STRIKE RESOURCES ANNUAL REPORT 2013

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Corporate Directory

DIRECTORS

Mr Malcolm Richmond
Chairman / Non-Executive Director

Mr William Johnson
Managing Director

Mr Matthew Hammond
Non-Executive Director

Ms Samantha Tough
Non-Executive Director

COMPANY SECRETARY

Mr David Palumbo

REGISTERED OFFICE

Level 11, London House,
216 St Georges Terrace, Perth WA 6000
GPO Box 2517, Perth WA 6000
Telephone: +61 8 9480 0111
Facsimile: +61 8 9382 8020

WEB SITE

www.strikeresources.com.au

INFORMATION EMAIL

info@strikeresources.com.au

SHARE REGISTRY

Advanced Share Registry Services
Suite 2, 150 Stirling Highway
Nedlands, Western Australia, 6009
Telephone: +61 8 9389 8033
Facsimile: +61 8 9389 7871
Email: admin@advancedshare.com.au
Website: www.advancedshare.com.au

AUDITORS

BDO Audit (WA) P/L
38 Station Street
Subiaco, Western Australia 6008
Telephone: +61 8 9382 4600
Facsimile: +61 8 9382 4601
Website: www.bdo.com.au

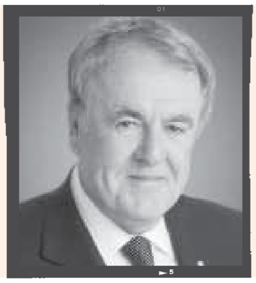
SOLICITORS TO THE COMPANY

Ashurst
Level 36, Grosvenor Place
225 George St
Sydney, NSW 2000
Telephone: +61 2 9258 6000
Facsimile: +61 2 9258 6999
Website: www.ashurst.com

STOCK EXCHANGE LISTING

Strike Resource Limited's shares are listed on the
Australian Securities Exchange ("**ASX**")
ASX Code: **SRK**

Chairman's Letter



DEAR SHAREHOLDER,

It has been my pleasure as Chairman of the Board to be part of the positive developments which have taken place for Strike Resources throughout the 2013 financial year. On behalf of the Board of Directors, I'm pleased to bring you this report on the most significant and important of these activities.

In a transaction that redefined the future for Strike Resources, on 31st December 2012, the Company announced that it had acquired 100% ownership of the previously 50% owned Peruvian subsidiary Apurimac Ferrum SA (AF). The strategic acquisition came after more than six months of negotiations with former Peruvian partners D&C Group, to obtain direct ownership of AF inclusive of the flagship Apurimac Iron Ore Project and the Cusco Project, both located in Peru.

This event has provided a solid foundation for the Company to pursue a more focussed strategy, with Peru as a central hub for the Company's operations. To support this strategy, the Board of Directors made a significant decision to focus on advancing the Apurimac Iron Ore Project which required the presence of Managing Director, Mr William Johnson, on the ground in Peru. Thank you, on behalf of the Board of Directors, to our Australian-based management and technical staff for the commitment and contribution in advancing the Company's project to date. Thank you also to Mr Ken Hellsten, the preceding Managing Director, for aptly positioning Strike Resources where it is today, in particular, successfully securing 100% ownership of the Peruvian projects.

The Company now has a firm platform from which to launch into the pre-feasibility and ultimately development stages in the magnetite rich areas of Peru.

Throughout 2013 and as we look toward 2014, Strike Resources is firmly focussed on progressing further delineation of resources from the high grade magnetite exploration target at Apurimac Iron Ore Project. The Company's ultimate goal is to establish a 15 – 20 million tonne per annum iron ore operation in Peru, but to achieve this, several community agreements need to be secured and Government pre-approval requirements met before new drilling commences. Securing the necessary community approvals remains a key risk factor for all exploration and mining companies operating in Peru and has in the past few years proven particularly problematic for Strike.

However, the decision to locate Mr Johnson in Peru is already proving to be beneficial, allowing more direct and regular contact to occur between members of the local community and Strike leadership. As a result, in September 2013, Strike Resources reached an agreement with the Huinchos community which permits access to the area to complete an Environmental Impact Assessment for submission to the Peruvian Ministry of Energy and Mines. We are very mindful that substantial trust from the local community is required for the Company, and we are wholly committed to responsible management of our activities and fostering sustainable local partnerships with the members of the community.

The Environmental Impact Assessment process is expected to be completed in time to allow Strike Resources to commence drilling during the second quarter of the 2014 calendar year. The drilling activities are expected to underpin the value of Strike Resources, with an already strong cash position and an experienced management team. The Company now has a firm platform from which to launch into the pre-feasibility and ultimately development stages in the magnetite rich areas of Peru. I look forward to another positive year ahead for Strike Resources and thank each of our shareholders for your support.

Yours Sincerely,

Mr Malcolm R Richmond
Independent Non Executive Chairman

Managing Director's Review

HIGHLIGHTS

- Move to 100% control of the Company's Peruvian iron ore projects, alongside retention of a strong balance sheet position.
- Decision to focus on the flagship Apurimac iron ore project, where the core objective is to validate Apurimac's high grade magnetite exploration target of at least 500 million tonnes (Mt) of iron ore (including current resources) at a grade of 56 – 58% Fe to support the establishment of a 15 – 20 million tonnes per annum (Mtpa) iron ore operation.
- Relocation of the Managing Director, William Johnson, to Peru successfully sees breakthrough made on community relations with a key Apurimac community.

The 2012-2013 year for Strike Resources saw both significant corporate success, with the successful move to acquire 100% control of the Peruvian iron ore projects, and some constraint on project activity as the Company made the necessary changes to adapt to this new strategic position.

By moving to 100% ownership, the Company is now in a position to completely control the direction and progress of the projects, as well as ensure that community relations are not comprised.

To capitalise on this focus, the Company took the difficult decision to rebase the management team, and Managing Director, to Peru. The Company would like to thank all of the Australian-based management and technical staff for their skill and diligence to date in advancing the Company's projects.

The Company is now seeing some early success from the 100% focus on Peru, with initial community access agreements reached. The Company now hopes to commence drilling for additional resources at Apurimac in the second quarter of calendar 2014.

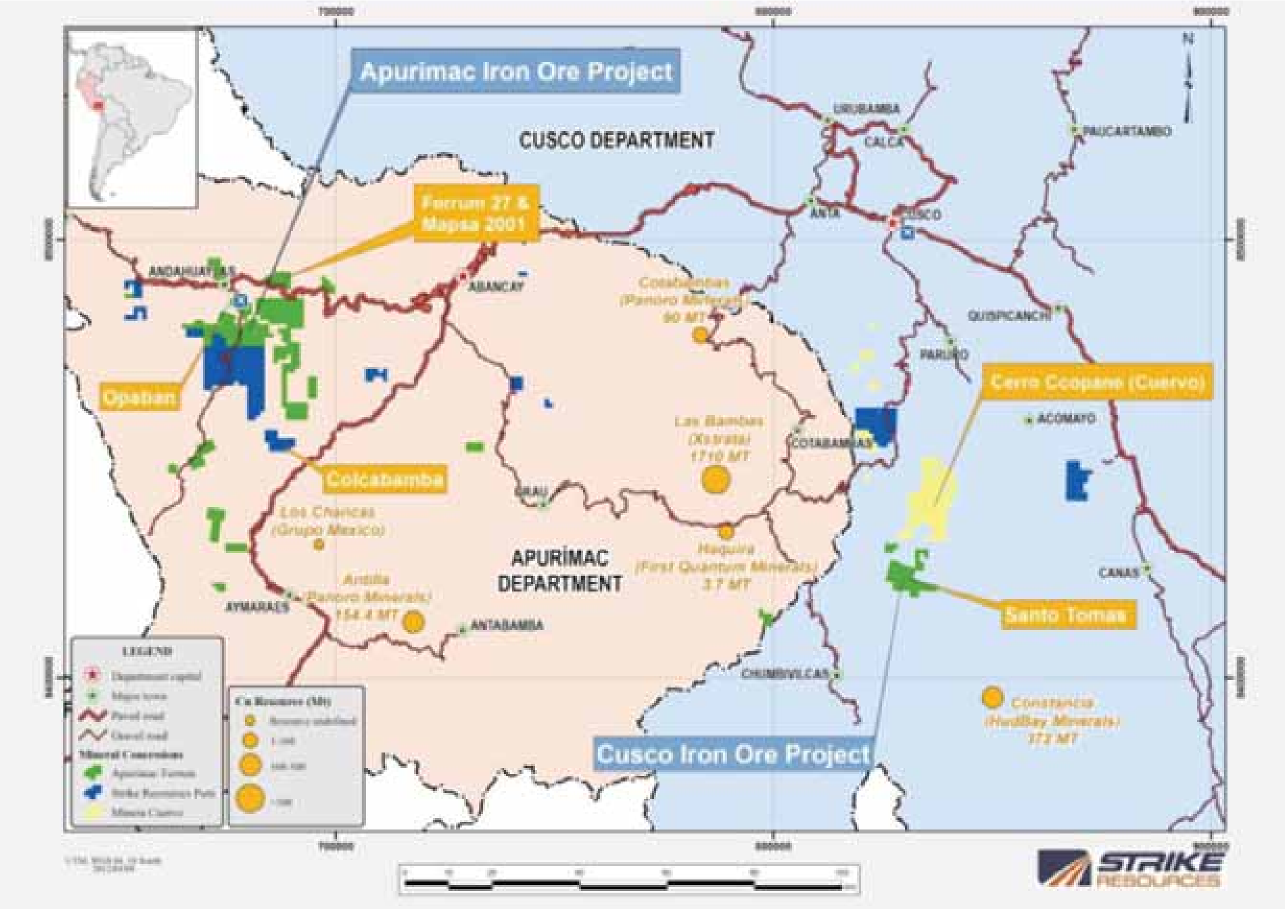
Balance sheet strength was retained during the year, with the Company ending the year with $14.3 million in cash. This healthy balance sheet will stand the Company in good stead, as capital for junior resources firms continues to prove scarce.

