Thursday, 31 January 2013

Quarterly Report

for the 3 months to 31 December 2012[1]

December 2012 Quarter Highlights

- **Strike moves to 100% ownership of Apurimac Ferrum**
- **Cuervo Resources (Cuervo) Bob 1 drilling campaign completed – resource estimate due February 2013**
- **Berau coal project dispute settlement agreement signed – Strike to receive US$4.3M by June 2013**
- **Strong cash balance of A$14.4M at 31 December, with a loan of approximately CA$5.25M[2] to Cuervo Resources**
- **William Johnson appointed Executive Director to replace Mr Hellsten in the senior executive role**

Corporate

Strike Moves to 100% of AF

In November 2012 Strike became entitled to purchase D&C's shares in Peruvian company Apurimac Ferrum (**AF**) for approximately US$3.5M[3] under the AF Shoot-out, payable in three years. D&C held a different interpretation of the Shoot-out rules and the parties entered negotiations to resolve the issue, leading to the execution of a settlement agreement on 20 December, 2012. While Strike was confident of its legal position, the negotiated settlement delivers better value to shareholders than the likely alternative of a protracted legal dispute.

The key commercial terms of the Settlement Agreement are detailed below.

- D&C transferred its 50% shareholding in AF to Strike.
- 2,800,000 Strike shares were issued to D&C, with D&C now holding just under 2% of Strike.
- AF repaid D&C's loans of approximately US$3.5M, funded by Strike.
- D&C will receive the following deferred payments if AF achieves the milestones below:
    - US$2M on AF defining a JORC Resource at the Apurimac project of 500 million tonnes (**Mt**) of iron ore with an average grade of at least 55% iron (**Fe**) or 275 Mt of contained iron at an average grade of 52.5% Fe or above.

1 And to the date of this report.

2 Canadian dollars.

3 An amount equal to the loans owed to D&C by AF.

Strike Resources Limited (ABN 94 088 488 724)
Level 2, 160 St Georges Terrace Perth Western Australia 6000
Tel: +61 8 9324 7100 Fax +61 8 9324 7199
Web: www.strikeresources.com.au Email: info@strikeresources.com.au

- US$3M on AF achieving environmental and community approvals for the construction of an iron ore mine and associated infrastructure with a design capacity of at least 10 million tonnes per annum (**Mtpa**) of iron ore product.
- US$5M on formal AF Board approval to commence construction of an iron ore project, or the commencement of bulk earthworks for an iron ore processing plant, with a design capacity of at least 10 Mtpa of iron ore product (**Construction Milestone**).

AF is under no obligation to meet the milestones.

- D&C will receive the following royalties:
  - 1.5% of the net profits from sales of iron ore, and
  - 2% of the proceeds of sales of base and precious metals (on a net smelter return basis).

  AF is under no obligation to commence production.
- AF may extinguish the royalties by paying D&C any one of the following amounts (**Extinguishment Payment**):
  - US$13M within 2 years from 20 December 2012 (**Execution**),
  - US$15M between 2 and 3 years from Execution,
  - US$20M between 3 and 4 years from Execution, or
  - US$30M[4] after 4 years from Execution but before the Construction Milestone occurs or the 15th anniversary of the agreement (whichever is sooner).

  Any royalty that is being paid on sales of base and precious metals at the date the Extinguishment Payment is made remains in place, up to a cap of US$500,000 per year.

The Settlement Agreement represents the achievement of Strike's long-held objective of moving to 100% ownership of AF. Importantly, the acquisition terms were designed to preserve Strike's cash. Moving to full control of AF enables Strike to focus on driving exploration efforts and progressing key project milestones at Apurimac.

Management Restructure

On 18 January 2013 Mr Ken Hellsten announced his retirement as Managing Director, a position he had held since March 2010.

Following the successful move to 100% ownership of AF, the Company determined that it would be best served by having its key management and technical team based in Lima, Peru. Mr Hellsten is unable to relocate to Peru and the role that will remain in Perth does not warrant a person of his skills and experience. Mr Hellsten will remain in a consulting role until the end of February and retains his role as a Strike appointee on the Board of Cuervo Resources Inc.

Non-Executive Director William Johnson was appointed Executive Director to succeed Mr Hellsten in the senior management role. Mr Johnson has been a Strike Director since 2006, serving in an executive capacity until 2010.

Since securing 100% of AF, Strike's key focus is on negotiating the community approvals necessary to enable it to re-start drilling on those concessions that have the best prospects of increasing the Company's resource inventory. Mr Johnson's immediate task as senior executive is to review AF's management structure, resource levels and forward plans to ensure that it is best positioned to achieve this outcome.

Cash Position

Strike's total cash holding on 31 December 2012 was approximately A$14.4M. In addition, Strike holds a loan of CA$5.25M to Cuervo Resources Inc. A cash payment of US$4.3M is due to be received by June 2013 from settlement of the Berau coal dispute.

4 This amount is indexed to changes in the US CPI, commencing on the second anniversary of the execution of the Shootout Settlement Agreement.

Strike Resources: Peruvian Projects

Overview

Apurimac Project (Strike - 100%)

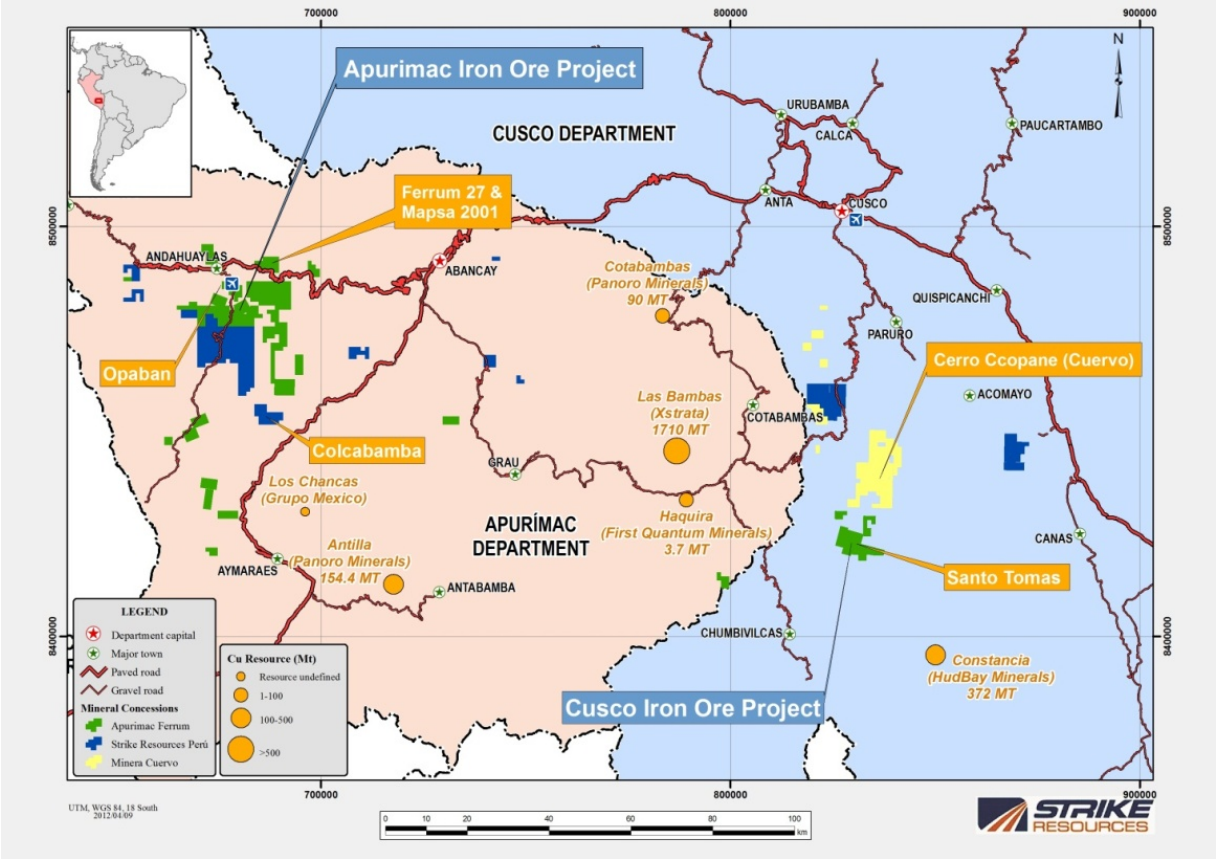
Strike holds concessions covering almost 600 square km of highly prospective ground in the Andahuaylas-Yauri mineral province in the Apurimac district of southern Perú (see *figure 1*, below). The most advanced prospect, Opaban, currently contains iron ore resources totalling 269 Mt at an average grade of 57.3% Fe.

