



# Quarterly Report – March 2012

For the 3 months to 31 March 2012

## Company Overview

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

Strike's Apurimac and Cusco Iron-Ore Projects in Perú are large-scale iron ore projects, with Apurimac in the pre-feasibility study stage. Strike also holds warrants in Canadian-listed Peruvian explorer Cuervo Resources Inc (**Cuervo**) which, if exercised, would allow it to move to 49% of Cuervo<sup>1</sup>.

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 374Mt<sup>2</sup> and potential access to additional resources of 178.4Mt<sup>3</sup> held by Cuervo 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.

## March Quarter Highlights

- **Cuervo receives approvals for drilling at Bob 1 and access preparation complete. Three drilling rigs expected on site by late May**
- **Additional inferred resource of 72Mt at 52.6% Fe at Cuervo's Cerro Ccopane Project**
- **Drilling approvals received for Colcabamba with program commencing late May**
- **Community meeting to consider access agreement for Opaban held in March with further meeting planned for early June**
- **Baseline environmental data collection underway at Cusco as part of the drilling approvals process**
- **Geological mapping, drill core sampling and ground geophysics underway or commencing in May to define iron ore and copper/gold targets at Cusco and Colcabamba**
- **Progress made on Berau negotiations but dispute proceedings still possible**
- **Strong cash position retained with A\$22.9 million in cash, a \$C5.25 million loan to Cuervo and US\$32.5 million loan to Apurimac Ferrum at quarter end**

## Corporate

### Business Development – Growth Strategy

Assessment of several project opportunities in proximity to AF's iron ore assets in the Apurimac and Cusco Districts of Southern Perú are continuing. Good working relationships have been established

- 1 On an undiluted basis or approximately 46% on a fully diluted basis.
- 2 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.
- 3 Comprised of 19.7 Mt at 48.3% Fe (measured), 35.9 Mt at 45.9% Fe (indicated) and 50.8 Mt at 43.7% (inferred) at the Orcopura prospect and 72Mt at 52.6% Fe (inferred) at the Huillque and Aurora prospects. Full details of the resources are in Strike's ASX announcements on 19 July 2011 (Orcopura) and 14 February 2012 (Huillque and Aurora).

with concession owners across the region. In some cases, initial discussions have been opened with vendors. The strong resource and concession position of Strike's Peruvian assets (AF and Cuervo) 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.

High-priority base and precious metal targets in world-class mining districts within Perú continue to be assessed with several opportunities identified for more detailed appraisal.

