



# Quarterly Report – March 2011

For the 3 months to 31 March 2011

## Company Overview

Strike Resources is an Australian-listed resources company with two principal projects in the attractive bulk commodities market.

The Apurimac and Cusco Iron Ore Projects in Peru are large-scale iron ore projects, with Apurimac in the Pre-feasibility Study stage. The Company is seeking to establish a 15 - 20 million tonne per annum ("Mtpa") operation in Peru based on current JORC Resources totalling 270Mt (142Mt Indicated and 128Mt Inferred) with significant exploration upside.

Strike holds 100% of the rights to mine a coal concession near Berau, Indonesia, subject to a royalty to the concession owner ("Berau Thermal Coal Project"). Strike is currently in dispute with the concession owner and dispute resolution proceedings are likely. With low projected capital expenditure and key government approvals in place, this asset has the potential to move to the development phase quickly if the partner dispute can be resolved.

## March Quarter Highlights

- Program and budget of US\$12.6M approved by Apurimac Ferrum (AF) board and experienced CEO appointed.
- Positive results from further metallurgical and water studies for Apurimac project.
- Key focus for AF remains expanding the Company's iron ore resources to support a stand-alone operation.
- Inferred JORC resource for first stage drilling at Cusco nearing completion and significant further exploration potential identified.
- Drilling progress at Colcabamba continues as planned with 4 of 10 holes completed during the quarter.
- Significant progress made on approvals and community relations at Apurimac with:
  - Constructive discussions undertaken with new community leaders following regional elections.
  - Community programs established at Colcabamba as part of initial drilling program.
  - Initial discussions held with several communities for access to satellite concession prospects.
  - Detailed drilling proposals for Opaban prepared for formal discussions.
- Berau dispute resolution negotiations continue but with limited prospects of success.
- Strong cash position retained with \$38.9 million in cash at the end of the quarter.

## Projects

### Apurimac and Cusco Iron Ore Projects - Peru (SRK 44%)

#### Overview

During the quarter exploration activities in AF's concessions in Peru were focussed on the expansion of the resource base to the level required to support the development of a stand-alone iron ore operation producing at least 15Mtpa of product. Key activities undertaken include:

- Strengthening of the AF executive team.
- Initial iron ore resource estimate for the Santo Tomas concessions at the Cusco project nearing completion.
- Continued drill testing of iron ore targets at the Colcabamba concessions in the Apurimac project.
- Completion of the bulk of the metallurgical test work possible using the available drill core from Opaban.
- Expansion of the community programs at Colcabamba and constructive dialogue with the new regional and district government officials following the results of the elections.
- Completion of the first phase of an up-dated water management study for Opaban.

- Formal approval of a budget of US\$12.6M for the next 12 months and endorsement of a full Pre-feasibility Study program by the AF Board.
- Commencement of a review of the base and precious metal potential of the AF concessions.

## Results during the Quarter

### AF Executive Team and Budget

AF engaged Thomas Kelly as Chief Executive Officer in March. Mr Kelly is based in Peru and works from AF's Lima office. Mr Kelly holds a Masters degree in Mining Engineering from the Colorado School of Mines and has 35 years' experience in mineral exploration, mine production, mineral industry consulting and corporate management. He has worked in CEO and senior management positions with resource companies in various countries. In these roles he has managed several large exploration projects and feasibility studies. His experience includes 12 years in senior roles in Latin America, including the last 3 years based in Peru. Mr Kelly is experienced in managing government and community relations for mining project development in Peru, which makes him ideally suited to lead AF through the resource expansion and feasibility study stage.

AF also added Australian geologist Ian Cullen to its Lima-based team. Mr Cullen has over 30 years' experience as a geologist, specialising in iron ore and gold. He has worked in leading roles with some of the world's largest producers of these minerals. Mr Cullen's achievements include heading up exploration programs which resulted in producing mines. Mr Cullen's principal focus will be to advise on the regional iron ore exploration potential and priorities for AF's Apurimac concessions in conjunction with the AF geological team.

These appointments substantially complete the process of transferring day-to-day control of AF's operations to Lima and strengthening its Peruvian-based team, which is expected to result in greater efficiencies for the company.

During the quarter the AF board also approved the iron ore exploration and study program and the associated US\$12.6M budget over the next 12 months. This forms the initial step in the plan to complete a detailed Pre-feasibility Study program on a 15 – 20Mtpa iron ore business over the next 24 – 30 months at an estimated cost of US\$35.7M.

### Cusco Resource Estimate

Independent resource geologists SRK Consulting are nearing completion of a resource estimate for the area drill tested to date at the Santo Tomas concessions within the Cusco project. The delivery of the resource estimate and final report have been delayed due to a range of factors under the control of the consultant including other commitments, incomplete elemental analysis and delays in completing the formal report. AF is working closely with the consultant to ensure a JORC compliant resource estimate is delivered by mid-May.

The drilling to date covers 30 – 40% of the target area within the Santo Tomas concessions. Based on extensive ironstone outcrops and a large magnetic anomaly AF believes there is significant potential to further expand the iron ore tonnages with further drilling and is preparing work programs to undertake a further assessment of its Cusco holdings to determine whether they have the potential to support a stand-alone mine or are best developed to complement an operation at Apurimac.

### Apurimac Iron Ore Studies - Opaban

AF's technical and trade-off studies program is continuing, including further research into the identification of the metallurgical responses of selected samples of Opaban ores, a water sourcing study and other work to provide data for project approvals. Additional studies and programs either underway or planned include:

- assessment of the potential to increase the iron ore tonnages at Opaban.
- additional baseline environmental studies.
- determining preferred configurations for the development of the Apurimac satellite deposits and Cusco.

The initial Apurimac Study completed in 2008 was based on a proposed mine output of 27 million tonnes per annum ("Mtpa"), with ore being crushed and concentrated using magnetic separation to produce 20Mtpa of product, which would then be mixed with water and ground to create a slurry for transportation to the coast by pipeline<sup>1</sup>.

AF is presently conducting several trade-off studies to supplement the 2008 Study as part of its exploration and study program. An update on the progress of these studies is set out below.

#### **Detailed Water Study**

Given the significant sensitivity in Peru to the use for mining of large quantities of water, AF commissioned Golder Associates, Peru to complete a review of the water supply options and options for managing filtrate from the Apurimac Project's slurry pipeline (base case) alternative ("**Phase 1 Water Study**"). This study was awarded late in the December quarter. The Phase 1 Water Study involved a desktop review of the existing supply and discharge options, development of potential alternatives and the recommendation of preferred options.

<sup>1</sup> Full details of AF's 2008 Study are contained in Strike's 23 July 2008 ASX announcement.