The resource is high quality, being dominantly course-grained and friable magnetite, which provides several competitive advantages. The high grade gives excellent potential for direct shipping ore (**DSO**) as well as producing high-quality product using conventional magnetic separation techniques. Metal recoveries are more than twice that seen in most magnetite deposits. The coarse-grained nature of the ore provides significant energy savings; as only coarse grinding is required to liberate the magnetite. The combination of these factors delivered a potential project with competitive capital costs and low operating costs in an initial Pre-feasibility Study completed in 2008.

The current focus of AF's activities at Apurimac is to meet its exploration target of least 500 Mt of iron ore (including current the present resource) at a grade of 56 – 58% Fe (similar to the Opaban deposit grade) to support the establishment of a 15 – 20 Mtpa mine.

(The potential quantity of the target iron ore in this section of this document is conceptual in nature. There has been insufficient exploration to define an additional Mineral Resource in relation to that target iron ore. It is uncertain whether further exploration will result in the determination of an additional Mineral Resource in relation to that target iron ore.)

Figure 1 – Apurimac and Cusco Project concessions



Cusco Project (Santo Tomas) (Strike - 100%)

Strike also holds concessions covering approximately 13 square km in the Cusco district of southern Perú (see *figure 1*, above). An initial inferred resource estimate of 104 Mt at 32.6% Fe was reported for these concessions in 2011, although this was based on an interpretation that the deposit was comprised of

primarily steep-dipping, structurally controlled magnetite zones. The current interpretation of the deposit is that the bulk of the mineralisation is stratiform in nature, and hence the current resource estimate is believed to understate the resources in terms of both tonnes and grade. At this stage a revised resource estimate is not considered essential until further drilling is completed.

The Santo Tomas project corresponds with good magnetic anomalies, as well as alteration and iron anomalies from the ASTER data. The drilling program to date has tested 30 – 40% of the target area for iron ore and further drilling will be conducted at a future date.

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.

AF's Cusco concessions lie within 20 km of the Cerro Ccopane iron ore project of Cuervo Resources (see below) where iron ore resources of 179 Mt at an average grade of 48% Fe have been outlined and initial drill testing of the Bob 1 target area has recently been completed.

Apurimac Iron Ore Project

Regional exploration review

During the December quarter AF completed a review of previous exploration data within the Apurimac concessions and the interpretation of high-quality remote sensing data. The objective of the review was to assess the potential for iron ore and copper/gold within its concessions and adjacent areas, to prioritise exploration targets and community relations programs to secure exploration access agreements.

The data review included a compilation of the available airborne and ground magnetic surveys, geological mapping at the reconnaissance and prospect level, regional geochemistry, surface sampling and drilling results and the interpretation of detailed multi-spectral remote sensing (ASTER) data by an independent expert. The outcome of the review was the creation of a series of ranked exploration targets.

The review also identified a number of high-priority satellite deposits in the Apurimac concessions, warranting further magnetic surveys and additional reconnaissance mapping and sampling prior to drill testing. The key potential satellite targets Sillaccassa and Colcabamba are covered in detail below.

The top priority drilling area remains the Opaban prospect and, in particular, the extension of the existing resources at both Opaban I and Opaban III. The strike length of the magnetic anomaly on Opaban I and III is approximately 5.4 kilometres in Strike-owned concessions. Drilling presently only covers 50% of this area, so there is strong potential to discover additional iron ore on these properties. Analysis to identify the relative contributions of exoskarn (limestone hosted) and endoskarn (intrusive hosted) to the current Opaban resource will be undertaken. The results of this analysis will affect the design of the proposed Opaban resource extension drilling program and the exploration programs for adjacent AF concessions that have the potential to extend and/or repeat the Opaban deposits.

Re-commencement of drilling at Opaban depends upon securing access approvals from the communities on whose land the concessions are located; which is discussed further in the *Social Approvals and Community Relations* section below.

Sillaccassa **-** The Sillaccassa concession block lies approximately 25 km west of Opaban. Exploration to date has identified three magnetic anomalies; two of which extend for more than one kilometre and have coincident outcropping magnetite-rich ironstones. Iron grades from rock-chip sampling of the ironstones, which extend for approximately one kilometre in strike length, averaged 69% Fe.

Based on the extent of the magnetic anomalies and ironstones these concessions have been assessed to have potential to contain 50 – 150 Mt of iron ore at grades of 35 – 60% Fe. Accordingly, this area could provide a significant satellite resource for an iron ore operation at Opaban.

(The potential quantity of the target iron ore in this section of this document is conceptual in nature. There has been insufficient exploration to define an additional Mineral Resource in relation to that target iron ore. It is uncertain whether further exploration will result in the determination of an additional Mineral Resource in relation to that target iron ore.)

The ASTER interpretation identifies this area as being of moderate to high importance, with a broad area of iron oxides, iron hydroxides, and iron silicates with clays and a magnetic anomaly. This area presents interesting zones of alteration nested in the area between northeast and east-northeast lineaments and zones of magnetic highs. A ground geophysical survey and 1:5000 scale mapping program were completed

in 2011. A summary of these results is presented in *figure 2*, annexed to this report[5]. The surface area of the magnetite outcrop is shown on this plan.

Exploration activities in this area were placed on hold during the regional protests which occurred in late 2011 and early 2012. Subsequently, community relations programs have focussed on the Opaban and Santo Tomas areas. AF intends to re-engage with the community at Sillaccassa when the opportunity arises. The next stage of work will include conducting check mapping, the extension of the ground magnetics into recently acquired concessions and drill testing.