## Appointments

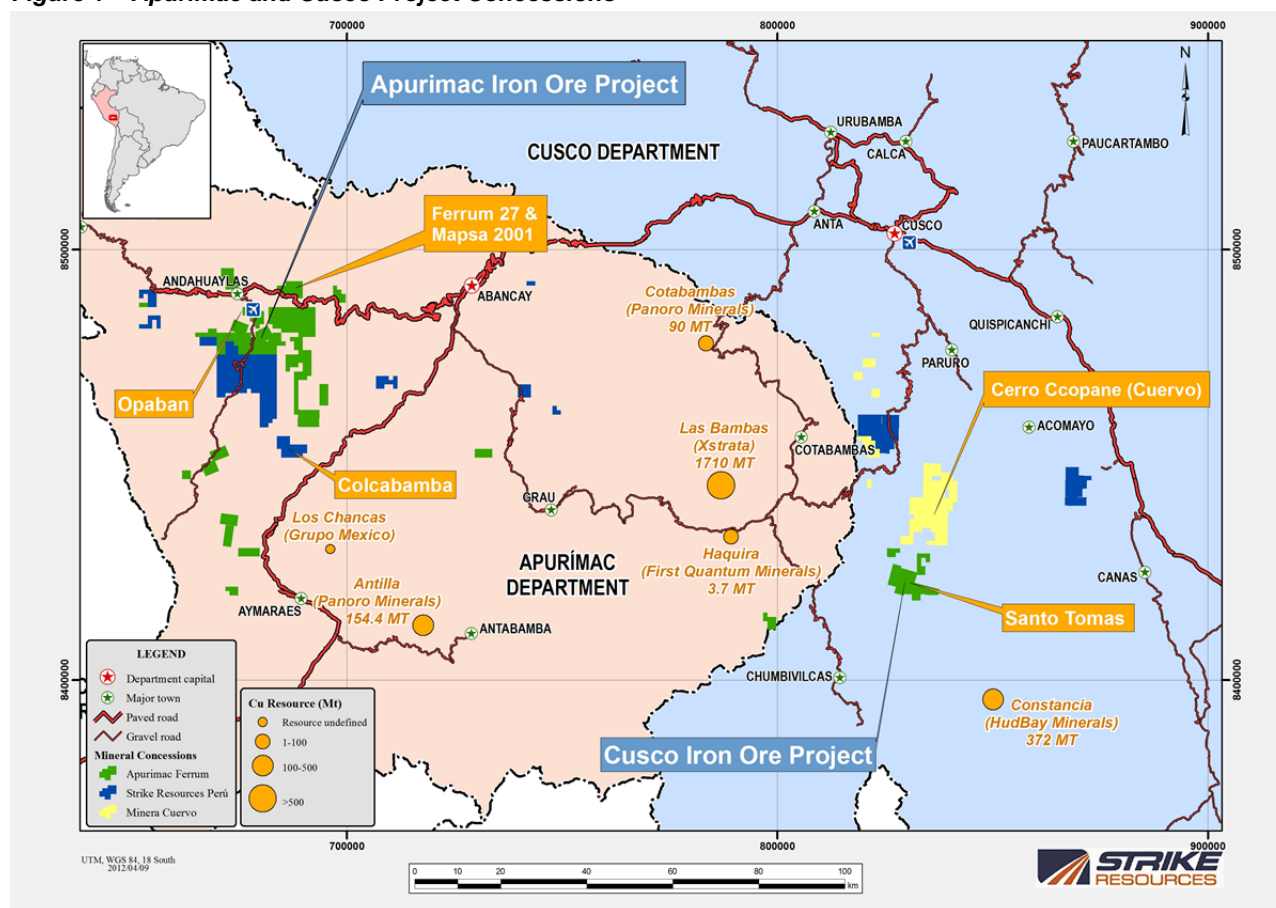
On 23 January Strike appointed Samantha Tough to the Board as an independent, non-executive director<sup>4</sup>.

Julian Tambyrajah joined the Strike executive team as Chief Financial Officer in April. Mr Tambyrajah has extensive experience in the resources industry both in Australia and overseas and brings a wealth of knowledge in the business development, finance and commercial areas to the company.

## Projects

### Apurimac and Cusco Iron-Ore Projects - Perú (SRK 56%<sup>5</sup>)

Figure 1 – Apurimac and Cusco Project Concessions



## Overview

Exploration activities on AF's concessions in Perú (see Figure 1, above) recommenced during the latter part of the quarter, following a slowdown from December to January resulting from community unrest in Andahuaylas. The situation returned to normal following a visit by the President of Perú.

<sup>4</sup> Full details of Ms Tough's qualifications and experience are contained in Strike's 23 January 2012 ASX announcement.

<sup>5</sup> Strike's joint-venture partner D&C group has exercised an option to acquire 6% of AF from Strike. Payment of the option exercise price of US \$1.9 million is expected in June, when certain regulatory requirements have been met. From that time Strike and D&C will each hold 50% of AF.

The President assured protesters that the future prospects of the region depended upon responsible economic development.

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

- Geological mapping teams contracted and mobilising to the Ferrum 27 and Mapsa 2001 project areas during April.
- Geological mapping commenced at Colcabamba in the Apurimac Region in preparation for drilling. The focus of the field program will be to confirm the revised geological interpretation for the iron ore mineralisation flowing from the work of Dr Warren Pratt in late 2011 and assist with targeting of an IP program designed to test for buried copper/gold targets.
- Continuing assessment of the Apurimac satellite concessions for iron-ore and copper/gold potential.
- Reception of all necessary permits for drilling, along with environmental approvals at Colcabamba.

### **Apurimac Iron Ore Project (SRK 56%<sup>6</sup>)**

#### ***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 program, curtailed by local protests in the December 2011 quarter, has recommenced. Mapping teams have been contracted and will mobilise to complete the planned geochemistry sampling and mapping in April. The mapping will complement detailed magnetic surveys completed during the December quarter to assist in defining drill targets. These concessions are considered prospective for both iron and copper mineralisation. The timing for any drilling is tied to the Opaban environmental approvals.