The year ahead should see significant value added at the Apurimac project, as the Company regains access and seeks environmental approvals to recommence drilling and add further JORC resources.

The 2012-2013 year for Strike Resources saw both significant corporate success, with the successful move to acquire 100% control of the Peruvian iron ore projects...

Apurimac Ferrum Community Relations team member distributing books to local school children.

PROJECT OVERVIEW



APURIMAC

Apurimac is the Company's flagship project. The core objective is to validate Apurimac's high grade magnetite exploration target of at least 500 Mt of iron ore (including current resources) at a grade of 56 – 58% Fe to support the establishment of a 15 – 20 Mtpa iron ore operation.

Current JORC Resources stand at 269Mt of iron ore at 57.3% Fe (142 Mt Indicated at 57.84% Fe and 127 Mt Inferred at 56.7% Fe).

EVALUATION AND PRE-FEASIBILITY STUDIES

The initial Pre-feasibility Study (PFS) completed in 2008 on the Apurimac Project focused upon the development of a 27 Mtpa mining operation producing 20 Mtpa of high quality iron ore concentrate transported to the coast for shipment via a slurry pipeline. The PFS has confirmed that the Apurimac Iron Ore Project has the potential to become a highly profitable world class iron ore operation, with:

- Average operating costs (OPEX) of approximately US$14.50 per tonne;
- Total capital cost (CAPEX) of approximately US$2.3 billion; and
- High quality product grading +68% Fe, very low in alumina, phosphorous and other impurities.

Operating cash surplus of approximately US$1.44 billion forecast for first full year of production (based on iron ore concentrate prices of approximately US$94 per tonne FOB).

The PFS included a series of studies project managed by Sinclair Knight Merz (SKM).

Since that time AF has undertaken a number of optimisation studies including further metallurgical test work, transport option analysis (including a rope conveyor option), water management studies and alternate production rate options; covered in detail in previous reports. The extensive body of study work has confirmed the concentrate and slurry pipeline configurations are the lowest technical risk option. Under this option production rates of 15 – 20 Mtpa are required over 15 to 20 years of operating life to provide robust financial returns. Current resources at Opaban are sufficient to supply at least 10 years of ore supply at the above rate.

The focus for AF remains the securing of access to Opaban and the Apurimac satellite concessions to complete exploration and resource definition programs to increase its iron ore to at least 500 Mt at similar grades to the Opaban prospect.

Meeting the objective to validate the exploration target requires suitable access approvals from the local communities (in particular the Huinchos and Huancabamba communities), alongside a much stronger overall relationship with the communities. Necessary Government pre-approval on an environmental assessment of any planned drill program will also be required.

Accordingly, the pursuit of these community and Government approvals, alongside drill program planning and non-ground disturbing exploration work (Surface mapping, ground sampling or remote sensing techniques including geophysics surveys) form the core of Strike's immediate activities.

Strike was successful during the year in reaching agreement with the Huinchos community covering significant portions of Apurimac. The agreement provides for Strike to access its most important concessions for the purpose of preparing an Environmental Impact Assessment ("EIA") to enable assessment by the Peruvian Ministry of Energy and Mines of its proposed drilling campaign. This will entail mapping, surveying and geophysical studies to be undertaken by Strike staff.

The agreement extends over the main Opaban 1 concession within Apurimac which contains the majority of resources defined to date at Apurimac and the majority of the project area that Strike is seeking to drill in the future.

Approval of the EIA and the associated community agreement will clear the way for Strike to commence drilling at Apurimac. The EIA study process in Peru is expected to take 6 – 9 months to complete, so Strike is targeting the second quarter of 2014 for the commencement of Drilling at Opaban.

A two stage drilling program has been prepared in anticipation of receiving final approvals. Stage one of the drilling program consists of 135 mostly Reverse Circulation (RC) holes to test the extension of the Opaban ore bodies along strike and down dip. The strike length of the magnetic anomaly covering the Opaban ore bodies is 5.4 kilometres in Strike-owned concessions, with only 50% of this being tested to date with drilling. There is therefore considerable opportunity to significantly expand the current Opaban resource.

Strike was successful during the year in reaching agreement with the Huinchos community covering significant portions of Apurimac. The agreement provides for Strike to access its most important concessions for the purpose of preparing an Environmental Impact Assessment...

EXPLORATION AND GEOLOGY

The most advanced prospect, Opaban, currently contains iron ore resources totalling 269 Mt at an average grade of 57.3% Fe. The resources are high quality, being dominantly course-grained and friable magnetite, which provides several competitive advantages. The high grade provides excellent potential for direct shipping ore (DSO) as well as high quality products using conventional magnetic separation techniques. Metal recoveries are more than twice that seen in most magnetite deposits and 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 project with competitive capital costs and low operating costs in an initial Pre-feasibility Study (PFS) completed in 2008.

REGIONAL EXPLORATION REVIEW

During the year a review of previous exploration data within the Apurimac concessions was completed, alongside interpretation of high-quality remote sensing data. The objective of the review was to assess the potential for iron ore and copper/gold within the 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.

Sillaccassa - The Sillaccassa concession block lies approximately 25 kilometres 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.

Colcabamba - The Colcabamba project is 30 kilometres 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. Which identified magnetic anomalies and the magnetite outcrops. 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.

APURIMAC FERRUM – MOVE TO 100% OWNERSHIP

Most significantly during the year the lengthy "shoot out" process with Strike's Peruvian partners, initiated in May 2012, concluded in December 2012.

This event transformed the Company significantly, delivering 100% control of Apurimac Ferrum to the Company.

Strategically, this allowed the Company to regain full control over the progress and direction of the Peruvian projects

As a result, the Company's future success lies in Peru and the advancing of the flagship Apurimac iron ore project.

APURIMAC COMMUNITY

In advancing the Company's flagship Apurimac iron ore project, Strike requires suitable access approvals from the local communities (in particular the Huinchos and Huancabamba communities), alongside a much stronger overall relationship. These access approvals, in conjunction with necessary Government pre-approval on an environmental assessment are a key precondition to Strike commencing a two stage drilling program at Apurimac, which is designed to expand the current resource base.

Agreement has been reached with the Huinchos community covering significant portions of Apurimac.
The agreement provides for Strike to access its most important concessions for the purpose of preparing an Environmental Impact Assessment ("EIA") to enable assessment by the Peruvian Ministry of Energy and Mines of its proposed drilling campaign. This will entail mapping, surveying and geophysical studies to be undertaken by Strike staff.

