

Drill hole depths will range from approximately 100 metres to 200 metres.

(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.)

Approvals Progress

The approval process for the drilling campaign is well advanced, with parallel environmental and community approvals programs progressing.

AF has appointed leading Peruvian community relations consultants to assist in obtaining approvals from the local communities. Significant progress has been made during the quarter with the key issue of compensation for past works being settled and constructive meetings held with community leaders and stakeholders. A series of formal meetings with various communities at Opaban 1 and 3 and several satellite concessions are expected to be held during the June quarter.

The community relations team anticipates several community approvals will be progressively received during the June quarter, which will enable drilling to commence during the September quarter.

In parallel with the community programs AF is progressing environmental approvals for the drilling campaigns. Approval is already in place for a significant portion of the Opaban 3 drilling program while approvals for Opaban 1 and the satellite concessions are expected to be progressively received during the June and September quarters.

Ausenco Vector has been awarded the contract to prepare environmental impact assessments for the drilling program.

Pre-Feasibility "Trade-off" Studies

The initial Apurimac pre-feasibility study was based on a proposed mine output of 20 million tonnes per annum (Mtpa), with ore being crushed, concentrated using magnetic separation, mixed with water and ground to create a slurry for transportation to the coast by pipeline.³ AF is conducting the following trade-off studies to supplement the PFS:

Alternative mine production study - AF is conducting a side study on the alternatives of mining 10 and 15Mtpa, to identify whether these options would offer commercial advantages to the production rate considered by the PFS. Assessing these alternatives involves:

- a process plant and port facility study - which has been awarded to Ausenco; and
- a mine study - awarded to SRK Consulting (unrelated to Strike Resources Limited);

Pipeline re-sizing study - AF has awarded a contract to Ausenco PSI to conduct a study of the costs of alternative pipelines with throughputs of 15 Mt and 10 Mt per annum, corresponding to potential alternative mine production rates.

Rail pre-feasibility study - AF is conducting a study to determine whether transporting an alternative product mix of lump and sinter feed by rail is preferable to transporting slurry via a pipeline. The rail study will consider the options of transporting 20 Mtpa, as well as the 15 Mtpa and 10 Mtpa options being considered by the alternative mine production study. AF has awarded the contract to prepare this study to Ausenco Sandwell.

³ Full details of AF's original PFS are contained in Strike's ASX announcement entitled: "[Pre-Feasibility Results Confirm World Class Prospects for Apurimac Project in Peru](#)".

Company Projects

These studies are expected to be completed progressively during the September quarter, with integrated reporting of the outcomes expected by the end of the year.

Senior consultants from leading international firms including Ausenco and SRK Consulting have been secured to assist with planning AF's work program to ensure that data quality, geotechnical and metallurgical drilling, hydrological assessment and ore and waste characteristics are captured to feasibility-study standard.

AF and its consultants are developing a test program designed to assist in the selection of process plant design. AF is currently seeking proposals from testing laboratories in Santiago and Perth.

Port Site

AF considered three potential port sites during the PFS, including San Juan and Tres Hermanes. The PFS confirmed that both sites were suitable for a port, with San Juan having certain advantages as a harbour. There were, however, potential land access issues at San Juan. AF therefore applied to build a port at Tres Hermanas. The Peruvian Government subsequently determined that a port should be built at San Juan, and has offered to make Naval land available to overcome the access issues. The Government has stated that it will issue terms of reference during the September quarter, which will enable AF to apply for the San Juan port concession.

2. Berau Thermal Coal Project - Indonesia (SRK 100%)

Project Location



Project Development

During the March 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 Regent of Berau in January.