#### ***Colcabamba***

The iron mineralisation at Colcabamba is hosted by regional metasomatic skarns developed in limestone roof pendants within the Andahuaylas-Yauri batholith. The iron-ore mineralisation intersected during the 2011 drilling program is similar in mineralogy and geological setting to that at the Company's Opaban Iron Ore Project, located 30 km to the north. Although high-grade magnetite mineralisation was intersected in all holes, the mineralised intersections were generally narrower than expected. A review of the geological controls and setting of the iron mineralisation at Colcabamba was completed in the December 2011 quarter by experienced Andean geological consultant Dr Warren Pratt. Key conclusions from this work were:

- 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 additional drill platforms.

The review also concluded that the presence of multiple phases of intrusives, anomalous copper and relatively high sulphur content at Colcabamba make it strongly prospective for copper/gold mineralisation including skarn, epithermal and porphyry styles.

Detailed geological mapping commenced during the quarter with a geophysical IP survey commissioned and scheduled to commence during the June quarter. These field programmes will assist in the drill targeting and testing of both iron and copper/gold mineralisation potential.

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<sup>6</sup> See footnote 5 for full details of Strike's shareholding interest in AF.

During the March quarter AF received the necessary permits and approvals required for drilling. An additional 10 drilling platforms are proposed, with drilling expected to commence in late May.

## **Cusco Project (Santo Tomas Prospect - SRK 56%<sup>7</sup>)**

### **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, outlined below.

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.

### **Activity**

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. These field programs are scheduled for the June quarter. Pre-work for the environmental approval (EIS) for drilling at Santo Tomas (Cusco) is underway. The approval is expected by the first quarter of 2013 with drilling planned to commence in the June quarter.

## **Social Approvals and Community Relations**

### ***New community consultation law***

On April 2 the Peruvian national government passed a new law that requires prior approval of exploration and mining work by the local communities where the work is to take place. The law is not clear on many points and will require industry to consult with the government in order to make it workable. AF is working with the communities where it is active, along with relevant Ministries, to ensure that its community consultation process is consistent with the new law. AF has always worked extensively with local communities prior to commencing any activities on their lands. The communities have always had a near-complete veto over exploration and mining on their lands. The new law is thus not expected to result in any substantive differences to outcomes from the community approval process, however some changes to procedures are required.

### ***Cusco approval***

During the quarter AF received permission to conduct exploration activities for two years on Huiniquiri Community lands in the Cusco Region. The lands are part of the Santo Tomas Project and showed a good geologic response during initial reconnaissance performed several years ago. AF is conducting the environmental work required to obtain an environmental approval (EIS) that will allow for drilling and other work.

### ***Colcabamba***

AF is continuing to work with the community in Colcabamba. AF sponsored a re-forestation program that will allow for watershed protection, as well as improve existing water quality. Over 1,000 seedlings have been planted to date.

In addition, AF sponsored a working trip to the Camposol agricultural business in northern Perú, which is operated by the D&C Group, Strike's partner in AF. Community members had the opportunity to

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<sup>7</sup> See footnote 5 for full details of Strike's shareholding interest in AF.



see large-scale farming techniques, as well as high-quality food preparation installations, water treatment and other infrastructure necessary for a sustained commercial farming project. The trip was very successful. Community leaders wish to pursue opportunities identified on the trip that are suitable to the lands that the community farms.

### **Huinchos (Opaban 1)**

Progress during the quarter was impacted by heavy rainfall and flooding which occurred across much of the Apurimac region including Huinchos and the city of Andahuaylas. AF worked with regional authorities to address the high-priority issues and, at the request of the authorities, provided fuel to emergency services undertaking search and rescue and rapid response activities. In Huinchos, the Company also provided flood assistance to over 30 families who were left homeless after severe local flooding. AF also provided blankets and other humanitarian aid to the community. A ditching program has been initiated to prevent further flooding of low-lying homes.

