



Quarterly Report – December 2011

For the 3 months to 31 December 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 Perú 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 Perú based on current iron-ore Mineral Resources totalling 374Mt¹ and potential access to additional Resources of 106Mt² held by Cuervo Resources Inc. in Cusco, all 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. Negotiations are proceeding aimed at settling a dispute with the concession owner.

December Quarter Highlights

- Approvals flowing at Apurimac and Cusco projects following President Humala's visit to the Apurimac Region
- Exploration agreement secured at Colcabamba with drilling to test expanded iron-ore target expected in first half of 2012
- Review of drilling data and exploration model by respected Andean expert identifies significant up-side potential at Santo Tomas (Cusco) and Colcabamba
- Exploration activity, including drilling, expected to accelerate during 2012 as approvals proceed, including at the key Opaban Project
- Board restructure largely complete with the appointment of an additional independent, non-executive director, Samantha Tough
- Cuervo receives approvals for drilling at Bob1. Access preparation underway for drilling potentially commencing late in current quarter
- Progress made on Berau negotiations but dispute proceedings still possible
- Strong cash position retained with A\$25.25 million in cash, a \$C5.25 million loan to Cuervo and US\$31.32 million loan to Apurimac Ferrum at quarter end

Corporate

Strengthening Business Development – Growth Strategy

During the quarter the Company made further progress on its strategy of targeting opportunities for value growth for Strike over the short to medium term. The plan to pursue a growth strategy which complements the existing Perú iron-ore assets was the key outcome from the strategic review completed in July 2011 and outlined in the previous Quarterly Report.

The Company has appointed Mr Ian Cullen as its Business Development Manager, based in Lima. Mr Cullen, formerly the Exploration Manager for Apurimac Ferrum SA (AF), has over 30 years' experience in exploration, resources projects and operations management and extensive knowledge of the resources industry and opportunities in South and Central America.

¹ Comprised of an Indicated Resource of 142.5Mt at 57.8% Fe and an Inferred Resource of 127.5Mt at 56.7% Fe at Apurimac and an Inferred Resource of 104Mt at 32.6% Fe at Cusco.

² See the breakdown of this Resource into JORC-Code categories and grades on page 7.

The focus of Strike's business development activities is currently on identifying and pursuing opportunities to:

- expand the resource base and exploration potential for iron ore in the Apurimac and Cusco regions of Perú, thus adding value to the Company's AF assets; and
- develop a portfolio of base and precious metal projects within the Andean metallogenic province, with a focus on copper and gold.

Several projects close to AF's concessions have been offered to the Company. These are in various stages of assessment and, in some cases, initial commercial discussions have been held with the owners. The strong resource and concession position of Strike's Peruvian assets (AF and Cuervo Resources) means that Strike is seen by many concession owners as the logical party to consolidate the iron-ore opportunities in the region. This is providing the Company with a good flow of opportunities to assess.

The Company's healthy cash position, combined with the current challenging global economic conditions, is also providing a strong flow of base and precious metal project opportunities, which are being assessed and ranked. Several high-priority targets have been identified for more detailed appraisals, and these are underway.

Board Appointment

On 23 January Strike appointed Samantha Tough to the Board as an independent, non-executive director.

Ms Tough is a professional company director, with more than 14 years' experience on the boards of public and private companies, including four as chairman. Her present board positions include the chairmanships of Southern Cross Goldfields Ltd and RemCo Ltd (which oversees the retail gas function in Western Australia) and a non-executive directorship of Murchison Metals Ltd. She has worked at senior executive level in a wide range of industries with both a national and international focus, including oil and gas, metals and minerals, energy and energy efficiency, engineering, venture capital, e-commerce, international telecommunications and law.

Her previous executive roles include Senior Vice President, Strategic Counsel - Natural Resources at the Commonwealth Bank and General Manager, North West Shelf, at Woodside Energy.

Ms Tough's broad business experience brings a valuable additional perspective to the Board. The appointment of an additional independent director is a key element of Strike's program of continual corporate governance improvement.

D&C Option to Acquire AF Shares

As previously announced³, in July 2011 Strike acquired the 12% share in Apurimac Ferrum S.A. (AF) which was formerly held by Iron Associates Corporation. At the same time Strike granted D&C Group an option to acquire half of those shares for US\$ 1.9 million.

D&C exercised the Option in October 2011. The sale agreement for the option shares was finalised and executed in January 2012. The shares will be transferred, and payment made, after certain regulatory requirements have been met, which is anticipated to occur during the second quarter of calendar 2012. When the transfer of the option shares is completed Strike and D&C will each hold 50% of AF.

Projects

Apurimac and Cusco Iron-Ore Projects - Perú (SRK 56%⁴)

Overview

Exploration activities on AF's concessions in Perú (see *Figure 1*, below) accelerated during the early part of the quarter, with the focus remaining 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 15-20 Mtpa of product. However, from December, exploration programs were adversely affected by protest action in the city of Andahuaylas (see the *Social Approvals and Community Relations* section, below). As a result AF withdrew most personnel from the field during December, which led to a slowdown of exploration activity⁵. This interruption to field access delayed the implementation of a number of activities that were due to commence in the December quarter, until early 2012, when normal activities resumed.

Key activities undertaken during the quarter and to the date of this Report include:

- Geological mapping completed at Sillaccassa within the Apurimac Region.
- Geological review of the Santo Tomas and Colcabamba prospects by geological consultant Dr Warren Pratt.