- In February the project mineral concession was converted to a Mining Production Operations Licence (*Izin Usaha Pertambangan Operasi Produksi* or *IUP Production Operations*) under Indonesia's new Mining Law. Obtaining the IUP Production Operations is a key pre-requisite for the conduct of mining activities. This licence allows the mining and sale of coal, subject to final approval of the first year's annual budget and work plan by the Regent of Berau. The proposed budget and work plan have been submitted for approval and the Regent's comments have been received. A response to the comments will be lodged shortly and approvals are expected during the current quarter.
- Ancillary permits still to be obtained include permits relating to road and port construction. An application to construct and operate a coal barging port on the Segah River, 30km from the proposed mine, has been lodged.
- Negotiations with local communities, land owners, concession holders and the Forestry Department to secure approvals to use land for road construction are underway and expected to be completed during the June Quarter.
- Mining tenders have been received and discussions and clarification meetings commenced with tenderers. This work will continue during the June quarter with a view to awarding the mining contract shortly after an investment decision on the Project.
- The Project partners are working constructively to ensure the contractual arrangements are consistent with the new Indonesian Mining Laws (see below) prior to an investment decision. In parallel with this process the partners will assess the development options for the Project.

Indonesian Mining Law

A new Mining Law came into force in Indonesia in January 2009. The new law is being supplemented by implementing regulations. The Indonesian Government is issuing the regulations in instalments. The majority of the regulations have now been issued, including the Mining Services Regulation. The new Mining law, as supplemented by this Regulation, prohibits a concession owner from receiving fees for work performed by a mining services provider, and prevents concession owners from contracting out certain aspects of their mining and processing activities.

This 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.

After reviewing and taking advice on these matters, Strike and the concession owner are in discussions about potential amendments to the contractual arrangements between them to ensure that they remain consistent with the new Mining Law and Regulations, whilst preserving the economic substance of their original agreement. Whilst Strike is proceeding on an operational basis towards mine commencement, awaiting the issue of the new Mining Regulations and the negotiations following from that have resulted in a delay to the project commencement timetable.

3. Paulsens East Iron Ore Project - Western Australia (SRK 100%)

In November 2009 Strike executed a farm-out agreement for this project with Process Minerals International Pty Ltd (PMI), a subsidiary of ASX-listed Mineral Resources Limited.

PMI is undertaking a field validation of Strike's drilling results and conducting regional mapping. Based on its assessment of the results, PMI will determine whether to commence additional drilling to expand and better define the iron ore mineralisation in this project.

Under the farm-out agreement PMI has exclusive rights to explore for and mine iron ore from Paulsens East. Striker retains the rights to other minerals. If PMI mines iron ore at this project it will pay Strike a royalty of A\$3.20 per tonne, subject to variations in line with movements in an iron ore benchmark price.

1. Board Changes

New Chairman - Strike Directors and staff were deeply saddened at the passing of Chairman Dr. John Stephenson in February. Former Managing Director Shanker Madan retired and was appointed to succeed Dr Stephenson as Chairman.

New Managing Director - Ken Hellsten was appointed Managing Director on 24 March 2010 to succeed Mr Madan. Mr Hellsten has over 30 years' experience in the resources industry. He has been employed in senior executive roles ranging from exploration to development and operations with both large multi-national and smaller resources companies, including BHP-Billiton, Centaur Mining, Ironclad Mining and Polaris Metals. Mr Hellsten has led teams responsible for the definition and development of significant gold and nickel projects. Most recently he served as Managing Director of Polaris Metals NL, where he added significant value for shareholders through progressing the company's iron ore assets towards development and leading a strategic partner search which ultimately resulted in the acquisition of Polaris by Mineral Resources Limited earlier this year.

Mr Hellsten's extensive project development and operations experience makes him ideally suited to lead Strike through the next phase of its development, as it transitions from exploration to a producing resources company through the development of its Berau coal project and the exciting Apurimac iron ore project in Peru.

Directors Transitioning to Non Executives - In May 2010 Executive Directors Farooq Khan and William Johnson transition to Non Executive Directors.

New Company Secretary - Victor Ho has resigned as Company Secretary to pursue other interests. Mr Ho leaves with the Board's best wishes, after serving with distinction as Company Secretary since 2000 and as an Executive Director between 2000 and 2009.

Stephen Gethin, currently Strike's General Counsel, has been appointed Company Secretary in addition to his existing role.

2. Cash Position

The Strike group's total cash and investments in liquid securities as at 31 March 2010 was ~A\$46.6 million comprised of ~\$44.3 million cash and ~\$2.3 million in ASX-listed securities.

Strike's cash holding includes exposure to ~US\$2.8m 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.