On March 17th an assembly was held in Huinchos to discuss AF's proposal for a two-year exploration agreement, whereby Huinchos would provide access to their lands for exploration work. The community was clearly focused primarily on addressing the urgent matters flowing from the recent flooding but agreed to proceed with the meeting. Before the assembly could consider the proposal a group from one of the 4 campesino communities which comprise Huinchos, along with agitators from outside the community, interrupted the session with a general anti-mining agenda and stopped the assembly.

Following the assembly community leaders approached AF and requested that AF submit its proposal to the next General Assembly meeting in early June. In the interim they have provided approval for AF to continue its Information Offices and also speak with families on a one-on-one basis to outline its proposal and provide information on responsible mining. AF subsequently increased its efforts at both the local and regional level to build on the positive programs it has established (social, agricultural, health etc.) at Colcabamba, Antapata and other locations and provide information on the benefits of its proposal and responsible mining in general.

While the outcome of the meeting in June remains uncertain, AF is hopeful that its information and education process will lead to a positive outcome at the new assembly. If this occurs then a formal agreement will need to be prepared, following which the environmental approval process for drilling can commence. The EIS level environmental approval process is expected to take in the order of 9 months to acquire the necessary baseline data, prepare the application and receive government approval. In the interim, preparatory exploration activities will be undertaken (ground magnetics, geological mapping and sampling etc.) to lock in drilling targets.

### **Millenium**

As previously reported, Millenium brought a procedural challenge to the dismissal of its court claim. The original decision was upheld. Millenium has now appealed against the dismissal of its procedural challenge. Strike believes that there is little merit in these tactics by Millenium, however, they may delay the ultimate conclusion of the matter.

The dispute is also subject to arbitration, which Strike maintains is the proper forum for it to be resolved. An arbitration hearing to define the issues in dispute was held on 27 April. The arbitrator agreed with AF's proposed statement of the issues to be resolved. A further hearing will be held to determine certain questions about the arbitrator's jurisdiction before the substantive hearing to resolve the dispute can take place.

## **Cuervo Resources Inc.**

### **Resource Increase**

Cuervo's principal asset is the Cerro Ccopane Iron Ore Project, which lies within 10 kilometres of Strike's joint venture company AF's Cusco Iron Ore Project, which has a current inferred resource of 104 Mt at 32.5% Fe.

On 14 February Strike announced that an additional inferred mineral resource of 72Mt at 52.6% Fe had been defined at Cerro Ccopane, which added to the initial resource at that project of 106 Mt at 45% Fe<sup>8</sup>.

The new Cuervo inferred resource is located at the Aurora and Huillque prospects, which lie approximately 3 kilometres to the south west and north respectively of its resource at the Orcopura prospect. The new resource estimate was based on the results of approximately 5,000 m of diamond drilling. A 30% iron cut-off grade was used in the estimation. The breakdown of the resource by mineralised zone is shown below:

| Zone         | Mt (Inferred) | Head Fe (%) |
|--------------|---------------|-------------|
| Aurora South | 7             | 49.7        |
| Aurora North | 9             | 49.0        |
| Huillque     | 56            | 53.5        |
| <b>Total</b> | <b>72</b>     | <b>52.6</b> |

The resource study used a polygonal and sectional model method and includes results from 25 drill holes in the two Aurora mineralised zones and 20 drill holes in the Huillque mineralised zone. This drilling was completed and sampled in 2009 (before Strike's involvement with Cuervo) however, a resource estimate was not prepared at that time.

The new global resource on the Cerro Ccopane property, which includes all drilling performed on the Orcopura, Aurora and Huillque prospects, now stands at<sup>9</sup>:

| Prospect            | Classification                   | Tonnes (Mt) | Head Fe (%) | Cut-off (% Fe) |
|---------------------|----------------------------------|-------------|-------------|----------------|
| Orcopura            | Measured                         | 19.7        | 48.26       | 20             |
|                     | Indicated                        | 35.9        | 45.91       | 20             |
|                     | <i>(Measured plus Indicated)</i> | 55.6        | 46.75       | 20             |
|                     |                                  |             |             |                |
| Orcopura            | Inferred                         | 51          | 43.7        | 20             |
| <i>Or</i>           |                                  |             |             |                |
| Prospect            | Classification                   | Tonnes (Mt) | Head Fe (%) | Cut-off (% Fe) |
| Orcopura            | Inferred*                        | 46          | 45.8        | 30             |
| Huillque and Aurora | Inferred                         | 72          | 52.6        | 30             |
| <i>Total</i>        | <i>Inferred</i>                  | 118         | 50.4        | 30             |

\*Showing the inferred resource at Orcopura (previously modelled using a 20% lower cut) now using a 30% lower cut, to enable a comparison between that resource and the inferred resource now defined at Huillque and the Aurora prospects.