The agreement extends over the main Opaban 1 concession within Apurimac which contains the majority of resources defined to date at Apurimac and the majority of the project area that Strike is seeking to drill in the future.

Reaching an agreement to access Apurimac formed a key plank of the company's strategy to establish additional high grade resources at Apurimac, and was a significant step for Strike after several months of painstaking negotiations. Strike will build upon this breakthrough in future discussions.

Strike has now commenced necessary activities to prepare and lodge the EIA with Ministry of Energy and Mines.

Further community consultation is required prior to the commencement of any drilling at Apurimac, as an integral part of the EIA process.

Discussions with the other principal community group at the Apurimac project, the Huancabamba community, are also continuing.

Activities undertaken in conjunction with the community include investment in local education and skills training, improvements to social infrastructure, contributions to local community events and sponsorship of school extension programs.

Strike is particularly pleased to be working with a local civil organisation with more than 30 years experience in community self-development, ICA-Peru, to deliver their "Community Leadership Training for Community Development" program based on the model experience at Azpitia. Azpitia was recognised as far back as 1984 as one of the most accomplished communities in Peru.

CUSCO

The Cusco project lies approximately 150 kilometres to the south - east of Apurimac and forms an attractive secondary development target for the Company in Peru.

Like Apurimac, iron ore mineralisation at the project is coarse grained and dominated by magnetite, with high grades recorded. Preliminary metallurgical tests indicate a concentrate grade of >65% Fe can be produced from this ore using conventional grinding and magnetic separation processes.

An initial inferred resource estimate of 104Mt at 32.6% Fe is recorded for the Project, which has the scope for upgrade following further exploration work (including drilling) which would support re-evaluation of the resource methodology.

The company's principal focus for the year has been on the Apurimac Project, which has seen Cusco take a lower priority for exploration activities. Activities during the year have centred on a regional review. 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.

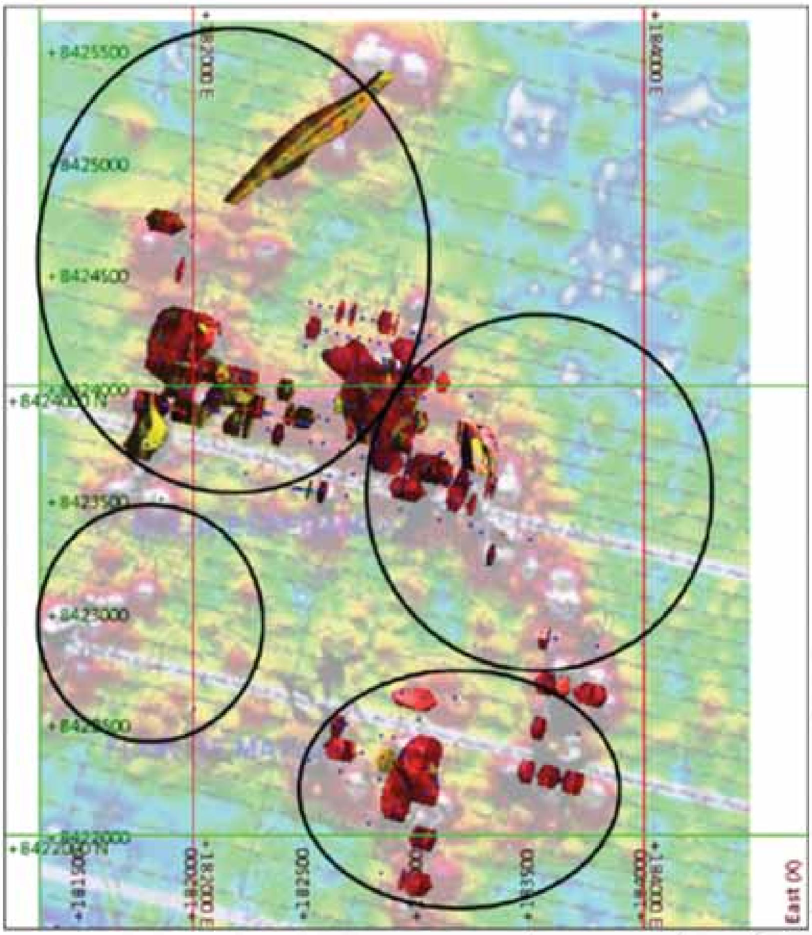
The company's principal focus for the year has been on the Apurimac Project, which has seen Cusco take a lower priority for exploration activities.

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 700 metres 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 project.

EXPLORATION AND GEOLOGY

The main Cusco project area of Santo Tomas is centred on a large two kilometre diameter circular magnetic anomaly with north and north-east trending magnetic highs extending both north and south of the circular feature. Extensive outcrops of high-grade iron ore coincide with the magnetic anomalies. Mapping and surface sampling indicates these outcropping zones commonly contain >60% Fe and contain a mixture of both haematite and magnetite. A resource estimate completed in 2011 based on a drilling program in 2008 outlined an Inferred Resources of 104.4 Mt at 32.6% Fe with potential for a further 23 – 26 Mt at 30 – 35% Fe. The mineralisation remains open along strike and at depth. In addition, due to the broad nature of the drilling, a number of mineralised intercepts could not be included in the resource estimate. Further exploration drilling is required at Santo Tomas to close off the existing mineralisation and test the remaining 60 – 70% of the magnetic anomaly.



Magnetic image of Santo Tomas concessions showing current resource and potential outlines and target areas (black circles)

CERRO CCOPANE

The Cerro Ccopane project lies within the Cusco district approximately 25 kilometres north of Strike's 100% owned Cusco Project. Resources at the project now stand at 395.6 Mt at an average grade of 43.8% Fe.

Cerro Ccopane is operated by Cuervo Resources Inc ("**Cuervo**"), with Strike advancing funds for exploration in return for warrants and secured by a share pledge (see Cerro Ccopane project structure below for details).

In August 2013, Strike made a confidential non-binding offer to Cuervo Resources in respect to certain Peruvian iron ore assets including the Cerro Ccopane project.

Given Strike's strong financial position, Strike formed the view that enhanced value for Strike shareholders in respect of future developments at Cerro Ccopane might best be achieved by the Company moving to full control of the project. Cuervo subsequently rejected Strike's offer and no further action on this matter has been taken.

The information presented below is extracted from the report entitled "Cerro Ccopane Resource and Funding Update" released by Strike to the ASX on 30 July 2013 and available at www.strikeresources.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The company confirms that the form and context in which the Competent Peron's findings are presented have not been materially modified from the original market announcement.

Significant further potential remains at Cerro Ccopane based on the current drilling and other exploration data. An Exploration Target of an additional 160 Mt to 220 Mt at a grade of 35% to 40% Fe has been identified for Bob1. The Exploration Target was derived from the current geological model and extrapolated grade estimates that lie within a pit shell that was derived from a conceptual-level open pit optimisation completed by Golder. This potential is principally derived from extending the current Inferred Resources to a depth of approximately 400 metres below the current drilling. The tonnage and percentage ranges are approximations. The potential tonnage and grade of the Exploration Target are conceptual in nature and it is uncertain whether further exploration will result in the estimation of a Mineral Resource.

Future exploration is expected to focus on surface exploration and drilling of the Parcco prospect as the top priority

The Bob1 gravity and magnetic target also remains open along strike to the north extending into the Parcco prospect where extensive outcrops of massive ironstone have been identified in early reconnaissance exploration activities.

In addition, all other resources at Cerro Ccopane remain open and a large gravity anomaly, similar to that at Bob1, has been identified at Huillque Norte. This gravity high is associated with a moderate magnetic anomaly and is interpreted as a large iron ore or copper/gold target.

Future exploration is expected to focus on surface exploration and drilling of the Parcco prospect as the top priority in conjunction with further drilling to test the along strike and down dip potential at Bob1 and initial drill testing of the Huillque Norte gravity target. A firm timetable for future drilling will be contingent upon Cuervo securing the necessary additional funds and reaching formal agreement with the communities at the Parcco and Huillque Norte.

CERRO CCOPANE PROJECT STRUCTURE

Strike advanced Cuervo C$5.25 M to fund the 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 C$0.30 per share. Strike holds a share pledge (similar to a share mortgage) over 90% of the shares in Cuervo's 100%-owned Peruvian subsidiary that, in turn, owns Cuervo's concessions. Upon Cuervo validly estimating a 500 Mt inferred Resource across its Cerro Ccopane Project, this security is reduced so as to cover only 45% of those shares.