Golder Associates delivered the draft Phase 1 Water Study report for review late in the quarter. Key outcomes from the draft report are:

- Multiple options exist for the collection and storage of surface water to meet the Project's water supply requirements. The capture and storage of surface water is the lowest capital and operating cost option for water supply to the Project.
- Re-use of waste water from the City of Andahuaylas has the potential to supplement or offset a small amount of the Project's water requirements.
- Recycling of filtrate from the port to the mine site is technically feasible, although this is clearly the highest capital and operating cost option available.
- Irrigation of trees planted for this purpose is the best option to manage the discharge of filtrate at the port site, from both a capital and operating cost perspective, based on an assumed mine life of 20 years.
- Further investigation of evaporation basins near the port site, as either support or replacement for irrigation, is recommended once more information on the likely filtrate quality becomes available. If no additional treatment of filtrate is necessary this would be the best option.

Phase 2 of the study, which involves a detailed assessment and preliminary engineering for the most attractive options, would be undertaken as part of a detailed Pre-feasibility Study work program and is included in the US\$35.7M overall budget.

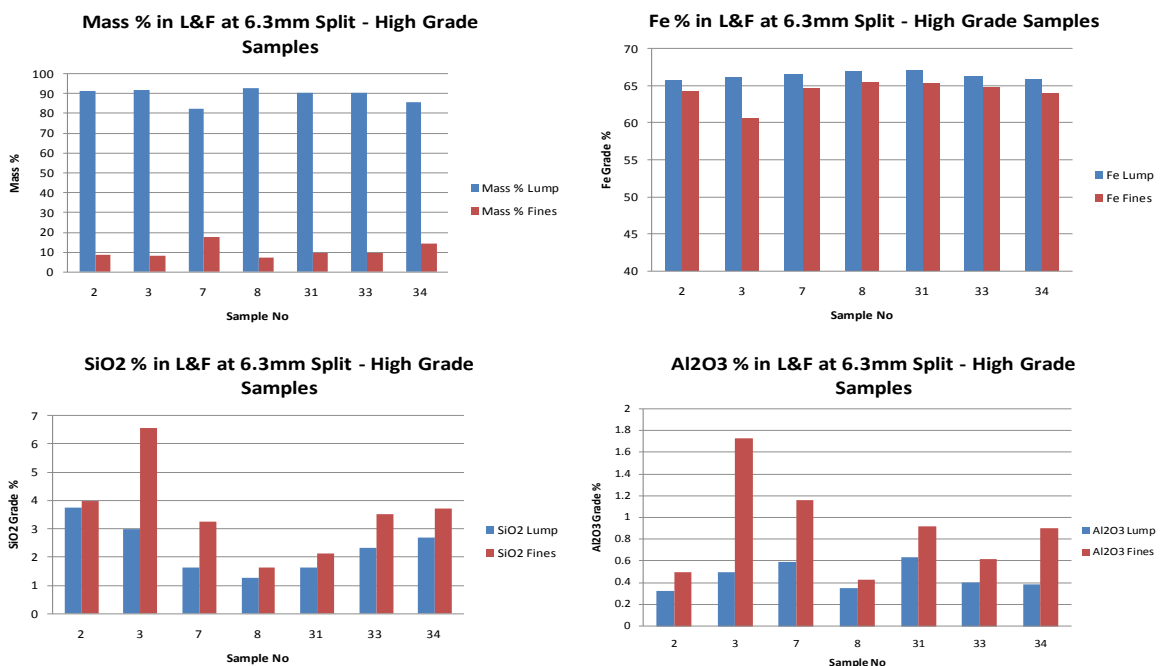
**Preliminary Metallurgical Testwork Program**

In the December quarter AF commenced a preliminary metallurgical testwork program to explore the potential to generate suitable direct shipping ore or DSO (lump and fines) products from high-grade ores at the Opaban 1 and 3 concessions. This testwork program is being completed by Transmin Metallurgical Consultants in Lima, using historical core samples from previous drilling campaigns at Opaban. The preliminary program also included a number of Davis Tube (“DTR”) tests on magnetite ores of varying iron and sulphur grades and coarse grind sizes of P<sub>80</sub> at 250 and 500µm to explore the performance of lower-grade ores.

This preliminary program is scheduled for completion early next quarter. In summary, the results available to date are:

- DSO products from high-grade ores:
  - High-grade samples (predominately Fe > 61%) performed very well and, on average, generated a lump (+6.3mm) split of approximately 88% by mass after a -30mm crush. The performance of the high-grade lump and fines samples is shown in *Figure 1* below.
  - Segregation of SiO<sub>2</sub> and Al<sub>2</sub>O<sub>3</sub> to the finer fractions was also observed and this trend generally increased with the level of these impurities in each sample. This trend is shown in *Figure 1* below and supports previous testwork completed on Opaban ores.
  - While no lump degradation work is planned as a part of the preliminary campaign the initial results from the high-grade DSO product testwork are positive. Further work will be completed as a part of the Pre-feasibility Study, to explore potential value creation options associated with the initial production of lump and fines products. Further DSO product test work will also be carried out when new samples can be generated from the proposed Opaban drilling program.

**Figure 1 – High-Grade Samples: Potential DSO Product Results**



- DTR Testwork on Magnetite Ores:
  - Samples were divided into high and low-sulphur groupings, with 10 low-sulphur and 6 high-sulphur samples tested at 2 grind sizes: P<sub>80</sub> of 250 and 500µm.

**Table 1 – High-Level Summary of DTR Results**

	Head Grade (Calc) %	Concentrate Grade Fe%	Mass Recovery %
Low-Sulphur Magnetite - 250µm	40.6 to 65.9%	60 to 68%	62 to 93.7%
Low-Sulphur Magnetite - 500µm	41.5 to 64.6%	60 to 68%	61 to 92.8%
High-Sulphur Magnetite - 250µm	48.1 to 65%	62 to 68%	70 to 92.6%
High-Sulphur Magnetite - 500µm	49.8 to 66.4%	62 to 68%	72.5 to 95.4%

- Overall, the DTR performance across the range of samples tested was very good, with average mass recovery for the low and high-sulphur magnetite samples of 79% and 72% respectively. Iron recoveries were also very good, with an average of 90% and 81% respectively for the low and high-sulphur samples.
- DTR mass and iron recoveries were similar for the low and high-sulphur samples at the two grind sizes tested.
- Analysis of the DTR results is ongoing at the time of reporting, however the results support previous testing completed on Opaban ores for the 2008 Study. Initial indications suggest there may be potential to increase the grind size to a P<sub>80</sub> of 500µm to generate an initial concentrate and potentially reduce the grinding power requirements for Opaban ores.
- Eight samples have been randomly selected for cross check DTR analysis by SGS Lakefield in Canada to confirm Transmin's results. This analysis is in progress and results are expected early next quarter.

Finalisation of the preliminary testwork program is scheduled for completion early next quarter.

#### Apurimac Iron Ore - Satellite Exploration Program

During the quarter extensive field work continued within the satellite concessions to prioritise existing targets and identify additional prospective areas for more detailed evaluation.

On the Colcabamba concessions three large magnetic anomalies lie coincident with major structural zones and extensive areas of outcropping ironstones recording >60% Fe in rock chip samples. As reported in the previous quarter, a program comprising 10 diamond drill holes to test the three target areas commenced in December 2010. Five of the ten holes are now complete for a program total of 1470 metres at the end of the reporting period.