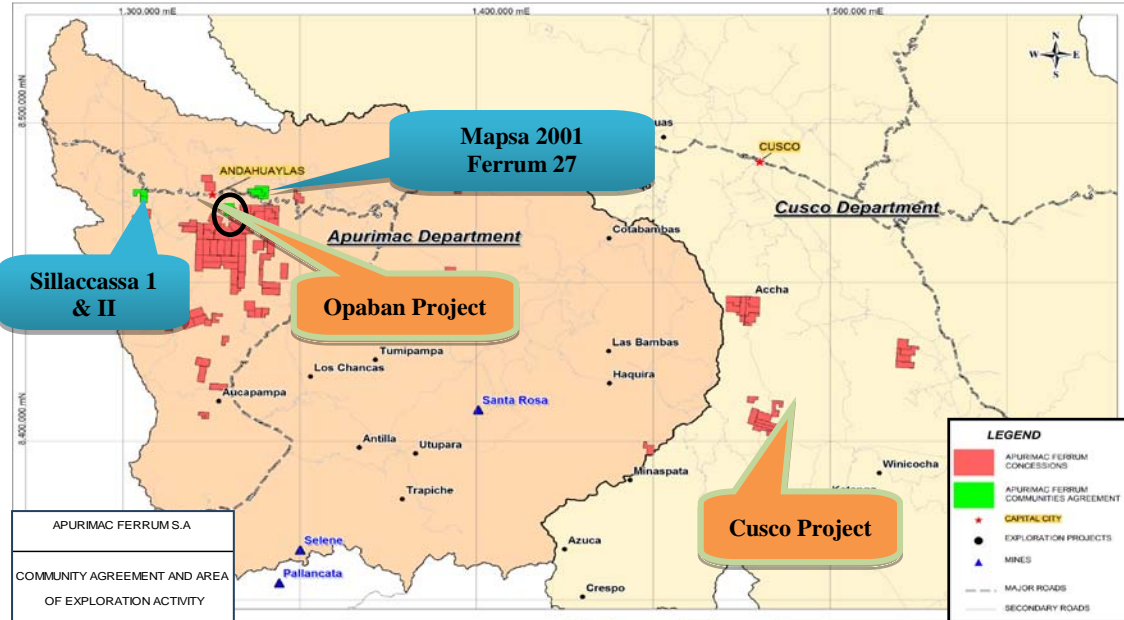
³ See Strike's 1 July 2011 ASX announcement entitled: *Strategic Acquisition – Apurimac/Cusco Iron Ore Projects*.

⁴ See the paragraph immediately above this heading for an explanation of Strike's shareholding percentage in AF.

⁵ For more details see Strike's 9 December 2011 ASX Announcement entitled: *Apurimac Ferrum Program Funding*.

- Completion of the geological re-logging of the Santo Tomas and Colcabamba drill core and RC samples, incorporating technical improvements and a revised logging format.
- Delineation of resource extension drilling targets to the north of the Opaban high-grade magnetite deposit.
- Continuing assessment of the Apurimac satellite concessions for iron-ore and copper/gold potential.

Figure 1 – Apurimac and Cusco Project Concessions



Apurimac Iron Ore Project (SRK 56%⁶)

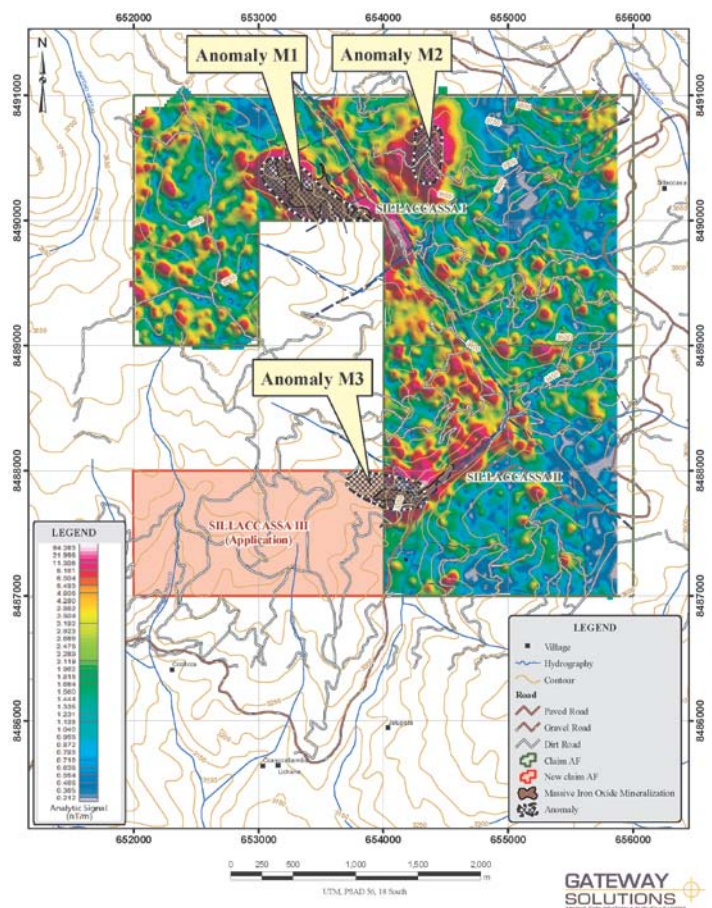
Sillacassa 1&2

The geological mapping of these concessions, initiated in the September quarter, was completed during the current quarter. The mapping defined a new zone of massive magnetite mineralisation over at least 1 km of strike in the south-west corner of Sillacassa 2. The outcropping mineralisation strikes NW-SE and lies coincident with a strong magnetic anomaly (see Anomaly M3 in Figure 2, right). As this mineralised trend extends outside the existing tenements a concession application has been made to cover the extension of this zone (see Figure 2).

An extensive zone of massive magnetite outcrop extending over more than 1 km of strike has been identified coincident with the large M1 magnetic anomaly (see Figure 2). Geophysical interpretation of this target indicates that it holds strong potential for high-grade magnetite mineralisation to continue at depth. A third magnetic anomaly identified (M2 in Figure 2) represents a deeper, buried magnetite target.

Drilling programs designed to test the source and dimensions of these magnetic anomalies and the outcropping magnetite mineralisation have been finalised, with drilling scheduled to commence in the third quarter of calendar 2012.

Figure 2 – Sillacassa Magnetic Survey



⁶ See page 2 for full details of Strike's shareholding percentage in AF.

Ferrum 27 and Mapsa 2001

Ferrum 27 and Mapsa 2001 are contiguous concessions which lie approximately 3km north east of the northern boundary of Opaban I (see *Figure 1*, above). A geological mapping team was mobilised to the concessions early November to follow-up several magnetic target zones, however this work was curtailed by the local protest actions. This work will resume when access has been secured. The concessions are considered prospective for both iron and copper mineralisation.

Colcabamba

The iron mineralisation at Colcabamba is hosted by regional metasomatic skarns developed in limestone roof pendants within the Andahuaylas-Yauri batholith. Most of the iron mineralisation occurs as magnetite within the exoskarn which has developed in the limestone.

During the first half of 2011 an eight (8) hole, 2336 metre drilling programme was completed at Colcabamba which tested two (2) separate iron-ore targets defined by geological mapping and a ground magnetic survey.