Cuervo announced on 26 February 2013 an Inferred Resource estimate that significantly exceeds the JORC 2012 compliant resource detailed here. On reviewing Cuervo's 26 February 2013 announcement, Strike held some concerns regarding the methodology and assumptions used by Cuervo to determine the resource. The three key areas of concern were;

- Use of a lower cut of 10% Fe, which Strike considers to be too low given the low magnetite content (and hence limited magnetic fraction recoveries) for mineralisation at that iron grade;
- While there is a degree of confidence that the mineralisation extends below the current drilling data, Cuervo projected the mineralisation up to 400 metres down dip from the deepest drill intercept and included this as a substantial part of their Inferred Resource. This projection does not honour the trend of reduced thickness at depth and in Strike's view should be more appropriately classified as "exploration potential" rather than Inferred Resources; and
- Use of a grade interpolation method which excludes some data and does not reflect the trend of reducing iron grade with depth.

In light of these concerns, Strike engaged Golder to review the Cuervo resource estimate and to independently produce a JORC compliant report on the Bob1 prospect.

Strike notes that Golder holds similar concerns regarding the methodology and assumptions used by Cuervo to determine the resource. The methodology used by Golder to calculate a JORC Inferred Resource resulted in an estimate significantly less than that presented by Cuervo in its 26 February 2013 announcement. The Company notes that, if accepted, the Cuervo estimate would take its total resource at the Cerro Ccopane Project to a level above a trigger that reduces Strike's security for its C$5.25 M loan to Cuervo. If the estimate produced by Golder were used, the reduction In Strike's security would not be triggered. In light of Strike's concerns about the Cuervo estimate and the Golder review, the Company therefore reserves its rights in the event that Cuervo seeks to reduce the security.

RESOURCES

JORC mineral resources at the Cerro Ccopane project have now more than doubled to 395.6 Mt at an average grade of 43.8% Fe.

This increase arises following completion of a JORC (2012) resource estimate for the Bob1 prospect at Cerro Ccopane. The Bob1 prospect is a new resources area for Cerro Ccopane, adding to the existing resources at the project. Work by Golder Associates ("Golder"), commissioned by Strike, has outlined Inferred Resources of 217 Mt of magnetite dominant iron ore grading 40.2% Fe. The previously reported resources are in accordance with JORC (2004).

Bob1 New Resources	Tonnes (Mt)	Iron (%)	SiO2 (%)	Al2O3 (%)	P (%)	S%
Inferred	217.0	40.2	21.6	5.0	0.08	2.2

Cerro Ccopane New Total[1]	Tonnes (Mt)	Iron (%)
Inferred	340.0	43.3
Indicated	35.9	45.9
Measured	19.7	48.3
Total	395.6	43.8

1 *Although a full suite of elementary analyses were completed on all drilling at Cerro Ccopane the resources apart from Bob1 (Golder) were not estimated for SiO2, Al2O3, or P and S grade estimates were completed only for Orcopura and Bob1 (Golder) resources.*

DRILLING TECHNIQUES

The resource estimate prepared by Golder is based on 18 diamond drill holes completed by Cuervo at Bob1 as part of a $5.25 M exploration program funded by Strike Resources (see above for further details on project structure). Drilling was completed using NQ and HQ sized diamond drilling techniques. HQ core was used as far as practical with reduction to NQ when drilling difficulties were encountered.

Golder reviewed and analysed the data base provided by Cuervo and believes it has been competently prepared and the raw data has been collected in accordance with sound industry practice.

GEOLOGY AND GEOLOGICAL INTERPRETATION

The Cerro Ccopane-Orcopura deposit is an iron skarn. The property comprises Cretaceous age limestones of the Arcurquina Formation and intermediate to felsic intrusive rocks of the Colquemarca pluton. The surface expression of the magnetite suggests the mineralisation is generally massive, with columnar magnetite outcrops.

The Bob1 mineralisation exhibits good strike continuity extending as a continuous zone up to 150 metres in true thickness over at least 2 kilometres of strike length based on the current drilling. The mineralised system is defined by surface outcrop, trenching and strong magnetic and gravity signatures with the geophysics which indicating further extensions to the north and south and potentially at depth below the current drilling.

As noted above the magnetic data indicates the mineralised trend continues to the north into the Parcco prospect where extensive outcrops of massive magnetite have been identified in early stage reconnaissance work. While the magnetics also indicate extensions to the south of the current drilling the increased width of the anomaly and limited surface expression suggest it is plunging in this direction and may be predominantly at depth.

Analysis of the drilling data indicates two material trends which have been honoured in the Golder resource estimate. Firstly, the iron grade reduces gradually with depth. From surface to approximately 30 metres depth, mild weathering has led to some conversion of magnetite to haematite resulting in higher than average grades. Below this level, the iron content of the magnetite zone reduces with depth as demonstrated by depth vs Fe grade plots. Secondly, the true thickness of the mineralised zones tends to reduce with depth.

While continuity along strike and between drill holes is generally very good, there is evidence of some faulting with the apparent dip of the mineralisation abruptly flattening in the central portion of the Bob1 system. Accordingly Golder has used some caution in the interpretation of mineralisation thickness and geometry in this area.

SAMPLING AND SUB-SAMPLING TECHNIQUES

A total of 1414 sawn half-core samples, with an average length of 1.8 metres, were submitted to the laboratories for analysis.

Marked samples were cut by an electric masonry saw with one-half of the core placed into a labelled sample bag with a double assay ticket. The second half of the core was returned to the core box for storage.

Subsequent sample preparation was carried out by either SGS Laboratory or ALS Chemex Laboratory using their standard preparation techniques for iron ore analysis which involves crushing, pulverising then sub-sampling and further pulverisation to the required grain-size for analysis.

CLASSIFICATION

Mineralisation that is within 100 metres from the drill hole data is classified as an Inferred Resource. This classification is considered to be appropriate based on geological confidence criteria, location and quality of drilling and sampling information.

Official opening ceremony for one of three new community sportsfields constructed and funded by Strike.

SAMPLE ANALYSIS METHOD

With the exception of three drill holes, BDH-12-06, BDH-12-07 and BDH-12-08, all analytical data were obtained using Inductively Coupled Plasma mass spectrometry (ICP). The samples from the other holes were assayed using X-Ray Fluorescence spectrometry (XRF).

ESTIMATION METHODOLOGY

Tonnage estimates were conducted using volumes defined from wire frames of the mineralisation and bulk density determinations undertaken on representative core samples of magnetite mineralisation and host units. The wire frames were generated by linking each sectional geological interpretation based on the lower iron cut of 10% Fe. Grade estimation was completed into a block model (50m by 50m by 10m) of the mineralisation envelope defined by the wireframe with sub-blocks of 25m by 25m by 5m at domain boundaries. Iron, silica, alumina, phosphorous and sulphur grades were estimated into each block using the Inverse Distance methodology.

CUT-OFF GRADE(S), INCLUDING THE BASIS FOR THE SELECTED CUT-OFF GRADE(S)

A 20% Fe cut-off grade was used for the Mineral Resource. This cut-off grade was selected based on nearby magnetite deposits and other analogous magnetite deposits.

MINING AND METALLURGICAL METHODS AND PARAMETERS, AND OTHER MATERIAL MODIFYING FACTORS CONSIDERED TO DATE.

For the purposes of this estimate, it is assumed that mining at Bob1 is likely to be undertaken using open pit techniques. Given that the resource is in the Inferred category, no detailed assessment of mining or processing parameters was conducted.

CORPORATE

NEW MANAGING DIRECTOR

The Board appointed Mr William Johnson to the position of Managing Director during the year. Whilst Mr Johnson has relocated to Peru to spearhead the Company's efforts in country, corporate secretarial and investor relations support continue to operate out of Australia and Mr Johnson will periodically return to Australia to maintain contact with Strike's stakeholders.