Colcabamba - The Colcabamba project is 30 km to the south of the Company's Opaban concessions and is considered to be a potential satellite deposit. The iron ore is hosted by regional metasomatic skarns developed in both limestone roof pendants and diorite within the Andahuaylas-Yauri batholith.

Field mapping at a 1:5000 scale and ground magnetics were undertaken at Colcabamba. *Figure 3*, *annexed*, shows magnetic anomalies and the magnetite outcrops identified by field mapping. The surface area of the magnetite outcrops are shown on this plan.

Colcabamba shows good ASTER iron anomalies as well as magnetic anomalies. The mapping shows numerous outcrops of diorite and monzodiorite in contact with limestones. The location of mapped diorite corresponds with a string of north-west trending magnetic highs. The main zone of interest is in the east where large iron oxide/silicon and gossan anomalies are flanking the magnetic highs and are associated with copper/iron anomalies.

Although high-grade magnetite was intersected in all of the eight holes drilled in 2011, the intersections were generally narrower than expected when interpreted as being controlled by sub-vertical structures. The review determined that Colcabamba represents an attractive exploration target if the deposit is interpreted as dominantly exoskarn instead. This interpretation needs to be tested by further drilling.

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

AF has current environmental approval for drilling from a further 12 platforms in the area. As previously announced, however, the local community withdrew its drilling approval in 2012. When access is regained, AF will undertake an IP program and complete the drilling.

Cusco Project, Santo Tomas Prospect

Regional exploration review

Strike's Cusco concessions were included in the regional review referred to in the Apurimac Project section above. Two concessions show ASTER iron and alteration anomalies. The ASTER interpretation has also shown numerous copper anomalies on the periphery of Santo Tomas. Two strong circular/semi-circular magnetic anomalies with apparent alteration overprint consisting of gossan/high sulphidation type are also present. The review recommended conducting further drilling, aimed at increasing the resource estimate for Santo Tomas, based on applying an interpretation using stratigraphic rather than structural controls.

The review also assessed the copper/gold potential of the Cusco concessions. Malachite and azurite were identified in surface mapping and artisanal (informal) gold mining is understood to occur in the area. Only low levels of copper and gold were identified during previous drilling. An Induced Polarization (**IP**) survey was undertaken in order to assess the potential for a large porphyry copper/gold system. The surface extent of this survey was limited by community access agreements. There was no indication of a large porphyry system to a depth of 700m but several small chargeable bodies were identified, which will be followed up during a subsequent drilling campaign.

The small chargeable bodies which were identified during the IP survey have also been recommended for further investigation. If these IP anomalies are associated in fact with occurrences of high-value metals then this would make a significant difference to the economic potential of the Santo Tomas project.

5 The remaining *figures* commence on Page 13.

Social Approvals and Community Relations

During the December 2012 quarter AF reopened dialogue with the important community of Huinchos, located on its Opaban I concession, which was put on hold earlier in the year following the increase in regional activism that began in late 2011.

In November 2012 AF completed construction of a multipurpose sports field for the Huinchos community, which has been very well received. AF was granted permission to open a community information office in the community. Through this office AF is able to provide information to community members about the iron exploration and development process. AF is in discussions with other villages within the Huinchos community about the potential to build them additional sporting facilities and open further information offices.

Huinchos sports field

In 2012 the Peruvian Government commenced a program to encourage artisanal (informal) miners to bring their activities within the law. In general terms, the new regime permits informal miners to continue to operate if they obtain the support of the relevant concession owners and comply with certain environmental and safety standards. AF considers that there may be potential mutual benefits in assisting informal miners on its concessions to register under the new system. Informal mining on AF's concessions is on a small scale and does not have a significant impact on the Company's operations, but can be an important source of revenue for locals. AF organised a meeting between Huinchos community leaders and the Regional Mining Office to discuss the formalisation process and environmental management issues.

During the quarter AF continued its program of arranging community trips to commercial farming operations to study best-practice agricultural methods. These trips are well regarded by participants and the wider communities generally who benefit from the knowledge transfer.

Local elections were held in most of the communities on AF's concessions at the end of 2012. Transition to new leadership has generally been smooth, with no material impact on relationships with AF.

The AF community relations team was restructured during the Shoot-out and Luis Romero was appointed as the new Manager – Social Responsibility and is performing well in this role. The key focus of the Strike/AF management restructure is to determine the priorities and resourcing needs of the community relations team and provide whatever additional resources it needs to secure drilling access approvals. Strike is hopeful of obtaining community approvals to recommence drilling on the Opaban I and III concessions during the first half of calendar 2013 and will keep shareholders updated on developments.

Millenium Trading S.A.C.

A new arbitrator has been appointed to conduct the Millenium arbitration, to replace his predecessor who stepped down due to a conflict of interest arising. Millenium is pursuing a procedural challenge against the installation of the new arbitrator. Assuming the arbitrator's appointment is upheld it is expected that he will then set a timetable to conclude the case.

Millennium and Minera Apu (which Strike believes to be acting in concert with Millenium) are also pursuing various procedural motions and appeals designed to keep alive their court cases challenging the validity of AF's acquisition of certain concessions. AF regards these actions as having no merit and is defending them strongly.

Cuervo Resources Inc. Projects[6]

Bob 1 Drilling Campaign Completed

Earlier in January Cuervo Resources Inc. released assay results from the final two holes from drilling on the "Bob 1" target zone of its Cerro Ccopane iron ore project in Peru. Significant intercepts from the final holes were 112.5 metres at 49.3% Fe from BDH12-17 and 35.4 metres at 52.4% Fe from BDH12-18 (drill hole locations are shown in *Figure 4,* annexed).

The Bob 1 magnetic and gravity target extends over a total strike length of approximately three kilometres (see *Figures 4* and *5*, annexed), with extensive outcrops of massive magnetite present along the bulk of the length of the target. Cuervo has completed the current program of 18[7] drill holes for approximately 4500 metres of drilling as an initial test of Bob 1. The initial resource estimate is planned for completion in February 2013.

Technical Results

The drill holes were directed to test the surface exposures of magnetite and the gravity and magnetic targets from surface to a depth of around 200 metres, although selected holes were drilled to more than 400 metres.

All drill holes completed to date at Bob 1 have intersected zones of magnetite-rich rocks, with several intervals of massive magnetite interspersed with intervals of semi-massive to disseminating magnetite and intermediate composition intrusives. The magnetite and sulphides (mainly pyrite) are generally of similar grain size to that seen at Cuervo's Orcopura prospect, approximately 20 kilometres to the south-southwest (see *Figure 1*, annexed).

The results are in line with initial expectations, with key outcomes being:

- A strong and continuous zone of largely massive magnetite, generally 100 – 150 metres in true thickness, has been outlined in the central and northern portion of the Bob 1 anomaly. This mineralised system has been traced over a strike length of at least 2000 metres and remains open in all directions; with the high-grade, massive magnetite extending over at least a 1200 metre strike. The deposit dips moderately (40 – 60 degrees) to the west and has been traced from extensive surface outcrops to a depth at least 200 metres on most drill sections and up to nearly 400 metres on some. The bulked intercepts within this zone generally contain grades of 40% - 50% Fe and as high as 57% Fe.
- Drilling in the southern portion of Bob 1 is relatively limited (five holes) although results to date suggest the massive magnetite zones are generally multiple narrower systems with similar geometry to the

6 Strike has advanced Cuervo CA$5.25M to fund its current (Stage 1) drilling and exploration program and, in return, was issued warrants that can be converted to 31.5% of Cuervo's shares on an undiluted basis, at CA$0.30 per share.