The following is a summary of the key intercepts at Colcabamba to date:

- 25.7 metres at 47.8% Fe, 1.54% Al<sub>2</sub>O<sub>3</sub>, 7.2% SiO<sub>2</sub>, 3.7% S and 0.017% P from 124.60 metres in hole COL-001
- 11.7 metres at 48.4% Fe, 2.72% Al<sub>2</sub>O<sub>3</sub>, 10.4% SiO<sub>2</sub>, 3.4% S and 0.018% P from 17.7 metres in hole COL-002
- 10.2 metres at 56.9% Fe, 1.35% Al<sub>2</sub>O<sub>3</sub>, 8.6% SiO<sub>2</sub>, 2.6% S and 0.003% P from 45.8 metres in hole COL-002
- 6 metres at 59.7% Fe, 1.7% Al<sub>2</sub>O<sub>3</sub>, 7.9% SiO<sub>2</sub>, 0.04% S and 0.02% P from 2.60 metres in hole COL-003
- 6.9 metres at 46.9% Fe, 3.4% Al<sub>2</sub>O<sub>3</sub>, 17.6% SiO<sub>2</sub>, 0.16% S and 0.03% P from 12.60 metres in hole COL-003
- 4.4 metres at 61.0% Fe, 0.86% Al<sub>2</sub>O<sub>3</sub>, 5.4% SiO<sub>2</sub>, 5.00% S and 0.022% P from 18.3 metres in hole COL-009
- 10.1 metres at 59.4% Fe, 1.46% Al<sub>2</sub>O<sub>3</sub>, 6.5% SiO<sub>2</sub>, 6.50% S and 0.027% P from 65.4 metres in hole COL-009
- 21.9 metres at 56.3% Fe, 1.87% Al<sub>2</sub>O<sub>3</sub>, 9.6% SiO<sub>2</sub>, 3.34% S and 0.019% P from 156.55 metres in hole COL-009
- 26.3 metres at 39.7% Fe, 3.12% Al<sub>2</sub>O<sub>3</sub>, 13.77% SiO<sub>2</sub>, 3.22% S and 0.022% P from 210.55 metres in hole COL-009.

In addition, anomalous values for copper have been seen in all drill holes at Colcabamba to date, with some anomalous gold values in soil samples and drilling, including:

- 18 metres at 619 ppm Cu from 1.3 metres and
- 18 metres at 1430 ppm Cu from 168 metres

in hole COL-001,

- 8.7 metres at 804 ppm Cu, 0.13 ppm Au and 3 ppm Ag from 9 metres
- 16.1 metres at 415 ppm Cu from 62 metres and
- 47.7 metres at 345 ppm Cu from 113.8 metres,

in hole COL-002 and

- 45.6 metres at 465 ppm Cu from 152.35 metres
- 31.7 metres at 480 ppm Cu from 211.55 metres and
- 33.02 metres at 401 ppm Cu from 342.75 metres,

in hole COL-009. (For additional details see the Company's ASX announcements dated 18 Feb and 11 Mar 2011.)

The drilling program is progressing, although ongoing disruptions have been experienced due to the "wet season". Hole 6 of the program - which is one of 3 holes targeting mineralisation within Area C - is now underway. It is anticipated the remainder of the drilling program will be completed during the June quarter.

Overall, the drilling results to date have indicated that although the style of mineralisation and iron grades are similar to that at Opaban, the width of the mineralised zones are not sufficient to generate significant tonnages of iron ore within Areas A and C. Assessment of the results will continue over the remainder of the drilling program including the merits of testing the large magnetic anomaly at depth below Area B.

The base and precious metal potential of these concessions will be included in the regional review discussed below and follow-up work will depend on the priority of this area relative to the other concessions held by AF.

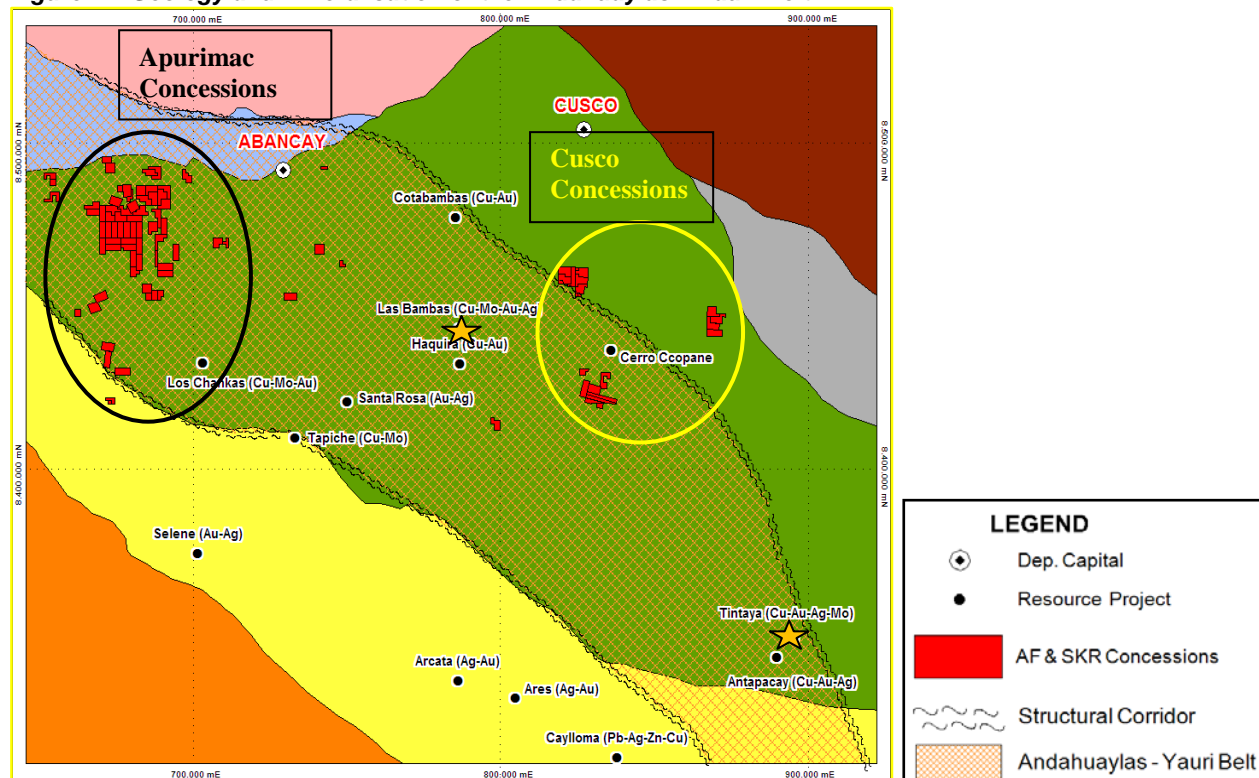
### Review of Base Metal Potential of AF Apurimac and Cusco Concessions

A regional assessment of the potential for base and precious metals across the Apurimac and Cusco Project areas commenced during the quarter. While this work remains at a preliminary stage and will not be completed until late in the June quarter, initial results are considered most encouraging. Findings to date include:

- The AF concessions lie within the Andahuaylas-Yauri copper-iron belt which hosts major copper deposits including Las Bambas and Tintaya as well as several major base and precious metal projects (see *Figure 2*).
- Encouraging copper and gold anomalies in the Colcabamba drilling results and elevated copper and gold in surface samples collected during geological mapping of these concessions.
- Strongly elevated copper results (up to 3%Cu) from surface and drilling samples at several concession areas within both the Apurimac and Cusco project areas.
- Geological, alteration and geochemical signatures typical of Andean porphyry copper systems evident at numerous AF concession areas at both Apurimac and Cusco.