The iron-ore mineralisation intersected is similar to that at the Company's Opaban Iron Ore Project, located 30 kilometres to the north. Although high-grade magnetite mineralisation was intersected in all holes, the mineralised intersections were generally narrower than expected.

During the quarter AF engaged the services of a respected geological consultant Dr Warren T. Pratt to work with AF geologists in a geological review and re-assessment of the Colcabamba prospect. Dr Pratt has over 20 years' experience in epithermal, porphyry Cu/Au, skarn, shear-zone Au and VHMS deposits, with much of this in the Andean region of South America.

As part of the review the re-logging of core from the drilling program was completed during the quarter. The main conclusions of the review and re-logging are:

- Magnetite mineralisation is mainly located within the exoskarn and is probably stratiform, following the contact between a semi-regional batholith and the overlying (sub-horizontal) host limestone rock. This contrasts with the steeply dipping mineralisation model used in the original interpretation of the drilling results.
- Widespread bedding has been preserved within the exoskarn.
- Magnetite mineralisation is formed as a retrograde skarn and is associated with epidote, tremolite, actinolite and chlorite mineral assemblage, which overprints an earlier garnet and diopside skarn alteration assemblage.
- The current geological model may have underestimated the iron-ore potential at Colcabamba.

Importantly, these conclusions led to the development of an alternative geological model for the controls and emplacement iron-ore mineralisation at Colcabamba. The new model significantly increases the iron-ore tonnage potential at Colcabamba and will be tested through further drilling from existing access and drill platforms.

AF has applied for an extension to the existing drilling environmental approvals. Drilling will be undertaken following the completion of detailed magnetic surveys and additional geological mapping to finalise and prioritise the targets. This drilling is expected to commence during the second quarter of 2012.

Cusco Project (Santo Tomas Prospect - SRK 56%⁷)

Background

The prospectivity of these concessions for iron ore has been well established for some time, with an initial Inferred Resource estimate of 104Mt at 32.6% Fe reported in June 2011. The drilling programs to date have tested 30 – 40% of the target area for iron ore and further drilling is planned over the next 6 – 12 months to test the remaining high-priority target areas. The timing of this work will depend on receipt of environmental and community approvals, which are anticipated in time to allow drilling to commence during the second half of 2012.

The style of iron-ore mineralisation at Santo Tomas is similar to that seen at Opaban, being coarse-grained and dominated by magnetite. Preliminary metallurgical tests indicate a concentrate grade of >65%Fe can be produced from this ore using conventional grinding and magnetic separation processes.

The geological environment at Santo Tomas is also considered highly prospective for copper, gold and molybdenum. The concessions lie within the world-class Andahuaylas – Yauri mineralised belt, which hosts several major copper deposits. Numerous strong indicators for copper/gold mineralisation, including high sulphur content, strongly elevated copper and significant alluvial gold workings occur within the AF concessions. The presence of these indicators, in conjunction with strong IP anomalies and elevated copper in previous drilling (up to 16m at 1% Cu from 28m depth) are considered most encouraging. AF is developing drill targets for copper/gold mineralisation, as well as iron-ore targets, in its current programs.

⁷ See page 2 for full details of Strike's shareholding percentage in AF.

Activity

Discussions between AF geologists and Dr. Warren Pratt led to a number of technical improvements in the recording of geological data. The initial review indicated that AF should undertake a re-logging campaign of the previous diamond-drill core and RC samples.

This re-logging program was initiated during the quarter and completed in December 2011. The geological data recorded during re-logging will be compiled and new geological cross sections and interpretation generated. A comparison between the new and previous geological interpretations will be completed during the first quarter of 2012 and, if warranted, a revised resource model and estimation will be undertaken.

Key outcomes from the review and re-logging are:

- Mineralisation is a classic magnetite skarn with the majority of iron mineralisation found in the exoskarn host rock.
- Magnetite is retrograde in origin and is associated with epidote, calcite and pyrite and overprints earlier garnet and diopside.
- Santo Tomas shows a later, higher-level epithermal event which has economic implications for Au/Ag mineralisation.
- The original geological model used in the resource estimate may have significantly understated the volume of iron mineralisation.

The next stage of field work will focus on extending the current iron ore mineralisation, as well as testing high-priority copper and gold targets. Planned activities include a major IP survey designed to infill gaps in the current survey and to extend coverage over the entire Santo Tomas concession area. The proposed survey, combined with the geological mapping and previous gravity and ground magnetic data, is expected to generate further drill targets for both iron and copper mineralisation. Drilling is expected to commence during the second half of calendar 2012.

Millenium Dispute

The court action which Millenium Trading S.A. (**Millennium**) brought against AF⁸ was dismissed in December 2011, on the grounds that the agreement under which the matter arose provided that any disputes must be resolved by arbitration. An attempted appeal by Millenium was dismissed because it was filed outside the prescribed time limit.

As previously announced, under a 2006 agreement Millenium is entitled to conduct a small-scale mining operation on a single AF concession. The identity of the concession is to be determined by a further agreement between the parties. As the parties have been unable to agree on the identity of this concession despite AF's good-faith efforts to negotiate, AF referred the matter to arbitration to resolve this issue. The arbitration is continuing. Strike will keep the market updated with any material developments as and when they occur.

Environmental Work, Social Approvals and Community Relations

Environmental Work

AF has secured the services of Michelle Anderson as Legal Counsel. Ms Anderson is an experienced legal professional with extensive knowledge of the Peruvian approvals processes for the resources industry. Ms Anderson is in the process of optimising AF's approvals planning and implementation systems with a view to ensuring timely approvals for the planned increased exploration activity over the coming year. As part of this work AF has secured the services of independent environmental consultants to provide assistance with the applications for the permits required for drilling on AF's concessions in the Cusco and Apurimac Regions. This includes an independent hydrology consultant with experience in high-Andean terrains for water permit work.

Work preparatory to environmental permit applications commenced in the first quarter 2012 with a view to progressing these approvals immediately upon receipt of community approvals.

Social Approvals and Community Relations

Over the past 12 months AF has made significant progress in establishing strong, positive relationships with the communities and local, regional and federal authorities for its project areas. During the second half of 2011 approvals were granted by several communities for exploration activities to commence and, importantly, dialogue for access to the key Opaban Project area recommenced.