7 Hole BDH12-09 was abandoned before reaching the target depth due to drilling difficulties.

central/northern zone. Bulked intervals are generally narrower (30 – 60 metres) and with lower grade (20 – 40% Fe) than those in the north. Given the broadly spaced nature of the holes in this area, further drilling is required to fully assess this mineralised system, as large parts of the geophysical anomaly are yet to be drilled.

While the current drilling program is only an initial test of portions of the Bob 1 target, the results to date are considered most encouraging, due to the continuity of the iron ore along and across strike as well as at depth. *Table* 1, below, provides summary results from the entire campaign.

Table 1 - Significant intersections in drill holes BDH12-01 to BDH12-18

Hole	From	To	Length	Fe (%)	SiO_2 (%)	S (%)	P (%)	Mn (%)	Cu (%)
BDH12-01	86.2m	219.2m	133m	49.6	14.4	2.36	0.09	0.14	0.11
BDH12-02	12.35m	194.35m	182m	39.6	23.2	2.30	0.08	0.16	0.10
BDH12-03	19.2m	175.2m	156m	40.9	23.3	2.92	0.06	0.19	0.12
BDH12-04	66.1m	255m	188.9m	32.6	28.5	1.80	0.08	0.23	0.06
BDH12-05	35.8m	179.55m	143.75m	38.3	22.6	1.83	0.09	0.20	0.08
BDH12-06	71.3m	181.9m	110.6m	41.1	21.1	2.79	0.08	0.17	0.10
BDH12-07	219.45m	311.45m	92m	36.6	24.5	2.64	0.07	0.22	0.09
BDH12-08	45.1m	230m	184.9m	47.5	16.7	2.30	0.09	0.11	0.11
BDH12-09	abandoned								
BDH12-10	83.10m	210.20m	217.10m	54.1	10.0	2.67	0.06	0.12	0.13
BDH12-11	25.70m	112.25m	86.55m	33.8	25.8	0.55	0.06	0.23	0.04
BDH12-12	216.80m	390.15m	173.35m	30.1	26.5	2.17	0.07	0.20	0.08
BDH12-13	272.40m	299.20m	26.80m	23.3	34.0	1.22	0.12	0.22	0.05
BDH12-14	267.75m	291.00m	23.25m	29.6	27.9	2.41	0.06	0.21	0.07
BDH12-15	190.30m	237.00m	46.70m	19.9	35.4	1.70	0.07	0.22	0.06
BDH12-16	18.30m	83.40m	65.10m	40.9	21.2	1.27	0.06	0.17	0.09
BDH12-17	67.3m	179.8m	112.5m	49.3	14.7	2.81	0.04	0.11	0.12
BDH12-18	5.3m	40.7m	35.4m	52.4	11.2	1.46	0.12	0.14	0.09

The independent geologist conducting the resource estimate has monitored all drilling, sampling and assaying and has commenced the formal resource estimate process now that the final assay results have been received. The resource estimate is expected to be released in late February, 2013.

Preliminary low-intensity magnetic separation (Davis Tube) carried out previously on selected samples of sulphide-rich mineralisation from the Orcopura zone showed that both pyrite and chalcopyrite (copper-bearing sulphide) can be removed from that ore to produce a high-grade iron ore concentrate. Cuervo plans to carry out Davis Tube processing on samples of the Bob 1 iron ore following release of the resource estimate. The Bob 1 Davis Tube results are expected to be similar to those from Orcopura, given the similarity of the magnetite at these prospects.

Background Information

The Bob 1 zone is considered highly prospective for iron ore. It contains strong magnetic and gravity anomalies (see *Figures 1* and *2*, attached) coincident with a broad band of magnetite outcrops extending over three kilometres in strike length, the largest yet identified on the Cerro Ccopane property. Rock chip samples from these outcrops averaged >63% Fe and the prospect is geologically similar to the Orcopura, Huillque and Aurora areas where previous drilling has outlined iron ore resources totalling 179 Mt at an average grade of 48.2% Fe (see *Table 2*, over the page, for a full breakdown of JORC Code categories and grades).

Table 2 - Cerro Ccopane Project resources

Prospect	Classification	Tonnes (Mt)	Head Fe (%)	Cut-off Fe (%)
Orcopura	Measured	19.7	48.26	20
	Indicated	35.9	45.91	20
	(Measured plus Indicated)	55.6	46.75	20
Orcopura	Inferred	51	43.7	20
Or				
Prospect	**Classification**	**Tonnes (Mt)**	**Head Fe (%)**	**Cut-off Fe (%)**
Orcopura	Inferred*	46	45.8	30
Huillque and Aurora	Inferred	72	52.6	30
Total	Inferred	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 the Huillque and Aurora prospects.*

Strike advanced Cuervo CA$5.25M to fund the drilling campaign and, in return, was granted warrants that can be converted into approximately 31.5% of Cuervo's shares, on an undiluted basis. Alternatively, Strike can require repayment of the loan when its term expires in mid-2014.

The Cerro Ccopane project lies within 20 kilometres of Strike's Santo Tomas (Cusco) iron ore project (see *Figure 3*, attached).

Other Projects

Berau Thermal Coal Project – Indonesia[8]

On 7 December 2012, after protracted negotiations, Strike and its partner signed a set of agreements to settle the dispute over the Berau Coal Project. In summary, Strike will receive US$4.3M by June 2013 and exit the project.

Paulsens East Iron Ore Project – Pilbara, Western Australia[9]

In December 2012 Strike conducted a review of the gold potential of these tenements due to their proximity to Northern Star Resources Ltd's Paulsens gold mine. The review concluded that the tenements have low gold potential and, accordingly, the Company does not plan to explore for gold.

Previous drilling has identified iron ore at Paulsens however the Company has not released a resource estimate. Iron ore mining at Paulsens is not considered to be economically feasible under current conditions, given the quantities or ore present, the market price and the lack of port access within reasonable proximity. Strike is assessing its options for Paulsens. The preferred option at this stage is retention with a view to reassessing its potential in future if the port access situation improves or there is a material and sustainable increase in iron ore prices, bringing other transport options into play.

8 Strike's rights in this project consist of 100% of the rights to mine a coal concession, subject to payment of a royalty to the concession owner. Strike's interest will be terminated upon payment of the settlement amount.

9 100% owned by Strike.