During the June quarter AF plans to continue the review and acquire further regional data to assist with defining specific target areas for follow-up detailed assessment and drill testing.

**Figure 2 – Geology and Mineralisation of the Andahuaylas – Yauri Belt**



## Approvals Progress and Community Relations

The approval processes for exploration and drilling programs in Peru are extensive and highly structured. These processes are mandated by law and include both environmental and community approvals. As outlined in previous reports, while most government approvals have a mandated time frame, community approvals are largely in the hands of the community authorities and the General Assembly process which involves a formal meeting of the entire community.

The political climate in Peru associated with the lead up to the Presidential Elections (currently in progress) continues to add complexity to AF's activities in the local communities and in particular at Huinchos and Huancabamba. AF has been experiencing more activity from anti-mining groups attempting to disrupt its activities. AF has taken several alternate paths to mitigate the activities of these groups including working with the Ministry for Energy and Mines and the National Society of Mining to utilise their resources to assist in providing an accurate picture of events on the ground to the local communities.

Whilst mitigating the potential negative influence of external parties, AF continues to develop its relationships with the communities of Huinchos and Huancabamba and expects to commence the negotiation for drilling approval in the June quarter. The relationship with the communities has improved due to on-going dialogue and a clearer understanding on the part of the communities as to what mining at Opaban may mean to them economically, socially and in terms of infrastructure and how AF operates, as demonstrated by its work at Colcabamba.

Relationships at Colcabamba continue to be positive with the AF Community Relations Team continuing with implementation of a number of development projects which have been jointly determined with the community. Progress during the quarter at Colcabamba includes:

- Implementation of knitting workshops for women to assist them to develop this into an economic activity.
- Completion of a visual health campaign with the support of the "Monseñor Enrique Pelach" Eyecare Centre, a part of the Abancay Bishopric. Over a hundred people from the Colcabamba community attended the visual health campaign, with several being sent on to Abancay for more specialised treatment.
- Commencement of work on the Colcabamba Community Development Plan.

AF continues to use the Colcabamba Community projects as a reference for other communities, to display its professionalism and commitment to developing and implementing jointly-agreed community enhancement programs and becoming a valued partner of the community.

To assist with access to satellite concessions, AF engaged consultants CGT, after the reporting period to assist with the approvals process for initial exploration activities. CGT has commenced baseline studies to allow the development of a detailed plan for negotiation with the communities associated with AF's satellite concessions.

AF has also met with the new Regional President and Regional General Manager to discuss issues of mutual interest. The new President was open and interested in learning about AF's projects in the Apurimac Region.

## Millenium Dispute

As announced on 24 March 2011, Millenium Trading SAC, a former holder of options over certain AF concessions, commenced court proceedings claiming that the options were not validly terminated. AF is vigorously defending the proceedings and has legal advice that its defence ought to be successful.

## JORC Code Competent Person Statements

### **Apurimac Resource**

*Of the JORC Indicated Resource of 142.5Mt at the Apurimac Project, 133.7Mt is on the Opaban 1 concession and 8.8Mt is on the Opaban 3 concession. The entire Inferred Resource of 127.5Mt at this Project is located within the Opaban 1 concession. The information in this document which relates to mineral Resources at the Opaban 1 concession has been jointly compiled by Mr Bruce Sommerville, (BAppSc, BSc (Hons)) who is a member of the Australasian Institute of Mining and Metallurgy and is an employee of SRK Consulting Pty Ltd (which is unrelated to Strike Resources Limited) and Mr Hem Shanker Madan (M. Sc (Appl. Geol.) who is a Member of The Australasian Institute of Mining and Metallurgy and was, at the time he did the relevant work, the Managing Director of Strike Resources Limited (having since retired from the Company). Mr Madan is responsible for data collection and data quality in respect of the Opaban 1 concession and Mr Sommerville is responsible for mineral Resource estimation in respect of the Opaban 1 concession. The information in this document which relates to mineral Resources at the Opaban 3 concession has been solely compiled by Mr Hem Shanker Madan. Messrs Sommerville and Madan 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)." Messrs Somerville and Madan consent to the inclusion in this document of the matters based on their information in the form and context in which it appears.*

### **Colcabamba Exploration Results**

*The information in this document which relates to exploration results at Colcabamba has been compiled by Mr Ian Cullen, B.Sc. (Geology), who is a member of the Australasian Institute of Mining and Metallurgy and is an employee of Strike Resources Limited. Mr Cullen 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 Cullen consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.*

## Berau Thermal Coal Project – Indonesia (SRK 100%)

### Joint Venture Negotiations

During the March quarter Strike continued negotiations to restructure the Berau Project co-operation agreement to address issues raised by Indonesia's 2009 Mining Law. As previously announced, the position adopted by the Company's partner has raised uncertainty about whether negotiations will succeed. The Company is of the view that it has exhausted all reasonable efforts to resolve the dispute by negotiations and is likely to commence dispute resolution proceedings in the short term.

## Paulsens East Iron Ore Project – Pilbara, Western Australia (SRK Royalty)

Strike has farmed out the iron ore rights in this project to Process Minerals International ("PMI"), a subsidiary of ASX-listed Mineral Resources Limited. Key points from PMI's report to Strike on its activities under the farm-out during the quarter are:

- PMI is in the process of seeking a Miscellaneous Licence over adjoining tenements for access to haul iron ore off site and is dealing with objections through the Warden's Court. The Miscellaneous Licence is a prerequisite for PMI to submit a Mining Proposal to the DMP. PMI is targeting Miscellaneous Licence approval during the June quarter.
- PMI developed a 35-hole, strategic resource expansion drilling program with a view to extending the projected life of its proposed open-pit mine by extending the existing deposit. PMI's current exploration target is for an additional 9 - 11 million tonnes of iron ore at a grade of 54 – 56%Fe and above. (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.)
- PMI is awaiting the approval of the Miscellaneous Licence and feedback from the Commonwealth Department of Sustainability, Environment, Water, Population and Communities ("SEWPaC") on the northern quolls present in the area prior to commencing the drilling program. SEWPaC and the WA Departments of the Environment and Conservation ("DEC") and Minerals and Petroleum ("DMP") are currently developing a new set of guidelines for exploration and mine development in areas containing northern quolls. PMI will be required to conduct a quoll survey under the new guidelines before conducting further work on site. A quoll trapping program require for the survey will commence in June - the earliest time permitted by the DEC.
- PMI has carried out an initial internal analysis of potential mine plans, mine cost models and export options for the iron ore with a view to determining the optimum configuration for the project. Further work is required, including the strategic drilling program, to complete this activity.