Mr Johnson has been acting in the capacity of Executive Director since 19 January 2013. He has been a Director of the Company since 2006, also serving in an executive capacity for almost five years from his initial appointment. Mr Johnson commenced his career in resource exploration and has held senior management and executive roles in a number of public companies in Australia, New Zealand and Asia. Most recently, Mr Johnson has acted as an executive and non-executive director of a number of ASX listed resource exploration and development companies and brings a considerable depth of experience in business strategy, investment analysis, finance and execution.

Mr Johnson is currently a director of two other ASX-listed companies), Bentley Capital Limited and Alara Resources Limited.

NEW ERA IN PERU

Following the successful acquisition of 100% of the previously 50% owned Peruvian subsidiary Apurimac Ferrum, Strike now directly owns 100% of the flagship Apurimac Iron Ore Project and 100% of the Cusco Project, both located in Peru.

As a result, the Company determined that the key focus for 2013 and into 2014 would be to progress the further delineation of resources from the high grade magnetite exploration target at Apurimac. Additional resources at Apurimac would substantially enhance progress towards establishing a 15 – 20 Mtpa iron ore operation in Peru.

The key interim steps required to increase the resource base include negotiating suitable further access approvals with the local communities, and meeting necessary Government pre-approval requirements before drilling can commence.

To support the key focus, the Board determined that the objectives would be best served by having key management personnel and technical staff located in Peru, to better advance the project and realise significant cost savings over Australian based operations. This required the Managing Director to relocate to Peru.

The move has proven successful, with a significant breakthrough in community relations reached after months of painstaking negotiations.

Whilst the commencement of the new era in Peru has necessitated the closure of the Perth head office, the Company would like to thank the Australian based management and technical staff for their skill and diligence to date in advancing the Company's projects.

The Company would also again like to thank Mr Ken Hellsten, the preceding Managing Director, for his efforts in placing Strike in the strong strategic position it is in today, in particular successfully securing 100% ownership of the Apurimac and Cusco Peruvian projects.

SALE OF BERAU COAL PROJECT

After a series of discussions with Strike's Indonesian partner, the Compay was successful in September 2012 in reaching an agreement to settle the long running dispute over changes to the project legal arrangements to comply with new Indonesian Mining Laws. The settlement provided for Strike to receive US$4.3M and exit the project in 6 months, which duly occurred in April 2013.

The settlement closed a difficult chapter in the Company's history and freed management to focus solely on progressing the Company's Peruvian iron ore projects, as well as supplying significant additional capital in a time of scarce capital for junior resources companies.

PAULSENS EAST

The Paulsens East Project is located approximately 140 kilometres west of Tom Price in the Pilbara region of Western Australia. The project consists of a 100% beneficial interest in:

- Prospecting Licence P47/1170; and
- Retention Licence application R47/7, covering the ground in P47/1170 (164 Ha) and part of the ground covered by expired Exploration Licence E47/1328 (a further 217 Ha).

Strike held a 100% beneficial interest in E47/1328 until its expiry on 4 October 2013. Strike did not seek to renew that tenement as it was insufficiently prospective to justify further expenditure.

Mining at Paulsens East is not economically feasible at present. A Retention Licence would allow Strike to keep the ground for a period determined by the Minister, of up to five years, with no minimum expenditure requirement. This would enable Strike to await developments that may make this Project economic in future.

MILLENIUM PROCEEDINGS

Strike's Peruvian subsidiary Apurimac Ferrum S.A. ("AF") commenced arbitration proceedings against Peruvian company Millenium Trading S.A.C. (Millenium) to fix the terms on which Millenium may conduct a small-scale mining operation on an AF concession.

Under a 2006 agreement under which AF acquired certain mineral concessions (Concession Acquisition Agreement) AF agreed to permit Millenium to mine up to 400,000 tonnes of iron ore per annum for 5 years on an unspecified AF concession, on terms to be agreed by subsequent negotiations (Mining Agreement).

AF and a Millenium-appointed party subsequently commenced negotiations for a Mining Agreement. The Millenium party ceased negotiating in 2007 with no agreement having been reached. Millenium has now re-asserted its right to have the Mining Agreement but has rejected AF's approaches to enter into good faith negotiations.

The Concession Acquisition Agreement provides that either party may appoint arbitrators to resolve the terms of the Mining Agreement if the parties have not resolved the matter by negotiation. AF considers that it is now appropriate to refer the matter to arbitration given that the terms of the Mining Agreement were not resolved by negotiation in 2007 and Millenium's refusal to open good-faith negotiations.

Millenium's proposed operation will not materially affect AF's own proposed mine.

ARBITRATION AT THE LIMA CHAMBER OF COMMERCE (LCC)

As detailed above, AF started this arbitration seeking that the arbitrator declares that the 6 September 2006 Agreement (the "Agreement") and related contractual documents are valid and have been fully complied with by AF, and furthermore that the arbitrator decides on which concession should the Millenium or Minera Apu S.A.C. ("Minera Apu") small-scale mining operation take place, if still applicable. This was a defensive action taken by AF in light of the threat of legal action by Millenium at the Judiciary (which did materialize, as described below).

After Millenium / Minera Apu questioned several arbitrators as a stalling tactic, the LCC appointed Mr. Enrique Palacios who –despite being also challenged by Millenium / Minera Apu- was ratified in a final decision dated 12 August 2013 by the Superior Counsel for Arbitration of the LCC.

The arbitrator has since taken charge of the proceedings and started acting during the last two weeks to advance the arbitration.

CIVIL CASES BROUGHT BY MILLENIUM / MINERA APU AT THE JUDICIARY

There are two cases directed at questioning the validity of the Agreement filed by Millenium and Minera Apu, respectively. That is, through these cases Millenium / Minera Apu generally seek that the Agreement is declared null and void.

In the lawsuit started by Millenium seeking annulment of the Agreement and filed against AF, Strike Resources Limited ("Strike") and Minera Los Andes y el Pacífico S.A. ("MAPSA") (Dossier # 23912-2010, 12th Civil Judge of Lima), the Judge ruled in favor of the arbitration clause defense presented by AF and Strike on the basis of the corresponding clause in the Agreement and pre-existing LCC arbitration. This decision became final in the first instance, but Millenium filed a series of appeals.

In parallel, Minera Apu requested to be included as "required joint defendant" and for all procedural acts to be null, on the basis that it also had rights under discussion (arguing that Millenium had in fact assigned its rights under the Agreement to them) and had had no chance to defend them.

On 1 August 2013, AF was served with a Court Order issued by the Superior Court confirming the Courthouse's decision declaring that Millenium failed to appeal the ruling in favor of the motion to dismiss (due to an arbitration clause) and rejected Minera Apu's tactic to be included in the proceedings.

Therefore, this first case has formally concluded with a result that is favourable to AF and Strike Resources Limited pursuant to the procedure contemplated in the law. However, Millenium / Minera Apu have once again filed an extraordinary appeal (cassation) requesting revision at the Supreme Court. Such extraordinary appeal is not legally admissible in this procedure, but the Company is waiting to be notified of it in order to file defenses for AF.

In the lawsuit started by Minera Apu seeking annulment of the Agreement and filed against AF, Strike and MAPSA (Dossier # 10586-2012, 19th Civil Judge of Lima), Strike, AF and MAPSA responded to the lawsuit and Strike and AF also filed procedural defenses, including a motion to dismiss on the grounds of an arbitration clause in the Agreement and the pre-existing LCC arbitration.

There are no further developments in this case. The Judge is yet to issue a decision regarding the procedural defenses (motions to dismiss).

CASES AT THE JUDICIARY QUESTIONING ADMINISTRATIVE DECISIONS ("ACAS")

There are thirty-eight proceedings started by Minera Apu or Mr. Carlos Navarro (an individual associated with MAPSA) that seek to question, revoke or otherwise annul certain administrative decisions made by the Ministry of Energy and Mines ("MEM") and the Mining Cadastre Office ("INGEMMET") concerning certain applications for the granting of title to mining concessions that were made by Minera Apu and Mr. Navarro and were rejected due to such claims overlapping areas covered by pre-existing concessions held by AF and other third parties.

These procedures are known as "ACA" proceedings and they seek to annul the administrative decisions and ultimately affect the title to certain concessions held by AF (and other third parties) in order to gain access to the areas covered by such concessions. The Company considers that there is no merit in these proceedings.