Mineral Tenements (as at 31 December 2012)

Perú (Strike - 100%)

Apurimac Project tenements

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 00326-2005-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 16, 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
(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
(41) Roncco	400	Aymaraes	10521708	Notification 153150-2008 INGE<<ET 30 Oct, 2008	TBA
(42) Ferrum 12	700	Andahuaylas	10299404	RP 030326-2005-INACC/J 25 Jan, 2005	TBA
(43) Sillaccassa 3	200	Andahuaylas	10491311	RP 000192-2012-INGEMMET/PCD/PM 30 Mar, 2012	TBA
(44) Ferrum 21	999	Lucanas	10027007	RP 129-2008-MEM/CM 21 Apr, 2008	TBA

Apurimac Project tenements

Name	Area (Ha)	Province	Code	Title	File No
(45) Cassio 100	400	Andahuaylas	10182808	RP 003321-2008- INGEMMET/PCD/PM 10 Sep, 2009	TBA
(46) Ferrum 25	1,000	Andahuaylas	10227307	TBA	TBA
(47) Ferrum 19	1,000	Cotabombas	10026807	RP 006426-2008-INGEMMER/PCD/PM 30 Dec, 2008	TBA
(48) Ferrum 6	1,000	Aymaraes	10298804	RP 00231-2005-INACC/J 19 Jan, 2005	TBA
(49) Ferrum 64	600	Andahuaylas	10073108	RP 000647-2009-INGEMMET/PCD/PM 27 Feb, 2009	TBA
(50) Ferrum 20	800	Cajamarca	10026907	RP 000064-2009-INGEMMET/PCD/PM 28 Jan, 2009	TBA
(51) Ferrum 16	1,000	Chumbivilcas	10026507	RP 001979-2007-INACC/J 24 May, 2007	TBA
(52) Ferrum 38	800	Andahuaylas	10623507	RP1288-2008-INGEMMET/PCD/PM May 12, 2008	11064280
(53) Ferrum 39	1,000	Andahuaylas	10131408	RP 1573-2008-INGEMMET/PCD/PM May 29, 2008	11076755
(54) Ferrum 40	1,000	Andahuaylas	10131508	RP 2905-2008-INGEMMET/PCD/PM Aug 19, 2008	11079783
(55) Ferrum 41	1,000	Andahuaylas	10131608	RP 1965-2008-INGEMMET/PCD/PM Jun 19, 2008	11077113
(56) Ferrum 42	1,000	Andahuaylas	10131708	RP 1975-2008-INGEMMET/PCD/PM Jun 19, 2008	11077114
(57) Ferrum 43	1,000	Andahuaylas	10131808	RP 3243-2008-INGEMMET/PCD/PM Sept 9, 2008	11081446
(58) Ferrum 44	1,000	Andahuaylas	10131908	RP 1934-2008-INGEMMET/PCD/PM Jun 19, 2008	11077115
(59) Ferrum 45	1,000	Andahuaylas	10132008	RP 2283-2008-INGEMMET/PCD/PM Jun 27, 2008	11077116
(60) Ferrum 46	1,000	Andahuaylas	10132108	RP 2523-2008-INGEMMET/PCD/PM Aug 08, 2008	11079784
(61) Ferrum 47	1,000	Andahuaylas	10132208	RP 1908-2008-INGEMMET/PCD/PM Jun 18, 2008	11077117
(62) Ferrum 48	1,000	Andahuaylas	10132308	RP 1756-2008-INGEMMET/PCD/PM May 29, 2008	11076584
(63) Ferrum 49	1,000	Andahuaylas	10132408	RP 2000-2008-INGEMMET/PCD/PM Jun 19, 2008	11077118
(64) Ferrum 50	900	Andahuaylas	10132508	RP 1922-2008-INGEMMET/PCD/PM Jun 19, 2008	11077120
(65) Ferrum 51	1,000	Andahuaylas	10132608	RP 1893-2008-INGEMMET/PCD/PM Jun 18, 2008	11077121
(66) Ferrum 52	1,000	Andahuaylas	10132708	RP 2803-2008-INGEMMET/PCD/PM Aug 18, 2008	11079786
(67) Ferrum 53	1,000	Andahuaylas	10132808	RP 2550-2008-INGEMMET/PCD/PM Aug 08, 2008	11079787
(68) Ferrum 54	700	Andahuaylas	10132908	RP 2899-2008-INGEMMET/PCD/PM Aug 19, 2008	11079788
(69) Ferrum 55	800	Andahuaylas	10133408	RP 2951-2008-INGEMMET/PCD/PM Aug 19, 2008	11079789
(70) Ferrum 60	200	Abancay	10073208	RP 6379-2008-INGEMMET/PCD/PM Dec 29, 2008	11084879
(71) Ferrum 62	900	Abancay	10073408	RP 3147-2008-INGEMMET/PCD/PM Aug 28, 2008	11079791
(72) Ferrum 63	300	Grau	10073008	RP 1492-2008-INGEMMET/PCD/PM May 26, 2008	11076586
(73) Pichirhua 1	800	Abancay	10151708	RP 2638-2008-INGEMMET/PCD/PM Aug 11, 2008	11079794
(74) Pichirhua 2	400	Abancay	10151808	RP 3244-2008-INGEMMET/PCD/PM Sept 9, 2008	11081445
(75) Colcabamba 1	600	Aymaraes	10212308	RP 2986-2008-INGEMMET/PCD/PM Aug 19, 2008	11079780
(76) Colcabamba 2	500	Aymaraes	10212408	RP 3177-2008-INGEMMET/PCD/PM Sept 8, 2008	11081451
(77) Colcabamba 3	900	Aymaraes	10217208	RP 3040-2008-INGEMMET/PCD/PM Aug 28, 2008	11079781
(78) Colcabamba 4	400	Aymaraes	10580108	RP 1117-2009-INGEMMET/PCD/PM Mar 31, 2009	11093827
(79) Sillaccassa 1	700	Andahuaylas	10212508	RP 5088-2008-INGEMMET/PCD/PM Nov 19, 2008	11084877
(80) Sillaccasa 2	400	Andahuaylas	10212608	RP 3183-2008-INGEMMET/PCD/PM Sept 8, 2008	11081449
(81) Helimag 1	900	Andahuaylas	10294109	No 000741-2010 INGEMMET/PCD/PM Mar 22, 2010	TBA
(82) Quimsa 1	1,000	Melgar	10248007	RP 000913-2007-INGEMMET/PCD/PM Sept 7, 2007	TBA
(83) Quimsa 2	1,000	Melgar	10246007	RP 000345-2007-INGEMMET/PCD/PM Aug 09, 2007	TBA
(84) Pucaccasa	600	Andahuaylas	10353408	RP 005978-2008-INGEMMET/PCD/PM Dec 17, 2008	TBA