These discussions progressed to the point where AF was invited to establish information offices at both the Huinchos (Opaban I concession, Apurimac Region) and at Huinquiri (Santo Tomas Project, Cusco Region) communities during the quarter. The information offices are important steps in the continuing dialogue with the

⁸ See Strike's 24 March 2011 ASX announcement entitled: *Millenium Dispute Update*.

communities and allow AF to provide project information directly to local residents and provide a forum for discussion regarding AF's proposed work in each community. Both offices have been well received by the communities.

In addition, AF maintained good relations in the communities where it was engaged during the quarter. Geological field work and community relations programs were underway near Andahuaylas at Cascabamba, Antapata and Huinchos, as well as Colcabamba near Abancay in Apurimac Region and at Santo Tomas in the Cusco Region.

During late 2011 a number of protests against mining projects and illegal mining activities broke out in several regions of Perú. The most significant of these were in the Cajamarca region, focussing on the major, US\$4.5b, Minas Congas project, however protests also occurred elsewhere, including Andahuaylas in the Apurimac Region where protestors blocked roads for several weeks.

The Andahuaylas protest was led by the local Federation of Agricultural Water Users. The protesters' key issues were informal mining and ore processing, which are affecting local water quality. The national government agreed to negotiations, which ultimately led to the protest being halted upon the government's agreement to look into the protesters' concerns. AF believes that the government's response will contribute to the constructive resolution of this matter.

During this protest period AF halted exploration and withdrew from formal discussions with communities, at their request. The withdrawal of AF personnel resulted in a slowdown of dialogue with the local communities, however some dialogue still took place. Notably the AF information office in Huinchos (Opaban) remained open during the protests in Andahuaylas, at the community's request.

The Peruvian government, led by President Humala, has consistently stated that it supports responsible mining in Perú and sees mining industry revenues as crucial to the delivery of its social programs. During the protests both federal and regional governments, including the leaders of Apurimac, consistently delivered this view. All levels of government are working to address the protestors' legitimate concerns, while ensuring that sound, responsible mining industry investments are encouraged.

In early January President Humala visited Andahuaylas to meet with regional officials and deliver a public address. During his visit he reiterated that Apurimac would benefit from a strong and sustainable mining industry which would bring significant benefits to the region and local communities through direct and indirect employment opportunities, social programs and royalty payments.

Subsequent to the President's visit AF has been approached by several communities in Apurimac and Cusco to recommence formal discussions regarding approvals for exploration activities on its projects. This includes the community at the Opaban Project, which hosts the bulk of AF's high-grade magnetite iron ore. Notably, in Colcabamba on January 8, AF was granted permission to re-initiate field and community work by a wide margin of votes in a local assembly.

AF's relationships with the Apurimac regional government and the national government are strengthening. AF has met several times with regional and national government leaders to discuss proactive ways to progress its projects, while providing programs that meet Government guidelines as well as community, provincial and regional needs. The national and regional governments have demonstrated a strong commitment to having responsible mining projects provide a cornerstone for national and regional growth.

The Colcabamba exploration approval is a very positive signal. AF believes that other communities in both the Cusco and Apurimac Regions will approve AF's programs in the coming months. Engagement is very positive at Huinchos, Huinquiri and other locations and, if these communities grant permissions, AF is prepared to rapidly initiate the exploration and community programs that have been planned in each area.

Cuervo Resources Inc.

In July 2011 Strike entered an investment agreement with Canadian-listed, Peruvian iron-ore exploration company Cuervo Resources Inc (**Cuervo**). Under the agreement Strike has the right to advance Cuervo up to C\$15 million in two tranches to fund Cuervo's exploration programs. Cuervo issued Strike with warrants which, if exercised, would give Strike a 49% shareholding in Cuervo (undiluted)⁹. Strike may exercise the warrants by paying the exercise price or forgiving the equivalent value in loans.

Cuervo's principal asset is the Cerro Ccopane Iron-Ore Project, which lies adjacent to AF's Santo Tomas concessions in the Cusco Region of Perú.

⁹ Full details of the Cuervo investment agreement are contained in Strike's 19 July 2011 ASX announcement entitled: *Strategic Option to Acquire Major Stake in Peruvian Iron-ore Explorer*. On a fully diluted basis (assuming that all other Cuervo options and warrants are exercised) Strike would hold approximately 46% of Cuervo if it exercised all the warrants. Warrants are similar to options in that they give the holder the right, but not the obligation, to purchase shares for a price set in advance.

Cerro Ccopane Project (Cuervo)

Cuervo's Cerro Ccopane property covers 14,000 Ha (140 square kilometres) of largely contiguous mineral concessions. Drilling in 167 holes in three zones at Cerro Ccopane has identified high-grade magnetite mineralisation. The Orcopura Zone has a reported Mineral Resource estimate of 106.4 Mt at 45.3% Fe, detailed in *Table 1* below, while similar-grade mineralisation has been intersected over significant widths at the Aurora and Huillque prospects.

Table 1 – Cerro Ccopane Iron-Ore Project – Mineral Resource Inventory

Prospect	Classification	Mt	Fe%	S%
Orcopura	Measured	19.7	48.3	2.4
Orcopura	Indicated	35.9	45.9	2.6
Orcopura	Sub-total (Measured + Indicated)	55.6	46.8	2.5
Orcopura	Inferred	50.8	43.7	3.1
Orcopura	Total	106.4	45.3	2.8

The Orcopura mineralisation has been tested over a strike length of approximately 800 metres and remains open along strike and down dip in several areas. It exhibits a clear geophysical expression, with strong magnetic and gravity anomalies coincident with the iron ore mineralisation.

Exploration Targets

The Cerro Ccopane Iron-Ore Project overlies the contact zone between the Tertiary-age Apurimac Pluton and an older outlier of limestones belonging to the Arcuquina Formation of Cretaceous age. This geological setting is highly prospective for the discovery of additional iron and copper skarn mineralisation along the geological contact, as well as hydrothermal iron and copper mineralisation within host intrusives.

The key target area is the Bob 1 magnetic anomaly, which extends over up to 10 km of strike length at greater intensity than the anomaly which defines the Orcopura resource. No drilling has been undertaken at Bob 1 to date.

Cuervo's planned exploration programs include detailed ground magnetic and gravity surveys at Bob 1 and other regional target areas, followed by progressive drill testing of priority targets. The initial focus is Bob 1 and preparations are well advanced for the initial 20-hole program.