## 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 Arcurquina 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.

8 Comprised of 19.7 Mt at 48.3% Fe (measured), 35.9 Mt at 45.9% Fe (indicated) and 50.8 Mt at 43.7% (inferred) at the Orcopura prospect and 72Mt at 52.6% Fe (inferred) at the Huillque and Aurora prospects.

9 The latest (Huillque and Aurora) resource estimate uses a 30% Fe lower cut and the sectional polygonal resource estimation process whereas the initial Cuervo resource estimate (at Orcopura) was a wire-framed computer model using a 20% Fe lower cut with grades determined using the inverse distance squared estimation method. Accordingly, some care must be taken when quoting a global resource for the project area.

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 at Bob 1.

### **March Quarter Activities**

Cuervo received community approval for exploration (including drilling) in the bulk of the Bob 1 area during January, 2012.

The initial program will involve broadly spaced lines of drilling to test the initial 2 – 3 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.

Construction of the access road to Bob 1 commenced in December but has been impacted by the high rainfall in the region. This has been exacerbated by issues with controlling "fly rock" and muddy run-off from the road impacting the local community and completion was delayed until late April. The access road is now effectively complete and establishment of the camp operations will commence shortly.

Discussions are underway with the drilling company and it is expected that the first rig will mobilise to site on 15 May with 2 further rigs mobilising over the 2 weeks following. This should provide drilling progress of around 1500 metres per month with the bulk of the drilling completed by mid to late August, all analytical results delivered by late September and the resource estimate completed in October.

Cuervo has also commenced a trenching program across the Bob 1 project area. To date 58 two metre channel samples have been collected and despatched for analysis. Results are expected to flow from May.

### **Berau Thermal Coal Project – Indonesia<sup>10</sup>**

During the quarter further 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 Australia<sup>11</sup>**

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. PMI will pay Strike a royalty of A\$3.20 per tonne on any iron ore mined at this project, subject to variations in line with movements in an iron ore benchmark price.

PMI is close to reaching provisional agreement with the traditional owners for their consent to the grant of a mining lease and miscellaneous licence. The provisional agreement is being negotiated between PMI and a native title representative body. Once a provisional agreement is reached the traditional owners' full assembly is expected to meet to consider whether to ratify it.

### **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 prepared 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*

<sup>10</sup> 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.

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



*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.*

## **Finance**

### **Cash Position**

Strike’s total cash holding on 31 March 2012 was approximately A\$22.9 million. In addition, Strike holds a loan of C\$5.25 million to Cuervo Resources Inc and loans of approximately US\$32.5 million to Apurimac Ferrum.



# 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/<br>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<br>/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 |
| (19) Ferrum 60 | 200       | Abancay     | 10073208 | RP 2986-2008-INGEMMET/PCD/PM Aug 19, 2008 | 11084879 |

| Name                | Area (Ha) | Province    | Code        | Title                                       | File No  |
|---------------------|-----------|-------------|-------------|---|----------|
| (20) Ferrum 62      | 900       | Abancay     | 10073408    | RP 3177-2008-INGEMMET/PCD/PM Sept 8, 2008   | TBA      |
| (21) Ferrum 63      | 300       | Grau        | 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) Sillaccasa 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 <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 <sup>†</sup> | 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.

<sup>†</sup> Representing an application to convert PL 47/1170 into a mining lease.