3. Head Office Relocation

Effective from 3 May 2010 Strike's Head Office will be relocated to:

Level 8, 221 St Georges Terrace
Perth 6000
Western Australia
Australia
Tel: +61 8 9324 7100
Fax: +61 8 9324 7199

Mineral Tenements

Apurimac Project - Peru							
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	Chalhuna (29-P).	01-00649-99	No. 00623-2001-INACC/J dated July 26, 2001.	11032475
(6) Nueva Oropampa 6	400.00	Pampachiri	Andahuaylas	Chalhuna (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	Chalhuna (29-P).	01-01624-99	No. 02760-2000-RPM, dated July 25, 2000.	11032965
(9) Coriminas V	1,000.00	Pampachiri	Andahuaylas	Chalhuna (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
(27) Ferrum 30	963.20	Tumay Huaraca	Andahuaylas	Chalhuna (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

Mineral Tenements

Apurimac Project - Peru							
CONCESSION NAME	AREA (Ha)	DISTRICT	PROVINCE	NATIONAL CHART REFERENCE	CODE	TILE	FILE NUMBER
(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
(54) Ferrum 50	900.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P).	10132508	Jun 19, 2008 RP 1922-2008- INGEMMET/PCD/PM	11077120

Mineral Tenements

Apurimac Project - Peru							
CONCESSION NAME	AREA (Ha)	DISTRICT	PROVINCE	NATIONAL CHART REFERENCE	CODE	TILE	FILE NUMBER
(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	Graú	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

Cuzco Project - Peru							
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	Colquemarca	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

Mineral Tenements

Cuzco Project - Peru							
CONCESSION NAME	AREA (Ha)	DISTRICT	PROVINCE	NATIONAL CHART REFERENCE	CODE	TILE	FILE NUMBER
(7) Ferrum 15	992.13	Chamaca / Colquamarca	Chumbivilcas	Livitaca (29S)	10494906	Mar. 05, 2007 RJ. 0753-2007- INACC/J	11073796
(8) Ferrum 17	500.00	Colquamarca	Chumbivilcas	Livitaca (29S)	10026607	Oct. 30, 2007 RP. 1815-2007- INGEMMET/PCD/PM	11073794
(9) Ferrum 18	800.00	Quinota / Haqaira	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	TBA	010580108	March 31, 2009 RP 1117-2009- INGEMMET/PCD/PM	in process

Paulsens East Project - Western Australia									
PROJECT	STATUS	TENEMENT NO	GRANT DATE	EXPIRY DATE	AREA	AREA (KM ²)	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 of this report.

* Representing an application to convert PL 47/1170 into a mining lease.

Securities Information

as at 31 March 2010

Distribution of Ordinary, Fully-Paid Shares

Spread	of	Holdings	Number of Holders	Number of Units	% of Total Issue Capital
1	-	1,000	560	295,603	0.23
1,001	-	5,000	1,548	4,884,511	3.75
5,001	-	10,000	613	4,971,296	3.83
10,001	-	100,000	764	23,153,517	17.80
100,001	-	and over	84	96,729,341	74.39
Total			3,569	130,034,268	100%

Top 20 Ordinary, Fully-Paid Shareholders

Rank	Shareholders	Total Shares	% Issued Capital
1	ANZ NOMINEES LIMITED	25,064,086	19.275
2	ORION EQUITIES LIMITED	13,190,802	10.144
3	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	828,194	
	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - GSCO ECA	10,116,354	
	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 3	42,000	
	Sub total	10,986,548	8.449
4	DATABASE SYSTEMS LIMITED	9,377,090	7.211
5	FERROUS RESOURCES 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	2,868,445	2.206
9	MR GEORGE BRYANT MACFIE	1,200,000	0.923
10	CITICORP NOMINEES PTY LIMITED	1,146,880	0.882
11	PATER INVESTMENTS PTY LTD	1,125,000	0.865
12	MR GORDON ANTHONY <ANTHONY FAMILY A/C>	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	643,275	0.495
16	M&M HOLDINGS PTY LTD	600,000	0.461
17	REDHILL PARTNERS PTE LTD	592,372	0.456
18	MR FAROOQ KHAN	530,010	0.408
19	RENMUIR HOLDINGS LIMITED	487,428	0.375
20	MR DAVID THOMPSON	411,000	0.316
Total		85,048,585	65.404