December Quarter Activities

Road access has been designed and community and environmental approvals were received during December. Construction of the road commenced late in the quarter and access to Bob1 for drilling is expected to be completed during the second half of March, subject to normal seasonal weather.

Formal community approval was received for exploration (including drilling) in the bulk of the Bob1 area during January, 2012 and government approval for the drilling program is expected over the coming weeks. Drilling is expected to commence by early April once access is available.

The initial program will involve 4 – 5 broadly spaced lines of drilling to test the several kilometres of the target zone, which is defined by a strong magnetic anomaly and extensive outcrops of massive magnetite ironstones, which have recorded an average iron grade of 63% Fe in surface sampling.

The initial drilling program for Bob 1 remains on track for completion during the first half of 2012, with a resource estimate to follow shortly afterwards.

Cuervo Placement

Cuervo conducted a placement on 17 October 2011 to raise C\$405,000 for exploration and general working capital. Strike was issued with 664,200 Cuervo shares and 332,100 Cuervo share warrants in the placement, for a total price of C\$199,260. Each Cuervo warrant has a term of 2 years and gives Strike the right, but not the obligation, to buy a Cuervo share for C\$0.45, subject to acceleration if Cuervo shares trade at above C\$0.90 for 10 consecutive trading days. Cuervo's shares last traded at C\$0.23.

Cuervo is permitted to raise up to C\$2.5 million in aggregate over the term of the Strike-Cuervo investment agreement, with Strike having the right to participate in any raising so as to avoid dilution.

JORC Code Competent Person Statement

The information in this document which relates to Mineral Resources at the Apurimac, Cusco and Cerro Ccopane projects and to exploration results has been reviewed and confirmed by Mr Ian Cullen, B.Sc. (Geology), who is an employee of Strike Resources Ltd and is a member of the Australasian Institute of Mining and Metallurgy. 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 Competent Persons 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 this information in the form and context in which it appears.

Berau Thermal Coal Project – Indonesia¹⁰

During January 2012 extensive discussions have been undertaken with Strike's Indonesian partner with a view to the purchase of Strike's equity in the project. While these discussions are inconclusive at this time, the company is hopeful a resolution can be reached shortly although formal dispute resolution processes remain a possibility.

Paulsens East Iron-Ore Project – Pilbara, Western Australia¹¹

Under a farm-out agreement between Strike and Process Minerals International Pty Ltd (**PMI**) - a subsidiary of ASX-listed Mineral Resources Limited - PMI has exclusive rights to explore for and mine iron ore from Paulsens East. Strike 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.

During the Quarter PMI continued to progress discussions with the Traditional Owners concerning a proposed agreement permitting mining on their land.

Finance

Cash Position

Strike's total cash holding on 31 December 2011 was approximately A\$25.25 million. In addition, Strike holds a loan of C\$5.25 million to Cuervo Resources Inc and loans of approximately US\$31.32 million to Apurimac Ferrum.

¹⁰ Strike's rights in this project consist of 100% of the rights to mine the coal concession, subject to payment of a royalty to the concession owner.

¹¹ Strike's interest in this project is the right to a royalty on any iron ore mined by the farm-out partner, PMI.

Mineral Tenements

Apurimac Ferrum S.A. Concessions

(Strike Resources has a 56% interest in the Apurimac Ferrum S.A. (AF) concessions at Apurimac and Cusco, through its 56% interest in AF.)

Apurimac Project, Perú - AF

Name	Area (Ha)	Province	Code	Title	File No
(1) Opaban I	999	Andahuaylas	05006349X01	No 8625-94/RPM Dec 16, 1994	20001465
(2) Opaban III	990	Andahuaylas	05006351X01	No 8623-94/RPM Dec 16, 1994	20001464
(3) Los Andes I	999	Andahuaylas	05006372X01	No 0134-95-RPM Jan 31, 1995	200001481
(4) Pitumarca II	1,000	Andahuaylas	05006385X01	No 8686-94-RPM Dec 22, 1994	20001478
(5) Lucrecia Esperanza	66	Andahuaylas	01-00649-99	No 00623-2001-INACC/J Jul 26, 2001	11032475
(6) Nueva Oropampa 6	400	Andahuaylas	01-00860-99	No 04043-2000-RPM Oct 13, 2000	11032603
(7) Mapsa 2001	800	Andahuaylas	01-01204-01	No 00590-2002-INACC/J Apr 8, 2002	11032600
(8) Coriminas II	1,000	Andahuaylas	01-01624-99	No 02760-2000-RPM Jul 25, 2000	11032965
(9) Coriminas V	1,000	Andahuaylas	01-01626-99	No 0936-00-RPM Mar 16, 2000	20003140
(10) Ferrum 1	965	Andahuaylas	01-02983-04	No 00228-2005-INACC/J Jan 19, 2005	11053798
(11) Ferrum 2	1,000	Andahuaylas	01-02984-04	No 00227-2005-INACC/J Jan 19, 2005	11053836
(12) Ferrum 3	1,000	Andahuaylas	01-02985-04	No 00229-2005-INACC/J Jan 19, 2005	11053807
(13) Ferrum 4	1,000	Andahuaylas/ Aymaraes	01-02986-04	No 00230-2005-INACC/J Jan 19, 2005	11053810
(14) Ferrum 5	959	Aymaraes	01-02987-04	No 00323-2005-INACC/J Jan 25, 2005	11053816
(15) Ferrum 7	437	Aymaraes	01-02989-04	No 00396-2005-INACC/J Jan 27, 2005	11053822
(16) Ferrum 8	900	Andahuaylas	01-02990-04	No 00232-2005-INACC/J Jan 19, 2005	11053827
(17) Ferrum 9	1,000	Aymaraes	01-02991-04	No 00324-2005-INACC/J Jan 25, 2005	11053830
(18) Ferrum 10	1,000	Aymaraes	01-02992-04	No 00325-2005-INACC/J Jan 25, 2005	11053833
(19) Ferrum 11	1,000	Aymaraes	01-02993-04	No 02512-2005-INACC/J Jun 12, 2005	11053835
(20) Ferrum 13	600	Andahuaylas	01-03139-06	No 4416-2006-INACC/J Oct 16, 2006	11061068
(21) Ferrum 26	827	Andahuaylas	01-02274-07	No 000853-2007-INGEMMET/PCD/PM Sept 7, 2007	11073793
(22) Ferrum 27	1,000	Andahuaylas	01-02629-07	No 000581-2007-INGEMMET/PCD/PM Sept 5, 2007	11073799
(23) Ferrum 36	1,000	Andahuaylas	10553307	RP 0176-2008-INGEMMET/PCD/PM Feb 29, 2008	11075418
(24) Cristoforo 22	379	Andahuaylas	01-01656-02	RP2849-2007-INGEMMET/PCD/PM Dec 13, 2007	11067786
(25) Ferrum 28	1,000	Andahuaylas	10507407	RP0601-2008-INGEMMET/PCD/PCM Mar 07, 2008	11075423
(26) Ferrum 29	1,000	Andahuaylas	10507507	RP0365-2008-INGEMMET/PCD/PM Mar 07, 2008	11075419
(27) Ferrum 30	963	Andahuaylas	10525907	PP 1024-2008-INGEMMET/PCD/PM May 05, 2008	11076757
(28) Ferrum 31	327	Andahuaylas	10552807	RP 1266-2008-INGEMMET/PCD/PM May 12, 2008	11076509
(29) Ferrum 32	900	Andahuaylas	10552907	RP0402-2008-INGEMMET/PCD/PM Mar 07, 2008	11075425
(30) Ferrum 33	900	Andahuaylas	10553007	RP0547-2008-INGEMMET/PCD/PM Mar 07, 2008	11075421
(31) Ferrum 34	800	Andahuaylas	10553107	RP0764-2008-INGEMMET/PCD/PM Apr 17, 2008	11075427
(32) Ferrum 35	1,000	Andahuaylas	10553207	RP0347-2008-INGEMMET/PCD/PCM Mar 07, 2008	11075426
(33) Ferrum 37	695	Andahuaylas	10621507	RP 1164-2008-INGEMMET/PCD/PM May 12, 2008	11076534
(34) Ferrum 56	1,000	Andahuaylas	10133508	RP 1971-2008-INGEMMET/PCD/PM Jun 19, 2008	11077123
(35) Ferrum 57	1,000	Andahuaylas	10133608	RP 3279-2008-INGEMMET/PCD/PM Sept 9, 2008	11081417