Cusco Project tenements

Name	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

Cusco Project tenements

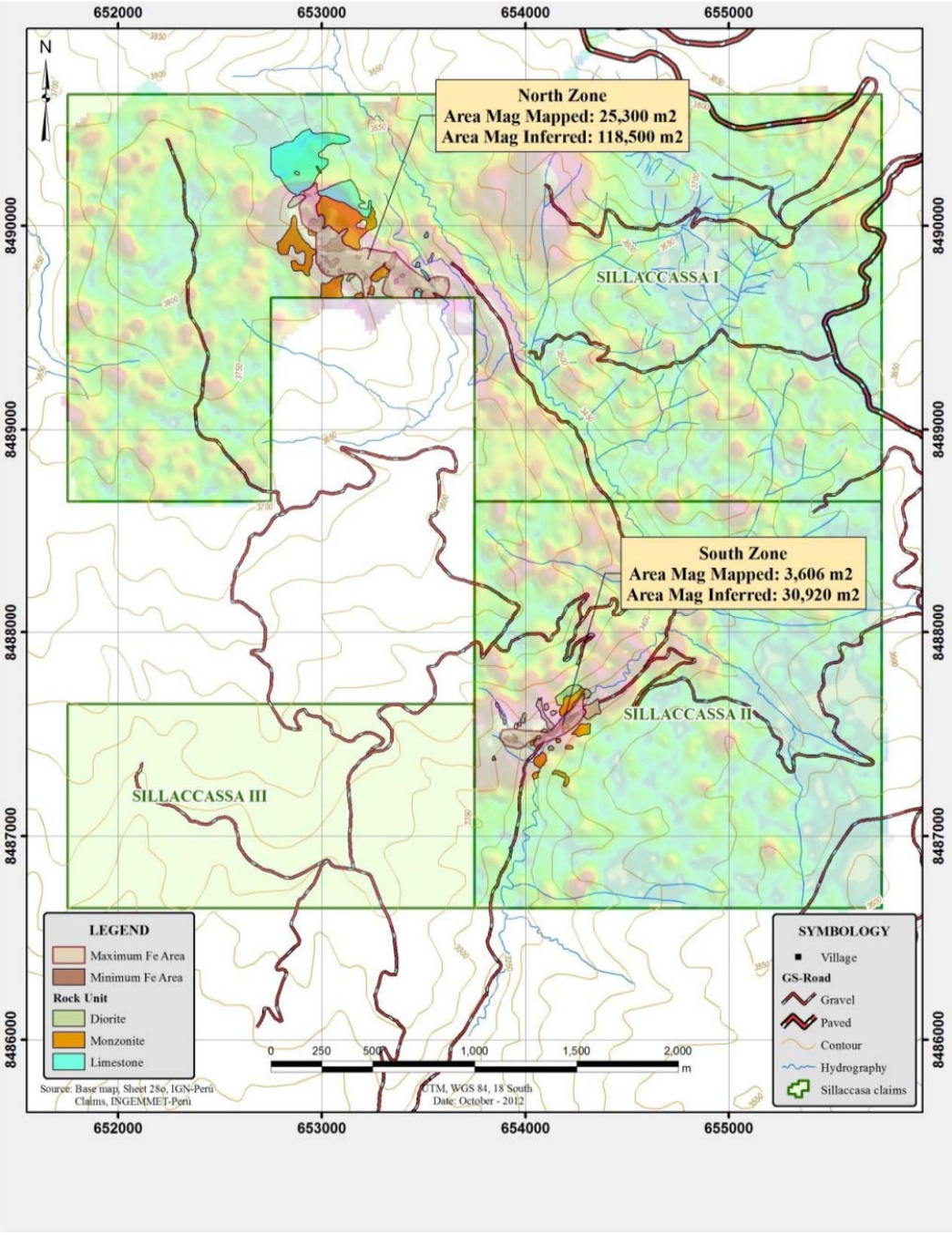
Name	Area (Ha)	Province	Code	Title	File No.
(7) Ferrum 15	992	Chumbivilcas	10494906	RJ 0753-2007-INACC/J Mar 05, 2007	11073796
(8) Ferrum 17	500	Chumbivilcas	10026607	RP 1815-2007-INGEMMET/PCD/PM Oct 30, 2007	11073794
(9) Ferrum 18	800	Chumbivilcas /Cotabambas	10026707	RP 1761-2008-INGEMMET/PCD/PM May 29, 2008	11076514
(10) Ferrum 72	1,000	Paruro	10408208	RP 4435-2008-INGEMMET/PCD/PM Oct 21, 2008	11084851
(11) Ferrum 73	1,000	Paruro	10409608	RP 5050-2008-INGEMMET/PCD/PM Nov 19, 2008	11084874
(12) Ferrum 74	1,000	Chumbivilcas/ Paruro	10409708	RP 5006-2008-INGEMMET/PCD/PM Nov 19, 2008	11084871
(13) Ferrum 75	303	Chumbivilcas	10409808	RP 5130-2008-INGEMMET/PCD/PM Nov 19, 2008	11084873
(14) Ferrum 76	974	Chumbivilcas	10409908	RP 4323-2008-INGEMMET/PCD/PM Oct 20, 2008	11084870
(15) Ferrum 77	1,000	Paruro	10408108	RP 5227-2008-INGEMMET/PCD/PM Nov 19, 2008	11084868
(16) Ferrum 65	1,000	Paruro	10580008	RP 0337-2009-INGEMMET/PCD/PM Feb 19, 2009	11093825
(17) Ferrum 66	100	Paruro	10580208	RP 1613-2009-INGEMMET/PCD/PM Jun 4, 2009	11093823
(18) Ferrum 67	100	Chumbivilcas	10579908	RP 5849-2008-INGEMMET/PCD/PM Dec 17, 2008	11084880
(19) Ferrum 68	1,000	Acomayo	10579808	RP 1185-2009-INGEMMET/PCD/PM Mar 31, 2009	11093824
(20) Ferrum 69	1,000	Acomayo	10579708	RP 1633-2009-INGEMMET/PCD/PM Jun 4, 2009	TBA
(21) Ferrum 70	1,000	Acomayo	10579608	RP 1848-2009-INGEMMET/PCD/PM Jun 11, 2009	TBA
(22) Ferrum 71	1,000	Acomayo	10579508	RP 1120-2009-INGEMMET/PCD/PM Mar 31, 2009	TBA

Paulsens East Project – Western Australia (Strike – 100%)

Tenement No	Status	Grant Date	Expiry Date	Area (blocks/Ha)	Area (km^2)
(1) EL 47/1328	Granted	05/10/06	04/10/13	6 blocks	18
(2) PL 47/1170*	Granted	27/03/06	26/03/13	164 Ha	1.64