## Securities Information

(as at 31 March 2012)

### Distribution of ordinary, fully paid shares

| Spread of Holdings | Number of Holders | Number of Units    | % of Issued Capital |
|--------------------|-------------------|--------------------|---------------------|
| 1 - 1,000          | 480               | 222,921            | 0.156               |
| 1,001 - 5,000      | 1,134             | 3,562,687          | 2.500               |
| 5,001 - 10,000     | 443               | 3,632,367          | 2.548               |
| 10,001 - 100,000   | 606               | 19,636,943         | 13.777              |
| 100,000 - and over | 82                | 115,479,350        | 81.019              |
| <b>Total</b>       | <b>2,745</b>      | <b>142,534,268</b> | <b>100.00%</b>      |

### Top 20 ordinary, fully paid shareholders

| Rank         | Shareholder                                  | Total Shares       | % of Capital |
|--------------|--|--------------------|--------------|
| 1            | HSBC Custody Nominees (Australia) Ltd        | 28,830,388         | 20.23        |
| 2            | J P Morgan Nominees Australia Ltd            | 20,034,805         | 14.06        |
| 3            | Orion Equities Limited                       | 16,690,802         | 11.71        |
| 4            | Database Systems Ltd                         | 9,377,090          | 6.58         |
| 5            | National Nominees Ltd                        | 7,028,507          | 4.93         |
| 6            | Ferrous Resources Ltd                        | 6,370,000          | 4.47         |
| 7            | Nefco Nominees Pty Ltd                       | 5,406,760          | 3.79         |
| 8            | Alara Resources Limited                      | 3,573,889          | 2.51         |
| 9            | Pater Investments Pty Ltd                    | 1,125,000          | 0.79         |
| 10           | Citicorp Nominees Pty Ltd                    | 829,091            | 0.58         |
| 11           | Mr Gordon Anthony                            | 800,000            | 0.56         |
| 12           | Aliana Pty Ltd                               | 700,000            | 0.49         |
| 13           | Empire Holdings Pty Ltd                      | 700,000            | 0.49         |
| 14           | Renmuir Holdings Limited                     | 487,439            | 0.34         |
| 15           | Mr Andrew Craig Leeson                       | 427,800            | 0.30         |
| 16           | Mr Nicholas Kenos & Mrs Pauline Kenos        | 400,000            | 0.28         |
| 17           | Mr Garry McDougall & DR Virginia Nightingale | 366,545            | 0.26         |
| 18           | Mr Guo Qing Wang                             | 354,000            | 0.25         |
| 19           | Kefir Pty Ltd                                | 350,000            | 0.25         |
| 20           | Basildene Pty Ltd                            | 342,661            | 0.24         |
| <b>Total</b> |  | <b>104,194,777</b> | <b>73.11</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 2012

## Consolidated statement of cash flows

| Cash flows related to operating activities                                 | Current quarter<br>Mar 2012<br>\$'000 | Year to date<br>Mar 2012<br>(9 Months)<br>\$'000 |
|--|---------------------------------------|--|
| 1.1 Receipts from product sales and related debtors                        | 22                                    | 22   |
| 1.2 Payments for<br>(a) administration                                     | (1,419)                               | (3,542)  |
| 1.3 Dividends received   | -                                     | -  |
| 1.4 Interest and other costs of finance paid                               | -                                     | -  |
| 1.5 Income taxes paid  | (148)                                 | (148)  |
| 1.6 Other  | -                                     | -  |
| <b>1.7 Net Operating Cash Flows</b>  | <b>(1,545)</b>                        | <b>(3,668)</b>                                   |
| <b>Cash flows related to investing activities</b>                          |                                       |  |
| 1.8 Payment for purchases of:<br>(a) Property, plant and equipment         | (32)                                  | (57)   |
| 1.9 Proceeds from sale of:<br>(a) property, plant and equipment            | -                                     | 70   |
| 1.10 Interest received   | 146                                   | 1,388  |
| 1.11 Loans to associate entity <sup>(1)</sup>                              | (891)                                 | (3,781)  |
| 1.12 Loan to other entities <sup>(2)</sup>                                 | -                                     | (5,002)  |
| 1.13 Payments for exploration and evaluation                               | (1)                                   | (2)  |
| 1.14 Loans repaid by other entities  | -                                     | -  |
| 1.15 Investment in associate   | (20)                                  | (23)   |
| 1.16 Investment in listed entity   | (2)                                   | (207)  |
| 1.17 Other   | -                                     | -  |
| <b>Cash flows related to investing activities</b>                          | <b>(799)</b>                          | <b>(7,614)</b>                                   |
| <b>1.18 Total operating and investing activities<br/>(carried forward)</b> | <b>(2,344)</b>                        | <b>(11,282)</b>                                  |