Name	Area (Ha)	Province	Code	Title	File No
(36) Ferrum 58	1,000	Andahuaylas	10133708	RP 2206-2008-INGEMMET/PCD/PM 27 Jun, 2008	11077127
(37) Ferrum 59	1,000	Andahuaylas	10133808	RP 2272-2008-INGEMMET/PCD/PM 27 Jun, 2008	11077122
(38) Ferrum 61	1,000	Aymaraes	10073308	-	in process
(39) Pacunco 1	800	Andahuaylas	10019508	RP 1806-2008-INGEMMET/PCD/PM May 29, 2008	11076523
(40) Minas Huaycco	800	Abancay	10168708	RP 2541-2008-INGEMMET/PCD/PM Aug 08, 2008	11081416

Cusco Project, Perú - AF

Concession	Area (Ha)	Province	Code	Title	File No
(1) Flor de María	907	Chumbivilcas	05006521X01	No 7078-95-RPM Dec 29, 1995	20001742
(2) Delia Esperanza	1,000	Chumbivilcas	05006522X01	No 0686-95-RPM Mar 31, 1995	20001743
(3) Julia Clara	1,000	Chumbivilcas	05006523X01	No 4600-95/RPM Sept 26, 1995	20001744
(4) El Pacífico I	618	Chumbivilcas	05006536X01	No 7077-95/RPM Dec 29, 1995	20001785
(5) El Pacífico II	1,000	Chumbivilcas	05006524X01	No 7886-94/RPM Nov 25, 1994	20001746
(6) Ferrum 14	268	Chumbivilcas	01-03047-05	No 05032-2005-INACC/J Nov 30, 2005	11053842
(7) Ferrum 15	992	Chumbivilcas	10494906	RJ 0753-2007-INACC/J Mar 05, 2007	11073796
(8) Ferrum 17	500	Chumbivilcas	10026607	RP 1815-2007-INGEMMET/PCD/PM Oct 30, 2007	11073794
(9) Ferrum 18	800	Chumbivilcas /Cotabambas	10026707	RP 1761-2008-INGEMMET/PCD/PM 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, Perú – Strike Resources

Name	Area (Ha)	Province	Code	Title	File No
(1) Ferrum 38	800	Andahuaylas	10015205	RP1288-2008-INGEMMET/PCD/PM May 12, 2008	11064280
(2) Ferrum 39	1,000	Andahuaylas	10047605	RP 1573-2008-INGEMMET/PCD/PM May 29, 2008	11064281
(3) Ferrum 40	1,000	Andahuaylas	10623507	RP 2905-2008-INGEMMET/PCD/PM Aug 19, 2008	11076528
(4) Ferrum 41	1,000	Andahuaylas	10131408	RP 1965-2008-INGEMMET/PCD/PM Jun 19, 2008	11076755
(5) Ferrum 42	1,000	Andahuaylas	10131508	RP 1975-2008-INGEMMET/PCD/PM Jun 19, 2008	11077114
(6) Ferrum 43	1,000	Andahuaylas	10131608	RP 3243-2008-INGEMMET/PCD/PM Sept 9, 2008	11077113
(7) Ferrum 44	1,000	Andahuaylas	10131908	RP 1934-2008-INGEMMET/PCD/PM Jun 19, 2008	11077115
(8) Ferrum 45	1,000	Andahuaylas	10132008	RP 2283-2008-INGEMMET/PCD/PM Jun 27, 2008	11077116
(9) Ferrum 46	1,000	Andahuaylas	10132108	RP 2523-2008-INGEMMET/PCD/PM Aug 08, 2008	11079784
(10) Ferrum 47	1,000	Andahuaylas	10132208	RP 1908-2008-INGEMMET/PCD/PM Jun 18, 2008	11077117
(11) Ferrum 48	1,000	Andahuaylas	10132308	RP 1756-2008-INGEMMET/PCD/PM May 29, 2008	11076584
(12) Ferrum 49	1,000	Andahuaylas	10132408	RP 2000-2008-INGEMMET/PCD/PM Jun 19, 2008	11077118
(13) Ferrum 50	900	Andahuaylas	10132508	RP 1922-2008-INGEMMET/PCD/PM Jun 19, 2008	11077120
(14) Ferrum 51	1,000	Andahuaylas	10132608	RP 1893-2008-INGEMMET/PCD/PM Jun 18, 2008	11077121
(15) Ferrum 52	1,000	Andahuaylas	10132708	RP 2803-2008-INGEMMET/PCD/PM Aug 18, 2008	11079786
(16) Ferrum 53	1,000	Andahuaylas	10132808	RP 2550-2008-INGEMMET/PCD/PM Aug 08, 2008	11079787
(17) Ferrum 54	700	Andahuaylas	10132908	RP 2899-2008-INGEMMET/PCD/PM Aug 19, 2008	11079788
(18) Ferrum 55	800	Andahuaylas	10133408	RP 2951-2008-INGEMMET/PCD/PM Aug 19, 2008	11079789