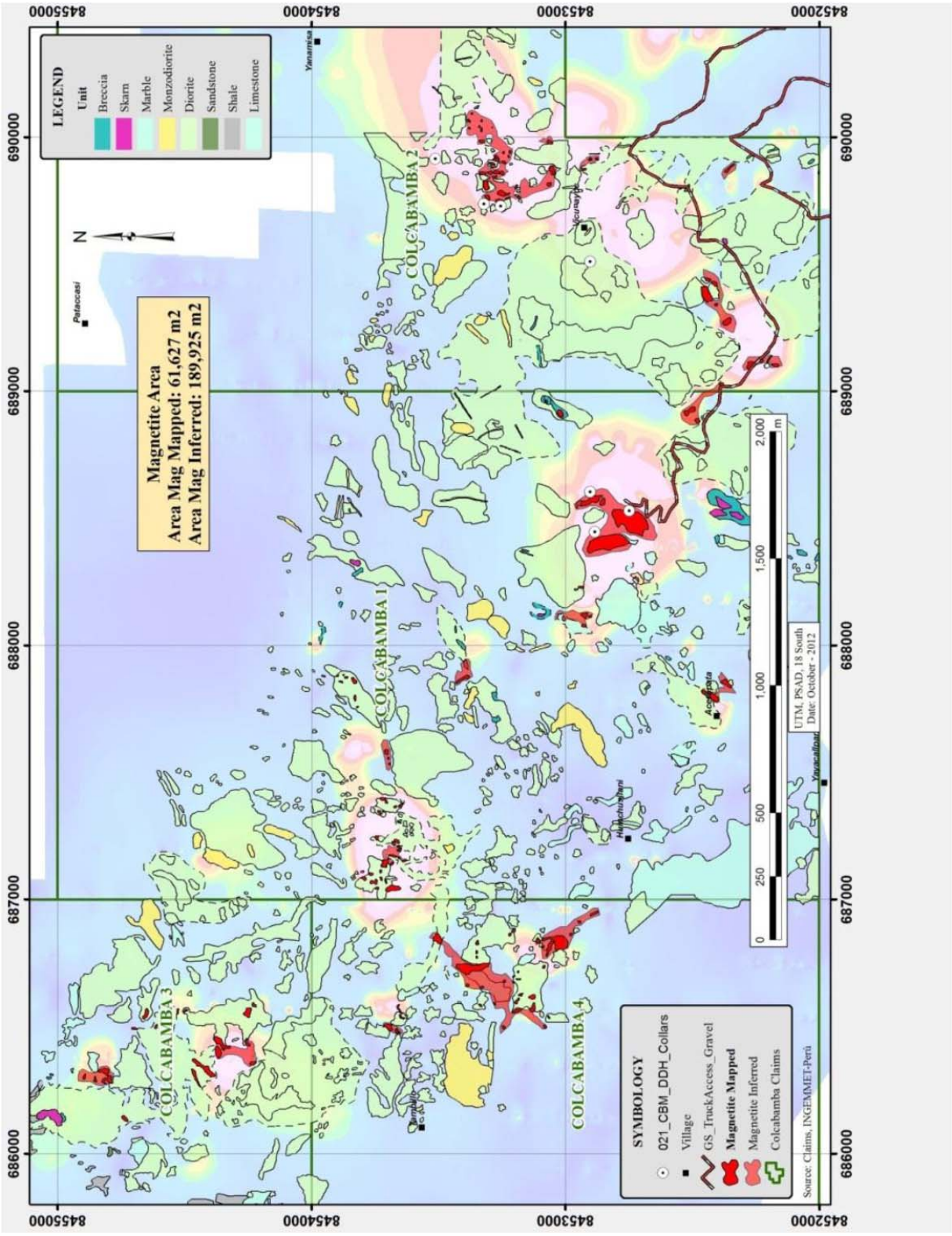
* An application has been made to convert PL 47/1170 into mining lease M47/1437.

Figure 2 – Sillaccassa ground magnetic survey results



Area Mag Mapped is the area of actual magnetite outcrop. *Area Mag Inferred* assumes that these outcrops are connected.

Figure 3 – Colcabamba ground magnetic survey results



Area Mag Mapped is the area of actual magnetite outcrop. *Area Mag Inferred* assumes that these outcrops are connected.

Figure 4 – Bob 1 gravity anomalies and drill-hole locations

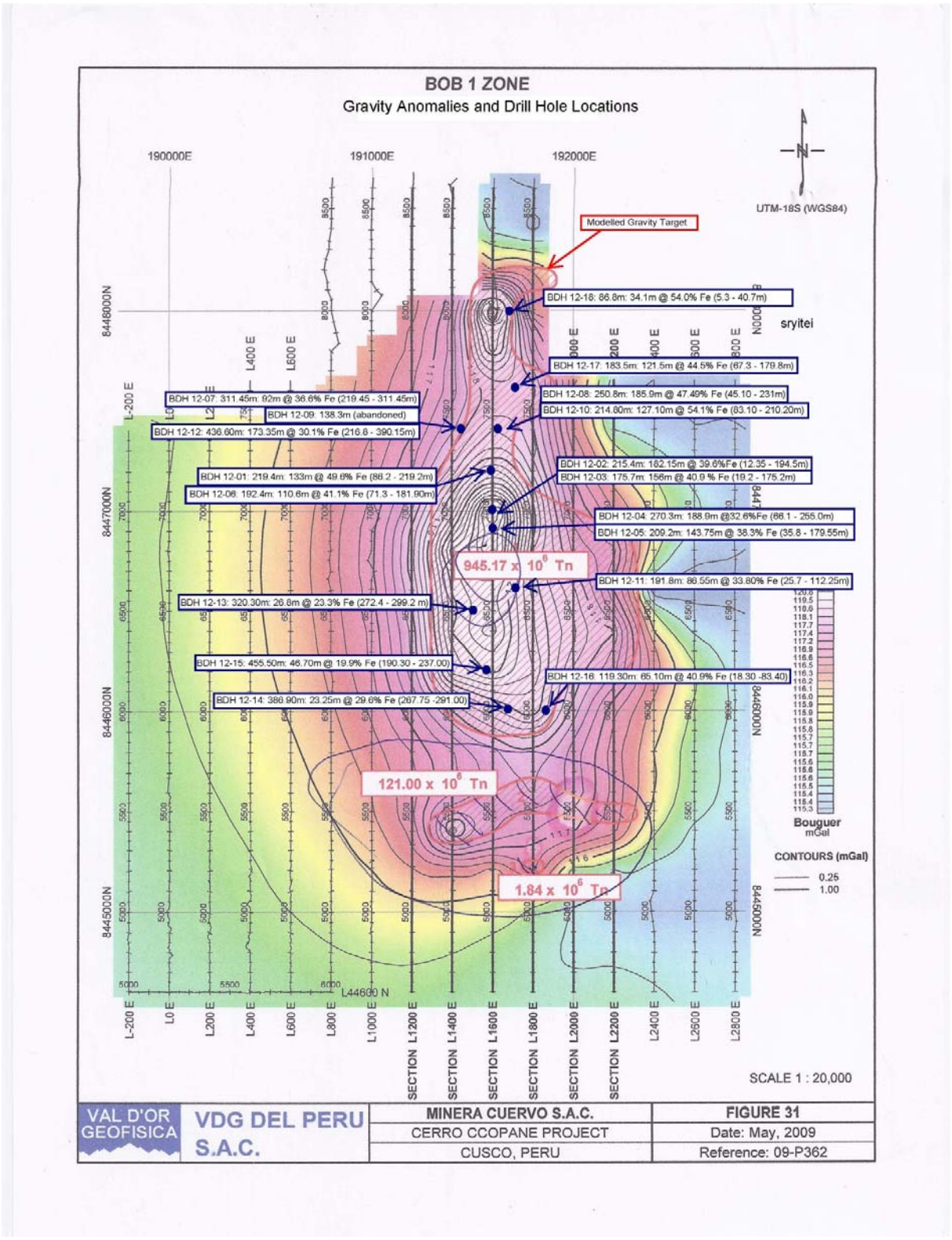
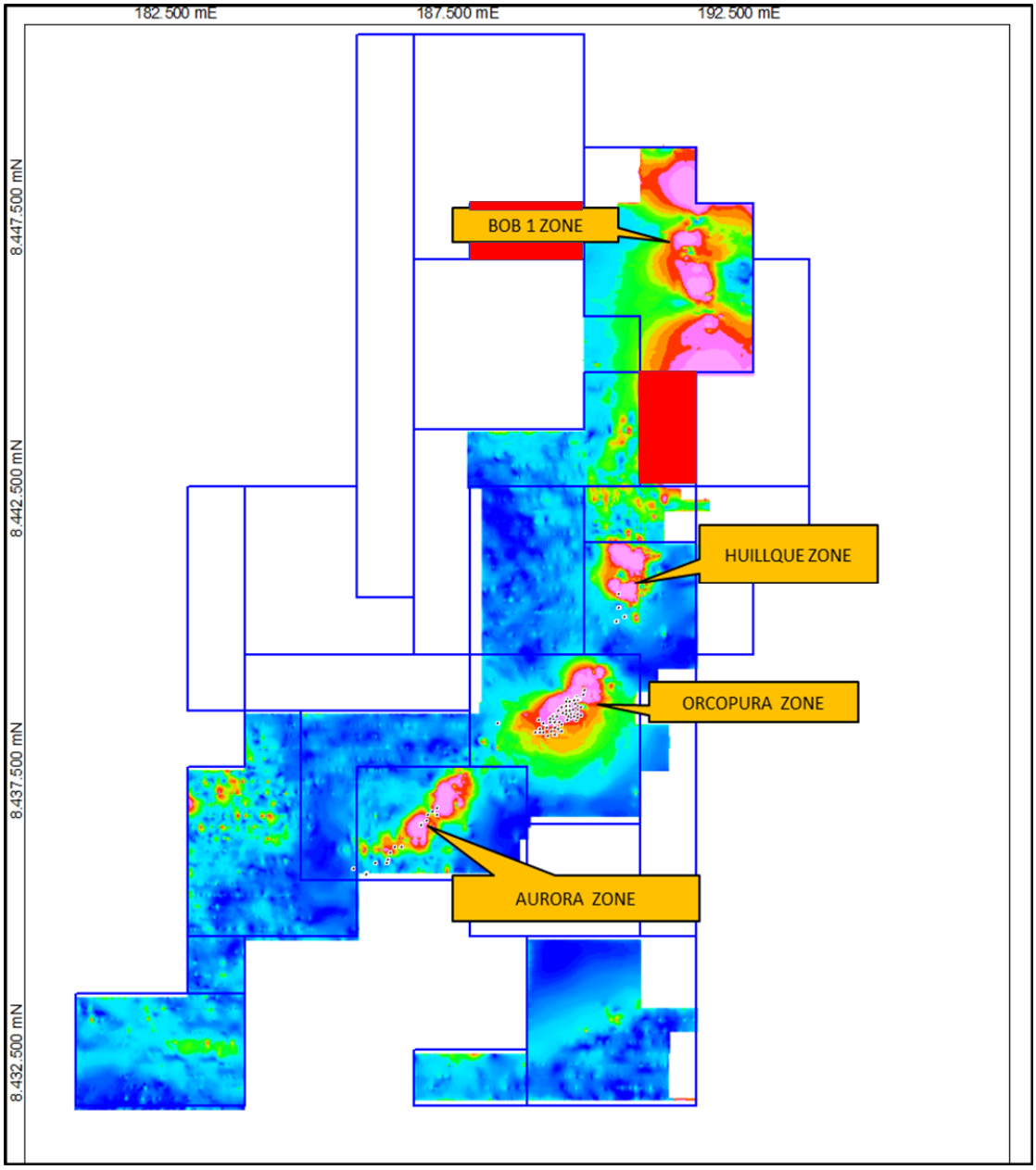