## Finance

### Cash position

Strike's total cash holding on 31 March 2010 was approximately A\$38.9 million. During the March quarter Strike received \$786,000 in proceeds of the exercise of 3,500,000 options.

Strike's cash holding included exposure to approximately US\$390,000 held in at-call accounts at 31 March 2010. Strike 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.

# Mineral Tenements

## Apurimac Ferrum S.A. Concessions

(Strike Resources has a 44% interest in AF's concessions at Apurimac and Cusco, through its 44% interest in AF.)

### Apurimac Project – Peru (AF Concessions)

Concession Name	Area (Ha)	Province	National Chart Ref.	Code	Title	File Number
(1) Opaban I	999	Andahuaylas	Andahuaylas (28-P)	05006349X01	No. 8625-94/RPM Dec. 16, 1994	20001465
(2) Opaban III	990	Andahuaylas	Andahuaylas (28-P)	05006351X01	No. 8623-94/RPM Dec. 16, 1994	20001464
(3) Los Andes I	999	Andahuaylas	Andahuaylas (28-P)	05006372X01	No. 0134-95-RPM Jan. 31, 1995	200001481
(4) Pitumarca II	1,000	Andahuaylas	Andahuaylas (28-P)	05006385X01	No. 8686-94-RPM Dec. 22, 1994	20001478
(5) Lucrecia Esperanza	66.4	Andahuaylas	Chalhuana (29-P)	01-00649-99	No. 00623-2001- INACC/J Jul. 26, 2001	11032475
(6) Nueva Oropampa 6	400	Andahuaylas	Chalhuana (29-P)	01-00860-99	No. 04043-2000- RPM Oct. 13, 2000	11032603
(7) Mapsa 2001	800	Andahuaylas	Andahuaylas (28-P)	01-01204-01	No. 00590-2002- INACC/J Apr. 8, 2002	11032600
(8) Coriminas II	1,000	Andahuaylas	Chalhuana (29-P)	01-01624-99	No. 02760-2000- RPM, Jul. 25, 2000	11032965
(9) Coriminas V	1,000	Andahuaylas	Chalhuana (29-P)	01-01626-99	No. 0936-00-RPM Mar.16, 2000	20003140
(10) Ferrum 1	965	Andahuaylas	Andahuaylas (28-P)	01-02983-04	No. 00228-2005- INACC/J Jan. 19, 2005	11053798
(11) Ferrum 2	1,000	Andahuaylas	Andahuaylas (28-P)	01-02984-04	No. 00227-2005- INACC/J Jan. 19, 2005	11053836
(12) Ferrum 3	1,000	Andahuaylas	Andahuaylas (28-P)	01-02985-04	No. 00229-2005- INACC/J Jan. 19, 2005	11053807
(13) Ferrum 4	1,000	Andahuaylas / Aymaraes	Andahuaylas (28-P)	01-02986-04	No. 00230-2005- INACC/J Jan. 19, 2005	11053810
(14) Ferrum 5	959.4	Aymaraes	Andahuaylas (28-P)	01-02987-04	No. 00323-2005- INACC/J Jan. 25, 2005	11053816
(15) Ferrum 7	437	Aymaraes	Andahuaylas (28-P)	01-02989-04	No. 00396-2005- INACC/J Jan. 27, 2005	11053822
(16) Ferrum 8	900	Andahuaylas	Andahuaylas (28-P)	01-02990-04	No. 00232-2005- INACC/J Jan. 19, 2005	11053827
(17) Ferrum 9	1,000	Aymaraes	Andahuaylas (28-P)	01-02991-04	No. 00324-2005- INACC/J Jan. 25, 2005	11053830
(18) Ferrum 10	1,000	Aymaraes	Andahuaylas (28-P)	01-02992-04	No. 00325-2005- INACC/J Jan. 25, 2005	11053833
(19) Ferrum 11	1,000	Aymaraes	Andahuaylas (28-P)	01-02993-04	No. 02512-2005- INACC/J Jun. 12, 2005	11053835
(20) Ferrum 13	600	Andahuaylas	Andahuaylas (28-P)	01-03139-06	No. 4416-2006- INACC/J Oct. 16, 2006	11061068
(21) Ferrum 26	827.5	Andahuaylas	Andahuaylas (28-P)	01-02274-07	No. 000853-2007- INGEMMET/PCD/P M Sept. 07, 2007	11073793
(22) Ferrum 27	1,000	Andahuaylas	Andahuaylas (28-P)	01-02629-07	No. 000581-2007- INGEMMET/PCD/P M Sept. 05, 2007	11073799
(23) Ferrum 36	1,000	Andahuaylas	Andahuaylas (29-P)	10553307	RP. 0176-2008- INGEMMET/PCD/P M Feb. 29, 2008	11075418
(24) Cristoforo 22	379.5	Andahuaylas	Andahuaylas (29-P)	01-01656-02	RP2849-2007- INGEMMET/PCD/P M Dec. 13, 2007	11067786



## Apurimac Project – Peru (AF Concessions)

Concession Name	Area (Ha)	Province	National Chart Ref.	Code	Title	File Number
(25) Ferrum 28	1,000	Andahuaylas	Andahuaylas (29-P)	10507407	RP0601-2008-INGEMMET/PCD/PCM Mar. 07, 2008	11075423
(26) Ferrum 29	1,000	Andahuaylas	Andahuaylas (29-P)	10507507	RP0365-2008-INGEMMET/PCD/PM Mar. 07, 2008	11075419
(27) Ferrum 30	963.2	Andahuaylas	Chalhuana (29-P)	10525907	PP 1024-2008-INGEMMET/PCD/PM May. 05, 2008	11076757
(28) Ferrum 31	327.2	Andahuaylas	Andahuaylas (29-P)	10552807	RP 1266-2008-INGEMMET/PCD/PM May. 12, 2008	11076509
(29) Ferrum 32	900	Andahuaylas	Andahuaylas (29-P)	10552907	RP0402-2008-INGEMMET/PCD/PM Mar. 07, 2008	11075425
(30) Ferrum 33	900	Andahuaylas	Andahuaylas (29-P)	10553007	RP0547-2008-INGEMMET/PCD/PM Mar. 07, 2008	11075421
(31) Ferrum 34	800	Andahuaylas	Andahuaylas (29-P)	10553107	RP0764-2008-INGEMMET/PCD/PM Apr. 17, 2008	11075427
(32) Ferrum 35	1,000	Andahuaylas	Andahuaylas (29-P)	10553207	RP0347-2008-INGEMMET/PCD/PCM Mar. 07, 2008	11075426
(33) Ferrum 37	695.3	Andahuaylas	Andahuaylas (29-P)	10621507	RP 1164-2008-INGEMMET/PCD/PM May. 12, 2008	11076534
(34) Ferrum 56	1,000	Andahuaylas	Andahuaylas (29-P)	10133508	RP 1971-2008-INGEMMET/PCD/PM Jun 19, 2008	11077123
(35) Ferrum 57	1,000	Andahuaylas	Andahuaylas (29-P)	10133608	RP 3279-2008-INGEMMET/PCD/PM Sept. 9, 2008	11081417
(36) Ferrum 58	1,000	Andahuaylas	Andahuaylas (29-P)	10133708	Jun 27, 2008 RP 2206-2008-INGEMMET/PCD/PM	11077127
(37) Ferrum 59	1,000	Andahuaylas	Andahuaylas (29-P)	10133808	Jun 27, 2008 RP 2272-2008-INGEMMET/PCD/PM	11077122
(38) Ferrum 61	1,000	Aymaraes	Andahuaylas (29-P)	010073308	-	in process
(39) Pacunco 1	800	Andahuaylas	Andahuaylas (29-P)	10019508	RP 1806-2008-INGEMMET/PCD/PM May 29, 2008	11076523
(40) Minas Huaycco	800	Abancay	Abancay (28Q)	10168708	RP 2541-2008-INGEMMET/PCD/PM Aug. 08, 2008	11081416
(41) Cassio 100	400	Andahuaylas	Chalhuana (29-P)	10182808	RP 3321-2008-INGEMMET/PCD/PM Sept. 10, 2008	11081415