Name	Area (Ha)	Province	Code	Title	File No
(19) Ferrum 60	200	Abancay	10073208	RP 2986-2008-INGEMMET/PCD/PM Aug 19, 2008	11084879
(20) Ferrum 62	900	Abancay	10073408	RP 3177-2008-INGEMMET/PCD/PM Sept 8, 2008	TBA
(21) Ferrum 63	300	Grao	10073008	RP 3040-2008-INGEMMET/PCD/PM Aug 28, 2008	11076586
(22) Pichirhua 1	800	Abancay	10151708	RP 2638-2008-INGEMMET/PCD/PM Aug 11, 2008	11079794
(23) Pichirhua 2	400	Abancay	10151808	RP 3183-2008-INGEMMET/PCD/PM Sept 8, 2008	11081445
(24) Colcabamba 1	600	Aymaraes	10212308	RP 2986-2008-INGEMMET/PCD/PM Aug 19, 2008	11079780
(25) Colcabamba 2	500	Aymaraes	10212408	RP 3177-2008-INGEMMET/PCD/PM Sept 8, 2008	11081451
(26) Colcabamba 3	900	Aymaraes	10217208	RP 3040-2008-INGEMMET/PCD/PM Aug 28, 2008	11079781
(27) Sillaccassa 1	700	Andahuaylas	10212608	RP 5088-2008-INGEMMET/PCD/PM Nov 19, 2008	11079791
(28) Sillaccassa 2	400	Andahuaylas	10212508	RP 3183-2008-INGEMMET/PCD/PM Sept 8, 2008	11081449
(29) Cristoforo 14*	1000	Andahuaylas	01-02327-99	No 02693-2000 RPM Jul 24, 2000	11034702
(30) Cristoforo 28*	500	Aymaraes	01-00152-05	No 01824-2005 INACC/J May 4, 2005	11064280
(31) Ferroso 29*	400	Andahuaylas	01-00473-05	No 01709-2005 RPM Apr 21, 2004	11064281
(32) Helimag 1	900	Andahuaylas	01-00152-05	No 000741-2010 INGEMMET/PCD/PM 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 are being transferred to AF.

Cusco Project, Perú – Strike Resources

Name	Area (Ha)	Province	Code	Title	File No
(1) Ferrum 72	1,000	Paruro	10408208	RP 4435-2008-INGEMMET/PCD/PM Oct 21, 2008	11084851
(2) Ferrum 73	1,000	Paruro	10409608	RP 5050-2008-INGEMMET/PCD/PM Nov 19, 2008	11084874
(3) Ferrum 74	1,000	Paruro	10408208	RP 5006-2008-INGEMMET/PCD/PM Nov 19, 2008	11084871
(4) Ferrum 75	303	Paruro	10409808	RP 5130-2008-INGEMMET/PCD/PM Nov 19, 2008	11084873
(5) Ferrum 76	974	Chumbivilcas	10409908	RP 4323-2008-INGEMMET/PCD/PM Oct 20, 2008	11084870
(6) Ferrum 77	1,000	Paruro	10408108	RP 5227-2008-INGEMMET/PCD/PM Nov 19, 2008	11084868
(7) Ferrum 65	1,000	Paruro	010580008	RP 0337-2009-INGEMMET/PCD/PM Feb 19, 2009	TBA
(8) Ferrum 66	100	Paruro	010580208	RP 1613-2009-INGEMMET/PCD/PM Jun 4, 2009	TBA
(9) Ferrum 67	100	Chumbivilcas	010579908	RP 5849-2008-INGEMMET/PCD/PM Dec 17, 2008	TBA
(10) Ferrum 68	1,000	Acomayo	010579808	RP 1185-2009-INGEMMET/PCD/PM Mar 31, 2009	TBA
(11) Ferrum 69	1,000	Acomayo	010579608	RP 1633-2009-INGEMMET/PCD/PM Jun 4, 2009	TBA
(12) Ferrum 70	1,000	Acomayo	010579608	RP 1848-2009-INGEMMET/PCD/PM Jun 11, 2009	TBA
(13) Ferrum 71	1,000	Acomayo	010579508	RP 1120-2009-INGEMMET/PCD/PM Mar 31, 2009	TBA
(14) Colcabamba 4	400	Acomayo	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 of this Report on the Paulsens East Project, above.)

Tenement No	Status	Granted	Expires	Area (blocks/ha)	Area (km ²)
(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 December 2011)

Distribution of ordinary, fully paid shares

Spread of Holdings	Number of Holders	Number of Shares	% of Issued Capital
1 - 1,000	483	227,669	0.16
1,001 - 5,000	1,181	3,726,877	2.62
5,001 - 10,000	453	3,712,267	2.60
10,001 - 100,000	611	19,256,178	13.51
100,001 - and over	95	115,611,277	81.11
Total	2,823	142,534,268	100.00%