(1) Loans to associates 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<br>Mar 2012<br>\$'000 | Year to date<br>Mar 2012<br>(9 Months)<br>\$'000 |
|---|---------------------------------------|--|
| <b>Total operating and investing activities<br/>(carried forward)</b> | <b>(2,344)</b>                        | <b>(11,282)</b>                                  |
| <b>Cash flows related to financing activities</b>                     |                                       |  |
| 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  | -                                     | -  |
| <b>Net financing cash flows</b>                                       | <b>-</b>                              | <b>(8)</b>                                       |
| <b>Net increase (decrease) in cash held</b>                           | <b>(2,345)</b>                        | <b>(11,290)</b>                                  |
| 1.26 Cash at beginning of quarter/year to date                        | <b>25,253</b>                         | <b>34,176</b>                                    |
| 1.27 Exchange rate adjustments to item 1.22                           | 3                                     | 25   |
| 1.28 <b>Cash at end of quarter</b>                                    | <b>22,911</b>                         | <b>22,911</b>                                    |

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

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

|   | Current quarter<br>\$'000 |
|---|---------------------------|
| 1.29 Aggregate amount of payments to the parties included in item 1.2   | (135)                     |
| 1.30 Aggregate amount of loans to the parties included in item 1.11   | -                         |
| 1.31 Explanation necessary for an understanding of the transactions:<br>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:
- 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<br>\$'000 | Amount used<br>\$'000 |
|---------------------------------|----------------------------|-----------------------|
| 3.1 Loan facilities             | -                          | -                     |
| 3.2 Credit standby arrangements | -                          | -                     |

## Estimated cash outflows for next quarter

|                                | Next Quarter<br>\$'000 |
|--------------------------------|------------------------|
| 4.1 Exploration and evaluation | -                      |
| 4.2 Development                | -                      |
| 4.3 Loans to associate*        | 1,800                  |
| 4.4 Administration             | 500                    |
| <b>Total</b>                   | <b>2,300</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 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<br>\$'000 | Previous quarter<br>\$'000 |
| 5.1 Cash on hand and at bank  | 1,975                     | 17,203                     |
| 5.2 Term Deposits   | 20,936                    | 8,050                      |
| 5.3 Bank overdraft  | -                         | -                          |
| 5.4 Other   | -                         | -                          |
| <b>Total cash at end of quarter (item 1.23)</b>   | <b>22,911</b>             | <b>25,253</b>              |

## Changes in interests in mining tenements

|     | Tenement reference  | Nature of interest<br>(note (2)) | Interest at beginning<br>of quarter | Interest at end of<br>quarter |
|-----|---|----------------------------------|-------------------------------------|-------------------------------|
| 6.1 | Interests in mining tenements relinquished, reduced or lapsed | Nil                              |                                     |                               |
| 6.2 | Interests in mining tenements acquired or increased           |                                  | 56%                                 | 50%                           |

## 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  | <b>Options (all unlisted)</b>                        |              |               | <i>Exercise price</i>                         | <i>Expiry date</i>                               |
|      | Employee options                                     | 33,000       |               | 287.8 cents                                   | 1 May 2012                                       |
|      | Director options                                     | 750,000      |               | 250.0 cents                                   | 24 November 2012                                 |
|      | Director options                                     | 750,000      |               | 275.0 cents                                   | 24 November 2012                                 |
|      | Director options                                     | 750,000      |               | 325.0 cents                                   | 24 November 2012                                 |
|      | Director options                                     | 3,500,000    |               | 397.8 cents                                   | 2 December 2012                                  |
|      | Employee options                                     | 250,000      |               | 287.8 cents                                   | 3 March 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                                     | 0            |               |   |  |
|      | Employee options                                     | 1,000,000    |               |   |  |
| 7.9  | Exercised during quarter                             | -            |               |   |  |
| 7.10 | Cancelled during quarter                             |              |               |   |  |
|      | Director options <sup>(3)</sup>                      | 3,850,000    |               |   |  |
|      | Employee options                                     | 1,350,000    |               |   |  |
| 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 Gethin**  
Company Secretary

**Date:** 30 April 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.