## Cusco Project – Peru (AF Concessions)

Concession Name	Area (Ha)	Province	National Chart Ref.	Code	Title	File Number
(1) Flor de María	906.9	Chumbivilcas	Livitaca (29-S)	05006521X01	No. 7078-95-RPM Dec. 29, 1995	20001742
(2) Delia Esperanza	1,000	Chumbivilcas	Livitaca (29-S)	05006522X01	No. 0686-95-RPM Mar. 31, 1995	20001743
(3) Julia Clara	1,000	Chumbivilcas	Livitaca (29-S)	05006523X01	No. 4600-95/RPM Sept. 26, 1995	20001744
(4) El Pacífico I	618.9	Chumbivilcas	Livitaca (29-S)	05006536X01	No. 7077-95/RPM Dec. 29, 1995	20001785
(5) El Pacífico II	1,000	Chumbivilcas	Livitaca (29-S)	05006524X01	No. 7886-94/RPM Nov. 25, 1994	20001746

## Cusco Project – Peru (AF Concessions)

Concession Name	Area (Ha)	Province	National Chart Ref.	Code	Title	File Number
(6) Ferrum 14	268.4	Chumbivilcas	Livitaca (29-S)	01-03047-05	No. 05032-2005- INACC/J Nov. 30, 2005	11053842
(7) Ferrum 15	992.1	Chumbivilcas	Livitaca (29S)	10494906	R.J. 0753-2007- INACC/J Mar. 05, 2007	11073796
(8) Ferrum 17	500	Chumbivilcas	Livitaca (29S)	10026607	RP. 1815-2007- INGEMMET/PCD/P M Oct. 30, 2007	11073794
(9) Ferrum 18	800	Chumbivilcas /Cotabambas	Santo Tomas (29R)	10026707	RP 1761-2008- INGEMMET/PCD/P M May 29, 2008	11076514

## Strike Resources Limited Concessions

(The concessions at Apurimac and Cusco listed in the tables below are 100% owned by Strike Resources, subject to an option for AF to acquire those concessions.)

### Apurimac Project – Peru (Strike Concessions)

Concession Name	Area (Ha)	Province	National Chart Ref.	Code	Title	File Number
(1) Ferrum 38	800	Andahuaylas	Andahuaylas (29-P)	10015205	RP1288-2008- INGEMMET/PCD/P M May, 12, 2008	11064280
(2) Ferrum 39	1,000	Andahuaylas	Andahuaylas (29-P)	10047605	RP 1573-2008- INGEMMET/PCD/P M May 29, 2008	11064281
(3) Ferrum 40	1,000	Andahuaylas	Andahuaylas (29-P)	10623507	RP 2905-2008- INGEMMET/PCD/P M Aug 19, 2008	11076528
(4) Ferrum 41	1,000	Andahuaylas	Andahuaylas (29-P)	10131408	RP 1965-2008- INGEMMET/PCD/P M Jun 19, 2008	11076755
(5) Ferrum 42	1,000	Andahuaylas	Andahuaylas (29-P)	10131508	RP 1975-2008- INGEMMET/PCD/P M Jun 19, 2008	11077114
(6) Ferrum 43	1,000	Andahuaylas	Andahuaylas (29-P)	10131608	RP 3243-2008- INGEMMET/PCD/P M Sept. 9, 2008	11077113
(7) Ferrum 44	1,000	Andahuaylas	Andahuaylas (29-P)	10131908	RP 1934-2008- INGEMMET/PCD/P M Jun 19, 2008	11077115
(8) Ferrum 45	1,000	Andahuaylas	Andahuaylas (29-P)	10132008	RP 2283-2008- INGEMMET/PCD/P M Jun 27, 2008	11077116
(9) Ferrum 46	1,000	Andahuaylas	Andahuaylas (29-P)	10132108	RP 2523-2008- INGEMMET/PCD/P M Aug. 08, 2008	11079784
(10) Ferrum 47	1,000	Andahuaylas	Andahuaylas (29-P)	10132208	RP 1908-2008- INGEMMET/PCD/P M Jun 18, 2008	11077117
(11) Ferrum 48	1,000	Andahuaylas	Andahuaylas (29-P)	10132308	RP 1756-2008- INGEMMET/PCD/P M May 29, 2008	11076584
(12) Ferrum 49	1,000	Andahuaylas	Andahuaylas (29-P)	10132408	RP 2000-2008- INGEMMET/PCD/P M Jun 19, 2008	11077118