JORC RESOURCES

APURIMAC

The Apurimac project has a JORC resource of 269.4 Mt, consisting of:

- a 142.2 Mt Indicated Mineral Resource at 57.8% Fe; and
- a 127.2 Mt Inferred Mineral Resource at 56.7% Fe.

COMBINED MINERAL RESOURCES FOR OPABAN 1 AND OPABAN 3

Category	Project	Density t/m3	Mt	Fe%	SiO2%	Al2O3%	P%	S%
Inferred		4	127.19	56.7	9.66	2.7	0.04	0.2
Indicated	Opaban 1	4	133.71	57.57	9.46	2.54	0.04	0.12
Indicated	Opaban 3	4	8.53	62.08	4.58	1.37	0.07	0.25
Totals			269.4	57.3	9.4	2.56	0.04	0.16

CUSCO

Category	Project	Density t/m3	Mt*	Fe%	SiO2%	Al2O3%	P%	S%
Inferred	Santo Tomas	4	104.4	32.62	0.53	3.19	0.035	0.53
Totals			104.4	32.62	0.53	3.19	0.035	0.53

CERRO CCOPANE

Bob1 New Resources	Tonnes (Mt)	Iron (%)	SiO2 (%)	Al2O3 (%)	P (%)	S%
Inferred	217.0	40.2	21.6	5.0	0.08	2.2

CERRO CCOPANE

Cerro Ccopane New Total[1]	Tonnes (Mt)	Iron (%)
Inferred	340.0	43.3
Indicated	35.9	45.9
Measured	19.7	48.3
Total	395.6	43.8

These resources are extracted from the report entitled "Cerro Ccopane Resource and Funding Update" released by Strike to the ASX on 30 July 2013 and available at www.strikeresources.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The company confirms that the form and context in which the Competent Peron's findings are presented have not been materially modified from the original market announcement.

JORC CODE (2004) COMPETENT PERSON STATEMENT - APURIMAC AND CUSCO

The information in this document which relates to exploration results and mineral resources at the Apurimac, Cusco and Cerro Ccopane projects has been prepared by Mr Ken Hellsten, who is a consultant to Strike Resources Limited 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 Competent Persons 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.

2 *Although a full suite of elementary analyses were completed on all drilling at Cerro Ccopane the resources apart from Bob1 (Golder) were not estimated for SiO2, Al2O3, or P and S grade estimates were completed only for Orcopura and Bob1 (Golder) resources.*

Directors' Report

AF Community Relations Chief Teodorico Orellana joining in local celebrations at Huinchos community.

Your Directors present their report on the Consolidated Entity consisting of Strike Resources Limited ("**Company**" or "**Strike**") and the entities it controlled at the end of, or during, the year ended 30 June 2013.

DIRECTORS

The following persons were Directors of Strike during the whole of the financial year and up to the date of this report:

- Malcolm Richmond;
- Matthew Hammond;
- William Johnson was appointed Managing Director on 25 March 2013;
- Samantha Tough; and
- Ken Hellsten was a director from the beginning of the financial year until his resignation on 19 January 2013.

PRINCIPAL ACTIVITIES

The principal activities of the Consolidated Entity during the financial year consisted of the ongoing exploration and evaluation of the Consolidated Entity's interest in the Apurimac and Cusco Iron Ore Projects located in Peru, South America.

The Consolidated Entity sold its Berau Thermal Coal Project in Indonesia during the year.

DIVIDENDS

No dividends have been paid or declared during the financial year. At the date of this report, no dividend has been recommended for payment in respect of the reporting period.

REVIEW OF OPERATIONS

Highlights

- Move to 100% control of the Company's Peruvian iron ore projects, alongside retention of a strong balance sheet position;
- Decision to focus on the flagship Apurimac iron ore project, where the core objective is to validate Apurimac's high grade magnetite exploration target of at least 500Mt of iron ore (including current resources) at a grade of 56 – 58% Fe to support the establishment of a 15 – 20 Mtpa iron ore operation; and
- Relocation of the Managing Director, William Johnson, to Peru successfully sees breakthrough made on community relations with a key Apurimac community.

The 2012-2013 year for Strike Resources saw both significant corporate success, with the successful move to acquire 100% control of the Company's key Peruvian projects, and some constraint on project activity as the Company made the necessary changes to adapt to this new strategic position.

By moving to 100% ownership, the Company is now in a position to completely control the direction and progress of the projects, as well as ensure that community relations are not compromised.

To capitalise on this focus, the Company rebased the management team, and Managing Director, to Peru.

The Company is now seeing some early success from the 100% focus on Peru, with initial community access agreements reached. The Company now hopes to commence drilling for additional resources at Apurimac in the second quarter of calendar 2014.

The Company is now seeing some early success from the 100% focus on Peru, with initial community access agreements reached.

Balance sheet strength was retained during the year, with the Company ending the year with $14.4 million in cash. This healthy balance sheet will stand the Company in good stead, as capital for junior resources firms continues to prove scarce.

The year ahead should see significant value added at the Apurimac project, as the Company regains access and seeks environmental approvals to recommence drilling and add further JORC resources.

A detailed discussion and analysis of Strike's operations will be set out in the annual report.

Carnival at Huinchos community, February 2013

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In December 2012 the Company completed a settlement agreement with its Peruvian joint venture partner D&C, to acquire the remaining 50% equity interest in Apurimac Ferrum S.A. (AF). Under the Shootout Settlement Agreement Strike moved to 100% ownership of AF.

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.

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

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

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. As a result Strike received US$4.3M in April 2013 for selling its interest in the project.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

On 30 July 2013 the Company advised of the increased resources reported at Cuervo Resources Inc.'s Cerro Ccopane project.

On 15 August 2013, the Company confirmed it had made a confidential non-binding offer to Cuervo Resources Inc. in respect of certain Peruvian iron ore assets including the Cerro Ccopane project. This offer was subsequently rejected by Cuervo.

On 9 September 2013, the Company reached an agreement with local Apurimac community to enable commencement of regulatory approvals for future drilling program. The approval forms part of key next stage in validating Apurimac's high grade magnetite exploration target of at least 500 Mt or iron ore.

There have been no further changes of significance since then.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Strike's core objective is to validate its flagship Apurimac project's high grade magnetite exploration target of at least 500Mt of iron ore (including current resources) at a grade of 56 – 58% Fe to support the establishment of a 15 – 20 Mtpa iron ore operation. Current JORC Resources stand at 269Mt of iron ore at 57.3% Fe (142 Mt Indicated at 57.84% Fe and 127 Mt Inferred at 56.7% Fe).

Meeting the objective to validate the exploration target requires suitable access approvals from the local communities (in particular the Huinchos and Huancabamba communities), alongside a much stronger overall relationship with the communities. Necessary Government pre-approval on an environmental assessment of any planned drill program will also be required.

Accordingly, the pursuit of these community and Government approvals, alongside drill program planning and non-ground disturbing exploration work (surface mapping, ground sampling or remote sensing techniques including geophysics surveys) form the core of Strike's immediate activities.

Strike was successful during the year in reaching agreement with the Huinchos community in Apurimac. The agreement allows Strike to access its most important concessions for the purpose of preparing an Environmental Impact Assessment ("EIA") to enable assessment by the Peruvian Ministry of Energy and Mines of its proposed drilling campaign and to conduct non surface-disturbing exploration activities such as mapping, surveying and geophysical studies.

Strike was successful during the year in reaching agreement with the Huinchos community in Apurimac.

The agreement extends over the main Opaban 1 concession within Apurimac which contains the majority of resources defined to date at Apurimac and the majority of the project area that Strike is seeking to drill during 2014.

Approval of the EIA and the associated community agreement will clear the way for Strike to commence drilling at Apurimac. The EIA study process in Peru is expected to take 6 – 9 months to complete, so Strike is targeting the second quarter of 2014 for the commencement of Drilling at Opaban.

A two stage drilling program has been prepared in anticipation of receiving final approvals. Stage one of the drilling program consists of 135 mostly Reverse Circulation (RC) holes to test the extension of the Opaban ore bodies along strike and down dip. The strike length of the magnetic anomaly covering the Opaban ore bodies is 5.4 kilometres in Strike-owned concessions, with only 50% of this being tested to date with drilling. There is therefore considerable opportunity to significantly expand the current Opaban resource.