Figure 5 – Cerro Ccopane magnetic survey



Concession not held by Cuervo.

JORC Code Competent Person Statement

The information in this document that relates to exploration results and mineral resources has been compiled by Mr Ken Hellsten, B.Sc. (Geology), who is a consultant to Strike Resources Ltd and is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Hellsten has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves" (the JORC Code). Mr Hellsten consents to the inclusion in this document of the matters based on this information in the form and context in which it appears.

Appendix 5B
Mining Exploration Entity Quarterly Report

Name of entity

Strike Resources Limited and its controlled entities

ABN	Quarter ended
94 088 488 724	31 December 2012

Consolidated statement of cash flows

	Cash flows related to operating activities	Current quarter Dec 2012 $'000	Year to date Dec 2012 (6 Months) $'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) administration	(711)	(1,783)
1.3	Dividends received	-	-
1.4	Interest and other costs of finance paid	-	-
1.5	Income taxes paid	(25)	(55)
1.6	Other	-	-
1.7	**Net Operating Cash Flows**	**(736)**	**(1,838)**
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	(3,190)	(3,190)
	(c) other fixed assets	-	-
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Interest received	219	565
1.11	Loans to subsidiary entity[(1)]	(600)	(1555)
1.12	Loan to other entities[(2)]	-	-
1.13	Payments for exploration and evaluation	-	-
1.14	Loans repaid by other entities	2	(2)
1.15	Investment in associate	-	-
1.16	Investment in listed entity	(121)	(121)
1.17	Other	-	-
	Cash flows related to investing activities	**(3,690)**	**(4,303)**
1.18	**Total operating and investing activities (carried forward)**	**(4,426)**	**(6,141)**

(1) Loans to subsidiary entity 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. On 28/12/12 Strike increased its shareholding from 50% to 100% 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 2012 $'000	Year to date Dec 2012 (6 Months) $'000
	Total operating and investing activities (brought forward)	**(4,426)**	**(6,141)**
	Cash flows related to financing activities		
1.19	Proceeds from issues of shares, options, etc.	-	-
1.20	Securities issue costs	-	-
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	-	-
	Net increase (decrease) in cash held	**(4,426)**	**(6,141)**
1.26	Cash at beginning of quarter/year to date	18,834	20,552
1.27	Exchange rate adjustments to item 1.22	4	1
1.28	**Cash at end of quarter**	**14,412**	**14,412**

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	(138)
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:
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 subsidiary *	400
4.4	Administration	500
	Total	**900**

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

		Consolidated	
Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $'000	Previous quarter $'000
5.1	Cash on hand and at bank	4,976	1,398
5.2	Term Deposits	9,436	17,436
5.3	Bank overdraft	-	-
5.4	Other	-	-
	Total cash at end of quarter (item 1.23)	**14,412**	**18,834**

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				
6.2	Interests in mining tenements acquired or increased	All tenements listed under the *Peru* section of *Mining Tenements*, commencing on p9.		50%	100%

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,	2,800,000 -	2,800,000	$0.115	Fully Paid
7.3	**Ordinary securities**	145,334,268	145,334,268		
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)**			*Exercise price*	*Expiry date*
	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	-			
	Employee options	-			
7.9	Exercised during quarter	-			
7.10	Expired during quarter				
	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
7.11	**Debentures** *(totals only)*	-			
7.12	**Unsecured notes**	-			

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).

2 This statement does give a true and fair view of the matters disclosed.

Sign here **Stephen J. Gethin** **Date:** 31 January 2013
Company Secretary

Notes

1) The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

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. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

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 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

5) **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

Cash Flow Notes

a) 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.

b) The definitions in, and provisions of AASB 1026: Statement of Cash Flows apply to this report.