## Apurimac Project – Peru (Strike Concessions)

Concession Name	Area (Ha)	Province	National Chart Ref.	Code	Title	File Number
(13) Ferrum 50	900	Andahuaylas	Andahuaylas (29-P)	10132508	RP 1922-2008-INGEMMET/PCD/PM Jun 19, 2008	11077120
(14) Ferrum 51	1,000	Andahuaylas	Andahuaylas (29-P)	10132608	RP 1893-2008-INGEMMET/PCD/PM Jun 18, 2008	11077121
(15) Ferrum 52	1,000	Andahuaylas	Andahuaylas (29-P)	10132708	RP 2803-2008-INGEMMET/PCD/PM Aug 18, 2008	11079786
(16) Ferrum 53	1,000	Andahuaylas	Andahuaylas (29-P)	10132808	RP 2550-2008-INGEMMET/PCD/PM Aug. 08, 2008	11079787
(17) Ferrum 54	700	Andahuaylas	Andahuaylas (29-P)	10132908	RP 2899-2008-INGEMMET/PCD/PM Aug. 19, 2008	11079788
(18) Ferrum 55	800	Andahuaylas	Andahuaylas (29-P)	10133408	RP 2951-2008-INGEMMET/PCD/PM Aug. 19, 2008	11079789
(19) Ferrum 60	200	Abancay	Abancay (28Q)	10073208	RP 2986-2008-INGEMMET/PCD/PM Aug. 19, 2008	11084879
(20) Ferrum 62	900	Abancay	Abancay (28Q)	10073408	RP 3177-2008-INGEMMET/PCD/PM Sept . 8, 2008	TBA
(21) Ferrum 63	300	Grao	Abancay (28Q)	10073008	RP 3040-2008-INGEMMET/PCD/PM Aug. 28, 2008	11076586
(22) Pichirhua 1	800	Abancay	Andahuaylas (29-P)	10151708	RP 2638-2008-INGEMMET/PCD/PM Aug. 11, 2008	11079794
(23) Pichirhua 2	400	Abancay	Andahuaylas (29-P)	10151808	RP 3183-2008-INGEMMET/PCD/PM Sept . 8, 2008	11081445
(24) Colcabamba 1	600	Aymaraes	Andahuaylas (29-P)	10212308	RP 2986-2008-INGEMMET/PCD/PM Aug. 19, 2008	11079780
(25) Colcabamba 2	500	Aymaraes	Andahuaylas (29-P)	10212408	RP 3177-2008-INGEMMET/PCD/PM Sept . 8, 2008	11081451
(26) Colcabamba 3	900	Aymaraes	Andahuaylas (29-P)	10217208	RP 3040-2008-INGEMMET/PCD/PM Aug. 28, 2008	11079781
(27) Sillaccassa 1	700	Andahuaylas	Chincheros (28- O)	10212608	RP 5088-2008-INGEMMET/PCD/PM Nov. 19, 2008	11079791
(28) Sillaccasa 2	400	Andahuaylas	Chincheros (28- O)	10212508	RP 3183-2008-INGEMMET/PCD/PM Sept . 8, 2008	11081449
(29) Cristoforo 14*	1000	Andahuaylas	Andahuaylas (29-P)	01-02327-99	No. 02693-2000 RPM 24 Jul. 2000	11034702
(30) Cristoforo 28*	500	Aymaraes	Chalhuanca (29-P)	01-00152-05	No. 01824-2005 INACC/J 4 May 2005	11064280
(31) Ferroso 29*	400	Andahuaylas	Andahuaylas (29-P)	01-00473-05	No. 01709-2005 RPM 21 Apr. 2004	11064281

## Apurimac Project – Peru (Strike Concessions)

Concession Name	Area (Ha)	Province	National Chart Ref.	Code	Title	File Number
(32) Helimag 1	900	Andahuaylas	TBA	01-00152-05	No. 000741-2010 INGEMMET/PCD/P M 22 Mar. 22 2010	11064280

\*Strike Resources holds an option to acquire these concessions. Under the terms of the AF Settlement Agreement, Strike's rights under the option will be transferred to AF.

## Cusco Project – Peru (Strike Concessions)

Concession Name	Area (Ha)	Province	National Chart Ref.	Code	Title	File Number
(1) Ferrum 72	1,000	Paruro	Cotabamba(28R)	10408208	RP 4435-2008- INGEMMET/PCD/PM Oct. 21, 2008	11084851
(2) Ferrum 73	1,000	Paruro	Cusco(28S)	10409608	RP 5050-2008- INGEMMET/PCD/PM Nov. 19, 2008	11084874
(3) Ferrum 74	1,000	Paruro	Cusco(28S)	10408208	RP 5006-2008- INGEMMET/PCD/PM Nov. 19, 2008	11084871
(4) Ferrum 75	302.8	Paruro	Cotabamba(28R)	10409808	RP 5130-2008- INGEMMET/PCD/PM Nov. 19, 2008	11084873
(5) Ferrum 76	973.83	Chumbivilcas	Cotabamba(28R)	10409908	RP 4323-2008- INGEMMET/PCD/PM Oct. 20, 2008	11084870
(6) Ferrum 77	1,000	Paruro	Cotabamba(28R)	10408108	RP 5227-2008- INGEMMET/PCD/PM Nov. 19, 2008	11084868
(7) Ferrum 65	1,000	Paruro	TBA	010580008	RP 0337-2009- INGEMMET/PCD/PM Feb. 19, 2009	TBA
(8) Ferrum 66	100	Paruro	TBA	010580208	RP 1613-2009- INGEMMET/PCD/PM 4 Jun. 2009	TBA
(9) Ferrum 67	100	Chumbivilcas	TBA	010579908	R.P. 5849-2008- INGEMMET/PCD/PM 17 Dec. 2008	TBA
(10) Ferrum 68	1,000	Acomayo	Cusco-28-S Livitaca- 29-S	010579808	RP 1185-2009- INGEMMET/PCD/PM Mar. 31 2009	TBA
(11) Ferrum 69	1,000	Acomayo	TBA	010579608	R.P. 1633-2009- INGEMMET/PCD/PM 4 Jun. 2009	TBA
(12) Ferrum 70	1,000	Acomayo	Livitaca-29-S	010579608	R.P. 1848-2009- INGEMMET/PCD/PM 11 Jun. 2009	TBA
(13) Ferrum 71	1,000	Acomayo	Livitaca-29-S	010579508	RP 1120-2009- INGEMMET/PCD/PM Mar. 31, 2009	TBA
(14) Colcabamba 4	400	Acomayo	TBA	010580108	RP 1117-2009- INGEMMET/PCD/PM Mar. 31, 2009	TBA

## Paulsens East Project – Western Australia

(These concessions are 100% beneficially owned by Strike Resources, subject to the farm-out agreement detailed under the section on the Paulsens East Project in Strike's 2010 Full Year Report.)

Tenement No	Status	Grant Date	Expiry Date	Area blocks/ha	Area (km <sup>2</sup> )
(1) EL 47/1328	Granted	05/10/06	04/10/11	6 blocks	18
(2) PL 47/1170	Granted	27/03/06	26/03/11	164 hectares	1.64
(3) M 47/1437*	Pending	N/A	N/A	164 hectares	1.64

\*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 2011)

## Distribution of ordinary, fully-paid shares

Spread of Holdings	Number of Holders	Number of Units	% of Capital
1 - 1,000	506	247,506	0.185
1,001 - 5,000	1,323	4,151,254	3.109
5,001 - 10,000	503	4,099,331	3.070
10,001 - 100,000	713	22,235,219	16.651
100,000 - and over	90	102,800,958	76.985
<b>Total</b>	<b>3,135</b>	<b>133,534,268</b>	<b>100%</b>