ENVIRONMENTAL REGULATION

The Consolidated Entity notes the reporting requirements of both the Energy Efficiency Opportunities Act 2006 ("EEOA") and the National Greenhouse and Energy Reporting Act 2007 ("NGERA").

The Energy Efficiency Opportunities Act 2006 requires an affected company to assess its energy usage, including the identification, investigation and evaluation of energy saving opportunities, and to report publicly on the assessments undertaken, including what action the company intends to take as a result.

The Consolidated Entity has determined that it does not operate a recognised facility requiring registration and reporting under the NGERA and, in any event it would fall under the threshold of greenhouse gas emissions required for registration and reporting. Similarly, the Consolidated Entity's energy consumption would fall under the threshold required for registration and reporting under the EEOA.

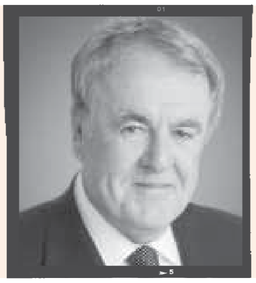
The Consolidated Entity is not otherwise subject to any particular or significant environmental regulation under either Commonwealth or State legislation. To the extent that any environmental regulations may have an incidental impact on the Consolidated Entity's operations, the Directors are not aware of any breach by the Consolidated Entity of those regulations.

JORC CODE COMPETENT PERSON STATEMENT

The information in this document which relates to exploration results and mineral resources at the Apurimac, Cusco and Cerro Ccopane projects has been prepared by Mr Ken Hellsten, who is a consultant to Strike Resources Limited 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 Competent Persons 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.


af
La Gotita Viajera

Information on Directors



MALCOLM RICHMOND
CHAIRMAN

APPOINTED
13 July 2011

PREVIOUS POSITIONS HELD
Acting Chairman (3 February 2011 to 13 July 2011)

Non-Executive director (25 October 2006 to 3 February 2011)

QUALIFICATIONS
BSc Hons (Metallurgy) and B. Comm. Merit (Econs) (New South Wales)

EXPERIENCE
Professor Richmond has 30 years' experience with the Rio Tinto and CRA Groups in a number of positions including: Vice President, Strategy and Acquisitions; Managing Director, Research and Technology; Managing Director, Development (Hamersley Iron Pty Limited) and Director of Hismelt Corporation Pty Ltd. He was formerly Deputy Chairman of the Australian Mineral Industries Research Association and Vice President of the WA Chamber of Minerals and Energy. Professor Richmond has also served as a Member on the Boards of a number of public and governmental bodies and other public listed companies.

He is a qualified metallurgist and economist with extensive senior executive and board experience in the resource and technology industries both in Australia and internationally. His special interests include corporate strategy and the development of markets for internationally traded minerals and metals - particularly in Asia.

Professor Richmond served as Visiting Professor at the Graduate School of Management and School of Engineering, University of Western Australia until January 2012, and is a Fellow of the Australian Academy of Technological Sciences & Engineering, a Fellow of Australian Institute of Mining and Metallurgy and a Member of Strategic Planning Institute (US).

SPECIAL RESPONSIBILITIES
Chairman of the Remuneration and Nomination Committee and member of the Audit Committee

INTERESTS IN SHARES AND OPTIONS
100,000 Shares (indirect)

OTHER CURRENT DIRECTORSHIPS IN LISTED ENTITIES
Non-Executive Director of:
Argonaut Resources Ltd (appointed March 2012)
Water Resources Group Ltd (appointed July 2012)

FORMER DIRECTORSHIPS IN OTHER LISTED ENTITIES IN PAST 3 YEARS
Structural Monitoring Systems Plc (October 2006 to November 2010)
MIL Resources Limited (August 2001 to November 2011)
Advanced Braking Technology Ltd (appointed August 2006 – April 2013)
Cuervo Resources Inc (appointed July 2011 – March 2013)

WILLIAM JOHNSON
MANAGING DIRECTOR

APPOINTED
25 March 2013

PREVIOUS POSITION HELD
Executive Director (21 January to 25 March 2013)

Non-Executive Director (30 April 2010 to 21 January 2013)

Executive Director (14 July 2006 to 30 April 2010)

QUALIFICATIONS
MA (Oxon), MBA

EXPERIENCE
Mr Johnson commenced his career in resource exploration and has held senior management and executive roles in a number of public companies in Australia, New Zealand and Asia. Most recently, Mr Johnson has acted as an executive and non-executive director of a number of ASX listed resource exploration and development companies and brings a considerable depth of experience in business strategy, investment analysis, finance and execution.

SPECIAL RESPONSIBILITIES
None

INTERESTS IN SHARES AND OPTIONS
3,000,000 Unlisted Directors' Options

249,273 Shares

OTHER CURRENT DIRECTORSHIPS IN LISTED ENTITIES
Non-Executive Director of:

Alara Resources Limited (appointed October 2009)

Bentley Capital Limited (appointed March 2009)

Cuervo Resources Inc (appointed March 2013)

FORMER DIRECTORSHIPS IN OTHER LISTED ENTITIES IN PAST 3 YEARS
Orion Equities Limited (February 2003 – 3 May 2013)

MATTHEW HAMMOND
NON-EXECUTIVE DIRECTOR

APPOINTED
25 September 2009

QUALIFICATIONS
BA (Hons) (Bristol)

EXPERIENCE
Mr Hammond is the Group Managing Director of Mail.ru, one of the largest European internet businesses. Prior to that he was Group Strategist at Metalloinvest Holdings, where he had responsibility for part of the non-core asset portfolio. Prior to joining Metalloinvest, Mr Hammond was a director at Credit Suisse, where he worked for 12 years as an investment analyst. During his time with Credit Suisse Mr. Hammond was ranked number one 8 times in the Extell, Institutional Investor and Reuters surveys.

SPECIAL RESPONSIBILITIES
Member of the Audit and Remuneration and Nomination Committees

INTERESTS IN SHARES AND OPTIONS
Nil

OTHER CURRENT DIRECTORSHIPS IN LISTED ENTITIES
Mail.Ru. (appointed April 2011)
Nautilus Minerals Inc (appointed October 2009)
Puricore Inc. (appointed May 2010)

FORMER DIRECTORSHIPS IN OTHER LISTED ENTITIES IN PAST 3 YEARS
Nil

SAMANTHA TOUGH
NON-EXECUTIVE DIRECTOR

APPOINTED
23 January 2012

QUALIFICATIONS
LIB, BJuris Western Australia, GAICD

EXPERIENCE
Ms Tough is a professional company director and chairman, with more than 14 years' experience in public and private companies, including four positions as Chairman. She has strong, proven strategic expertise, particularly in identifying and implementing growth strategies for complex and substantial businesses and early-stage propositions.

Ms Tough has served at senior executive level or on the Board in a wide range of industries, including metals and mining in particular iron ore, oil and gas, engineering services, infrastructure, energy and energy efficiency, venture capital, e-commerce, international telecommunications and law. Her previous executive roles include Senior Vice President, Strategic Counsel – Natural Resources at the Commonwealth Bank, General Manager North West Shelf at Woodside Energy Ltd and Director Strategy Hardman Resources Ltd. She also led the Pilbara Power Project on behalf of the Premier's Department. Samantha's involvement in these industries has given her a sound understanding of conducting business internationally.

SPECIAL RESPONSIBILITIES
Member of the Audit Committee

INTERESTS IN SHARES AND OPTIONS
Nil

OTHER CURRENT DIRECTORSHIPS IN LISTED ENTITIES
Non-Executive Chairman of:
Southern Cross Goldfields Ltd (appointed July 2007)

FORMER DIRECTORSHIPS IN OTHER LISTED ENTITIES IN PAST 3 YEARS
Murchison Metals Ltd (May 2011 - Feb 2012)
Enerji Ltd (February 2010 - July 2010)

DAVID PALUMBO
COMPANY SECRETARY

APPOINTED
11 April 2012

QUALIFICATIONS
BCom, CA

EXPERIENCE
Mr Palumbo has been involved in the listing of junior explorer companies on the ASX and has experience in corporate advisory and company secretarial services. Mr Palumbo is currently Company Secretary of Krakatoa Resources Limited, Rumble Resources Limited and Western Mining Network Limited. Mr Palumbo is a Corporate Compliance & Accounting Manager at Mining Corporate.