Top 20 ordinary, fully paid shareholders

Rank	Shareholder	Total Shares	% of Issued Capital
1	HSBC Custody Nominees (Australia) Ltd	28,260,889	19.83
2	Orion Equities Limited	16,690,802	11.71
3	Database Systems Ltd	9,377,090	6.58
4	National Nominees Ltd	7,059,707	4.95
5	Ferrous Resources Ltd	6,370,000	4.47
6	Citicorp Nominees Pty Ltd	5,829,091	4.09
7	Nefco Nominees Pty Ltd	5,406,706	3.79
8	J P Morgan Nominees Australia Ltd	5,196,365	3.65
9	Alara Resources Limited	3,573,889	2.51
10	Ms Flor De Maria Diaz Yzquierdo	2,840,590	1.99
11	Mr Mario Fernando Bayona Pelaez	2,714,182	1.90
12	Pater Investments Pty Ltd	1,125,000	0.79
13	Mr Miguel Eleuterio Bayona Pelaez	943,570	0.66
14	Mr Deny Martin Bayona Pelaez	862,404	0.61
15	Mr Gordon Anthony	800,000	0.56
16	Aliana Pty Ltd	700,000	0.49
17	Empire Holdings Pty Ltd	700,000	0.49
18	Mr Cesar Manuel Robles Trebino	613,605	0.43
19	M&M Holdings Pty Ltd	606,000	0.43
20	Mr Arturo Bayona Egusquiza	539,208	0.38
Total		100,209,098	70.31



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 December 2011

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter Dec 2011 \$'000	Year to date Dec 2011 (6 Months) \$'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) administration	(854)	(2,123)
1.3	Dividends received	-	-
1.4	Interest and other costs of finance paid	-	-
1.5	Income taxes paid	-	-
1.6	Other	-	-
1.7	Net operating cash flows	(854)	(2,123)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) property, plant and equipment	(22)	(25)
1.9	Proceeds from sale of: (a) property, plant and equipment	70	70
1.10	Interest received	717	1,242
1.11	Loans to associate entity ⁽¹⁾	(1,583)	(2,890)
1.12	Loan to other entities ⁽²⁾	-	(5,002)
1.13	Payments for exploration and evaluation	-	(2)
1.14	Loans repaid by other entities	-	-
1.15	Investment in associate	-	(3)
1.16	Investment in listed entity	(205)	(205)
1.17	Other	-	-
	Cash flows related to investing activities	(1,023)	(6,815)
1.18	Total operating and investing activities (carried forward)	(1,877)	(8,938)

(1) "Loans to associate" comprise loans made to 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 located in Peru. Strike holds a 50% effective interest in these projects through its shareholding in AF.

(2) "Loans to other entities" comprise a secured loan made to Cuervo Resources Inc.

	Current quarter Dec 2011 \$'000	Year to date Dec 2011 (6 Months) \$'000
Total operating and investing activities (carried forward)	(1,877)	(8,938)
Cash flows related to financing activities		
1.19 Proceeds from issues of shares, options, etc.	-	-
1.20 Securities issue costs	-	(8)
1.21 Proceeds from sale of forfeited shares	-	-
1.22 Proceeds from borrowings	-	-
1.23 Repayment of borrowings	-	-
1.24 Dividends paid	-	-
1.25 Other	-	-
Net financing cash flows	-	(8)
Net increase (decrease) in cash held	(1,877)	(8,946)
1.26 Cash at beginning of quarter/year to date	27,123	34,176
1.27 Exchange rate adjustments to item 1.22	7	23
1.28 Cash at end of quarter	25,253	25,253

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
1.29 Aggregate amount of payments to the parties included in item 1.2	(219)
1.30 Aggregate amount of loans to the parties included in item 1.11	-
1.31 Explanation necessary for an understanding of the transactions: Amounts disclosed at 1.29 represent director 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:
During the December 2011 quarter D&C Group exercised an option to purchase from Strike, ½ of the shares in Apurimac Ferrum (AF) and loan owed from AF to Iron Associates Corp. (IAC) which Strike had in turn purchased from IAC (refer Sept 11 quarterly for details of the transaction between Strike and IAC). Under the option agreement with D&C Group, Strike will transfer a 6% shareholding in Apurimac Ferrum S.A (AF) and a US\$2.7m loan owed by AF to Strike to D&C Group. (Details of this transaction can be found in the quarterly activity report, above).
- 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:
Refer 2.1 above

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	-
4.2 Development	-
4.3 Loans to associate*	1,800
4.4 Administration	509
Total	2,309

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 Cusco iron ore projects locate in Peru through its shareholding in Apurimac Ferrum S.A.

Reconciliation of cash

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.	Consolidated	
	Current quarter \$'000	Previous quarter \$'000
5.1 Cash on hand and at bank	17,203	11,807
5.2 Term deposits	8,050	15,316
5.3 Bank overdraft	-	-
5.4 Other	-	-
Total cash at end of quarter (item 1.23)	25,253	27,123

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	All tenements held by AF, as listed in the Quarterly Activities report, above.		56%	50%
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,	-			
7.3	Ordinary securities	142,534,268	142,534,268		
7.4	Changes during quarter				
	(a) Increases through issues				
	(b) Decreases through returns of capital	-			
7.5	Convertible debt securities	-			
7.6	Changes during quarter				
	(a) Increases through issues	-			
	(b) Decreases through securities matured, converted	-			
7.7	Options (all unlisted)			<i>Exercise price</i>	<i>Expiry date</i>
	Director options	500,000		207.8 cents	7 March 2012
	Director options	2,950,000		278.8 cents	7 March 2012
	Employee options	33,000		287.8 cents	1 May 2012
	Director (Ex) options	750,000		250.0 cents	24 November 2012
	Director (Ex) options	750,000		275.0 cents	24 November 2012
	Director (Ex) options	750,000		325.0 cents	24 November 2012
	Director options	3,500,000		397.8 cents	3 December 2012
	Employee options	250,000		287.8 cents	4 March 2013
	Employee options	250,000		275.0 cents	13 October 2013
	Director options	500,000		36.0 cents	23 November 2016
	Director options	500,000		42.0 cents	23 November 2016
	Director options	500,000		56.0 cents	23 November 2016
	Employee options	916,666		36.0 cents	23 November 2016
	Employee options	916,666		42.0 cents	23 November 2016
	Employee options	916,668		56.0 cents	23 November 2016
7.8	Issued during quarter				
	Director options	1,500,000			
	Employee options	2,750,000			
7.9	Exercised during quarter	-			
7.10	Cancelled during quarter				
	Director options ⁽³⁾	1,000,000			
	Employee options	1,200,000			
7.11	Debentures (<i>totals only</i>)	-			
7.12	Unsecured notes	-			

(3) Correction for error in December 2010 quarter



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 gives a true and fair view of the matters disclosed.



Stephen J. Gethin
Company Secretary

Date: 31 January 2012

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.
- 4) The definitions in and provisions of AASB 1026: *Statement of Cash Flows* apply to this report.