Mining Exploration Entity Quarterly Report

Name of entity

STRIKE RESOURCES LIMITED and controlled entities

ACN or ARBN

088 488 724

Quarter Ended

31 March 2010

Consolidated statement of cash flows*

	Consolidated	
	Current Quarter March 2010 \$ '000	Year to Date 9 months \$ '000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(550)	(2,166)
(b) development	-	-
(c) production	-	-
(d) administration	(1,108)	(6,046)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	641	1,411
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	-	(856)
Net operating cash flows	(1,017)	(7,657)

*Notes:

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

- (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 of which SOPL is the 100% beneficial owner;
- (3) Strike Resources Peru SAC (Strike Peru), a wholly-owned subsidiary 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 of which SIOPL is the 100% beneficial owner;
- (8) Strike Finance Pty Ltd ACN 136 444 696 (SRKF), a wholly-owned subsidiary.

Appendix 5B

		Consolidated	
		Current Quarter March 2010 \$ '000	Year to Date 9 months \$ '000
1.8	Net operating cash flows (carried forward)	(1,017)	(7,657)
	Cash flows related to investing activities		
1.9	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	(1,139)
	(c) other fixed assets	(116)	(135)
1.10	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.11	Loans to other entities*	(1,191)	(1,191)
1.12	Loans repaid by other entities	-	-
1.13	Other (provide details if material)	-	-
	Net investing cash flows	(1,307)	(2,465)
1.14	Total operating and investing cash flows	(2,324)	(10,122)
	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	(2,324)	(10,122)
1.21	Cash at beginning of quarter/year to date	46,774	55,727
1.22	Exchange rate adjustments to item 1.20	(148)	(1,303)
1.23	Cash at end of quarter	44,302	44,302

*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.

Appendix 5B

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 March 2010 \$' 000
1.24 Aggregate amount of payments to the parties included in item 1.2	(233)
1.25 Aggregate amount of loans to the parties included in item 1.11	-
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	185
4.2 Development	-
4.3 Loans to Associate*	1,800
Total	1,985

*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

Appendix 5B

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	3,736	3,074
5.2	Deposits at call	40,566	43,700
5.3	Bank overdraft	-	-
5.4	Other (Bank Bills)	-	-
Total: cash at end of quarter (item 1.22)		44,302	46,774

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	Nil		
6.2	Interests in mining tenements acquired or increased	Nil		

Appendix 5B

Issued and quoted securities at end of current quarter

	Total number	Number quoted	Issue price per security (see note 5) (cents)	Amount paid up per security(see note 5) (cents)
7.1 Preference securities+	-			
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 (cents)</i>	<i>Expiry date</i>
Unlisted options	1,833,333		17.8	9 February 2011
Unlisted options	1,666,667		27.8	9 February 2011
Directors' options	4,600,000		93.8	20 July 2011
Director's options	500,000		93.8	12 September 2011
Director's options	500,000		207.8	6 March 2012
Directors' options	3,300,000		278.8	6 March 2012
Employees' options	33,000		287.8	1 May 2012
Directors' options	4,000,000		397.8	2 December 2012
Employee's options	250,000		287.8	3 March 2013
Unlisted Options	903,404		275.0	29 July 2011
Employee's options	250,000		275.0	13 October 2013
Director's options	750,000		250.0	24 November 2012
Director's options	750,000		275.0	24 November 2012
Director's options	750,000		325.0	24 November 2012
7.8 Issued during quarter	-			
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 March 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-Mar-10 Close Price	Market Value
Alara Resources Limited (AUQ)	12,750,000	15.8	\$0.150	\$1,912,500
Orion Equities Limited (OEO)	505,026	2.8	\$0.550	\$277,764
Queste Communications Ltd (QUE)	826,950	2.9	\$0.125	\$103,369
Total				\$2,293,633

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

- 2) 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 rates as at 31 March 2010.
- 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.