## Top 20 ordinary, fully-paid shareholders

Rank	Shareholder	Total Shares	% of Capital
1	HSBC Custody Nominees (Australia) Ltd	29,289,343	21.934
2	Orion Equities Limited	16,690,802	12.499
3	Database Systems Ltd	9,377,090	7.022
4	National Nominees Ltd	6,954,322	5.208
5	Ferrous Resources Ltd	6,370,000	4.770
6	Nefco Nominees Pty Ltd	4,331,760	3.244
7	Alara Resources Limited	3,573,889	2.676
8	J P Morgan Nominees Australia Ltd	2,676,223	2.004
9	J P Morgan Nominees Australia Ltd	2,643,791	1.980
10	Pater Investments Pty Ltd	1,125,000	0.842
11	Mr Gordon Anthony	800,000	0.599
12	Mr George Macfie	800,000	0.599
13	Aliana Pty Ltd	700,000	0.524
14	Empire Holdings Pty Ltd	700,000	0.524
15	Citicorp Nominees Pty Ltd	674,344	0.505
16	M&M Holdings Pty Ltd	606,000	0.454
17	Merrill Lynch (Australia)	530,810	0.398
18	Renmuir Holdings Limited	487,439	0.365
19	Mr Matthew Norman Bull	448,000	0.335
20	Mr Nicholas Kenos & Mrs Pauline Kenos	400,000	0.300
<b>Total</b>		<b>89,178,813</b>	<b>66.782</b>

# Appendix 5B

## Mining Exploration Entity Quarterly Report

### Name of entity

Strike Resources Limited and its controlled entities

### ABN

94 088 488 724

### Quarter ended

31 March 2011

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter Mar 2011 \$'000	Year to date Mar 2011 (9 Months) \$'000
1.1 Receipts from product sales and related debtors	(4)	99
1.2 Payments for (a) administration	(936)	(2,280)
1.3 Dividends received	-	-
1.4 Interest and other costs of finance paid	-	-
1.5 Income taxes paid	-	(1)
1.6 Other	-	-
<b>Net Operating Cash Flows (carried forward)</b>	<b>(940)</b>	<b>(2,182)</b>

### Notes:

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

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

	Current quarter Mar 2011 \$'000	Year to date Mar 2011 (9 Months) \$'000
<b>1.7</b> Net Operating Cash Flows (brought forward)	(940)	(2,182)
<b>Cash flows related to investing activities</b>		
<b>1.8</b> Payment for purchases of:		
(a) Property, plant and equipment	(1)	(112)
<b>1.9</b> Proceeds from sale of:		
(a) equity investments	-	3,203
(b) property, plant and equipment	4	23
<b>1.10</b> Interest received	347	1,271
<b>1.11</b> Loans to other entities*	(1,840)	(4,768)
<b>1.12</b> Payments for exploration and evaluation	(150)	(774)
<b>1.13</b> Loans repaid by other entities	-	-
<b>1.14</b> Other	-	-
<b>Net investing cash flows</b>	<b>(1,640)</b>	<b>(1,157)</b>
<b>Cash flows related to financing activities</b>		
<b>1.15</b> Proceeds from issues of shares, options, etc.	786	786
<b>1.16</b> Proceeds from sale of forfeited shares	-	-
<b>1.17</b> Proceeds from borrowings	-	-
<b>1.18</b> Repayment of borrowings	-	-
<b>1.19</b> Dividends paid	-	-
<b>1.20</b> Other	-	-
<b>Net financing cash flows</b>	<b>786</b>	<b>786</b>
<b>Net increase (decrease) in cash held</b>	<b>(1,794)</b>	<b>(2,553)</b>
<b>1.21</b> Cash at beginning of quarter/year to date	<b>40,706</b>	<b>41,445</b>
<b>1.22</b> Exchange rate adjustments to item 1.22	-	20
<b>1.23</b> <b>Cash at end of quarter</b>	<b>38,912</b>	<b>38,912</b>

**Note:**

\* Loans to "other entities" comprise loans made to an associate entity, Apurimac Ferrum S.A. ("AF"), pursuant to an executed Loan and Mortgage Agreement formalised by public deed dated 23 July 2009. These loans provide funding for the exploration and evaluation activities on iron ore projects in Peru, in which Strike holds a 44% interest.

## 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 \$'000
1.24 Aggregate amount of payments to the parties included in item 1.2	(179)
1.25 Aggregate amount of loans to the parties included in item 1.11	-
1.26 Explanation necessary for an understanding of the transactions: Amounts disclosed at 1.24 represent directors' fees and superannuation payments to directors.	

### 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:  
n/a
- 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:  
n/a

### 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	50
4.2 Development	-
4.3 Loans to associate*	1,300
4.4 Administration	890
<b>Total</b>	<b>2,240</b>

#### Note:

\* Loans to associate comprise loans to Apurimac Ferrum S.A. pursuant to an executed Loan and Mortgage Agreement formalised by public deed dated 23 July 2009. Strike Resources Ltd holds its interest in the Apurimac and Cuzco iron ore projects located in Peru through its 44% shareholding in Peruvian company Apurimac Ferrum S.A.



## Reconciliation of cash

		Consolidated	
Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$'000	Previous quarter \$'000
5.1	Cash on hand and at bank	2,305	8,085
5.2	Term Deposits	36,609	32,621
5.3	Bank overdraft	-	-
5.4	Other	-	-
<b>Total cash at end of quarter (item 1.23)</b>		<b>38,914</b>	<b>40,706</b>

## Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	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		

## Issued and quoted securities at end of current quarter

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (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	133,534,268	133,534,268		
7.4	Changes during quarter				
	(a) Increases through issues	3,350,000		1,833,333 – 17.8	
	(b) Decreases through returns of capital, buy-backs	-		1,666,667 – 27.8	
7.5	Convertible debt securities	-			
7.6	Changes during quarter				
	(a) Increases through issues	-			
	(b) Decreases through securities matured, converted	-			
7.7	<b>Options (all unlisted)</b>			<i>Exercise price</i>	<i>Expiry date</i>
	Director options	4,600,000	-	93.8 cents	21 Jul 2011
	Director options	500,000		93.8 cents	13 Sep 2011
	Director options	500,000		207.8 cents	7 Mar 2012
	Director options	3,300,000		278.8 cents	7 Mar 2012
	Employee options	33,000		287.8 cents	1 May 2012
	Director options	4,000,000		397.8 cents	3 Dec 2012
	Employee options	250,000		287.8 cents	4 Mar 2013
	Options	903,404		275.0 cents	29 Jul 2011
	Employee options	250,000		275.0 cents	13 Oct 2013
	Director options	750,000		250.0 cents	24 Nov 2012
	Director options	750,000		275.0 cents	24 Nov 2012
	Director options	750,000		325.0 cents	24 Nov 2012
7.8	Issued during quarter	-	-		
7.9	Exercised during quarter	1,833,333 1,666,667	-	17.8 cents 27.8 cents	9 Feb 2011 9 Feb 2011
7.10	Expired during quarter	-			
7.11	Debentures ( <i>totals only</i> )	-			
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.



**Stephen Gethin**  
Company Secretary

**Date:** 29 April 2011

## Notes

- 1) 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 balance date.
- 2) 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.
- 3) 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, except in respect of shares issued during the quarter.
- 4) The definitions in, and provisions of AASB 1026: Statement of Cash Flows apply to this report.