MEETINGS OF DIRECTORS
The numbers of meetings of the Company's Board of Directors and of each Board Committee held during the year ended 30 June 2013, and the numbers of meetings attended by each director were:

Name of Director	Board Meetings		Committee Meetings (Audit)		Committee Meetings (Remuneration/Nomination)	
	Attended	Meetings held[1]	Attended	Meetings held[1]	Attended	Meetings held[1]
M Richmond	8	8	1	1	1	1
K Hellsten	2	2	-	-	**	**
W Johnson	8	8	-	-	-	-
M Hammond	7	8	1	1	1	1
S Tough	6	6	**	**	**	**

*Attended by invitation, not a member of the relevant committee

** Not a member of the relevant committee

RETIREMENT, ELECTION AND CONTINUANCE IN OFFICE OF DIRECTORS
Mr Johnson retired as Director by rotation under the Company's Constitution at the November 2012 AGM and was re-elected at that meeting. Ms Tough was elected as Director at the November 2012 AGM.

REMUNERATION REPORT (AUDITED)

The Directors are pleased to present the Company's 2013 remuneration report which sets out remuneration information for Strike Resources Limited's Non-Executive Directors, Executive Director and other key management personnel.

DIRECTORS AND KEY MANAGEMENT PERSONNEL DISCLOSED IN THIS REPORT

Name	Position
Non-executive and executive directors – see pages 6 –7 above	
Other key management personnel	
Julian Tambyrajah[1]	Chief Financial Officer
Ian Cullen[2]	General Manager Exploration and Development

1. *Mr Tambyrajah ceased from the position of Chief Financial Officer on 11 April 2013*
2. *Mr Cullen was appointed as General Manager Exploration and Development on 1 July 2011 and ceased on 15 July 2012.*

ROLE OF REMUNERATION AND NOMINATION COMMITTEE

The Remuneration and Nomination Committee is a committee of the Board. It is primarily responsible for making recommendations to the Board on:

- the necessary and desirable competencies of Directors and the extent to which these are reflected in the Board
- suitable candidates for the position of Managing Director, when required
- the development and review of Board succession plans
- the appointment and re-election of Directors
- making recommendations to the Board on policy governing the benefits of the Managing Director and any other Executive Director, including equity-based remuneration
- making recommendations to the Board on the specific benefits to be provided to the Managing Director within the policy
- conducting an annual review of Non-Executive Directors' fees and determining whether the limit on the Non-Executive Directors' fee pool remains appropriate, and
- assisting the Managing Director to determine the remuneration (including equity- based remuneration) of Senior Management and advise on those determinations

The purposes of the Remuneration and Nomination Committee are to:

- assist the Managing Director and the Board to adopt and implement a remuneration system that is required to attract, retain and motivate the personnel who will enable the Company to achieve long-term success; and
- identify appropriate candidates for membership of the Board and, when necessary, identify suitable candidates for the role of Managing Director.

In doing this, the Remuneration and Nomination Committee seeks advice from independent remuneration consultants and consults market and industry surveys.

Ultimate responsibility for the Company's remuneration and nomination policies and practices remains with the full Board.

The Corporate Governance Statement provides further information on the role of this Committee.

A copy of Strike's Remuneration and Nomination Committee Charter can be found on the Company's website at www.strikeresources.com.au.

NON-EXECUTIVE DIRECTOR REMUNERATION POLICY

Fees and payments to Non-Executive Directors reflect the demands which are made on, and the responsibilities of, the directors. The Remuneration and Nomination Committee is responsible to review Non-Executive Directors' fees annually and makes recommendation to the Board. The Board has also considered the advice of independent market consultants to ensure Non-Executive Directors' fees and payments are appropriate and in line with the market. The Chair's fees are determined independently to the fees of Non-Executive Directors' based on comparative roles in the external market.

Pursuant to the Company's Constitution, each Director is entitled to receive:

- Payment for the performance of extra services and the undertaking of any executive or other work for the Company beyond his or her general duties; and
- Payment for travelling and other expenses properly incurred by a Director in attending meetings of the Company or the Board or in connection with the Company's business.

Historically the Board had resolved to remunerate Non-Executive Directors for work over and above that included in their base Director's fee under a Special Exertion Policy. Where additional services are approved by the Board the Non-Executive Director is entitled to receive $350 per hour plus reimbursement of expenses.

With the exception of the above Special Exertion Policy, Non-Executive Directors do not receive performance-based pay. The Board had also previously resolved and issued Non-Executive Directors with options at various exercise prices and maturity dates as deemed appropriate at that time, however, in line with Corporate Governance Principles and Recommendations this is no longer the practice.

DIRECTORS' FEES

Non-executive Directors' fees are determined within an aggregate Directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum currently stands at $500,000 per annum and was approved by shareholders at the annual general meeting on 25 November 2009.

The Chair's remuneration was reviewed upon his appointment, in February 2011.

Each Non-Executive Director receives $45,000 per year, except for Ms Tough. Ms Tough receives a higher fee, being the market rate that the Company determined was appropriate at the time she was appointed.

During the year the aggregate fees paid to Non-Executive Directors of the Company were as follows:

Director	Office held	Gross Salary/fees and Superannuation for the Period			
		Fees	Special exertions	Superannuation	Total
		$	$	$	$
M Richmond	Chairman	70,000	-	6,300	76,300
M Hammond[1]	Non-Executive Director	45,000	-	-	45,000
W Johnson[2]	Non-Executive Director	26,250	-	2,362	28,612
S Tough[3]	Non-Executive Director	80,000	-	7,200	87,200

1. *The Director's fee for Mr Hammond was reviewed in October 2010.*
2. *Mr Johnson ceased from the position of a Non-Executive Director on 21 January 2013.*
3. *Ms Tough was appointed as a Non-Executive Director on 23 January 2012. Her Director's fee was approved upon appointment.*

RETIREMENT ALLOWANCES FOR NON-EXECUTIVE DIRECTORS

In line with the guidance from the ASX Corporate Governance Council on Non-Executive Directors' remuneration, no Non-Executive Directors receive retirement allowances. Superannuation contributions required under the Australian superannuation guarantee legislation continue to be made and are deducted from the directors' overall fee entitlements.

EXECUTIVE REMUNERATION POLICY AND FRAMEWORK

In determining executive remuneration, the Board aims to ensure that remuneration practices are:

- competitive and reasonable, enabling the Company to attract and retain key talent
- aligned to the Company's strategic and business objectives and the creation of shareholder value
- transparent, and
- acceptable to shareholders.

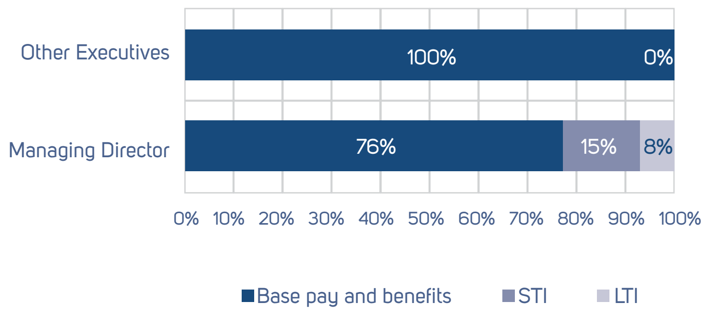
The executive remuneration framework has three components:

- base pay and benefits, including superannuation
- short-term performance incentives, and
- long-term incentives through participation in the Strike Resources Limited Employee Option Plan.

EXECUTIVE REMUNERATION

In accordance with the Company's objective to ensure that executive remuneration is aligned to Company performance, a significant portion of the Managing Director's target pay is "at risk".

TOTAL REMUNERATION MIX



BASE PAY AND BENEFITS

Executives receive their base pay and benefits structured as a total employment cost (TEC) package which may be delivered as a combination of cash and prescribed non-financial benefits at the executive's discretion.

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. Independent remuneration consultants and/or reports provide analysis and advice to ensure base pay is set to reflect the market for a comparable role. Base pay for executives is also reviewed on promotion.

There are no guaranteed base pay increases included in the executives' contracts.

SHORT-TERM INCENTIVES

The Managing Director has the opportunity to earn an annual short-term incentive (STI) if predefined targets are achieved. The targets are reviewed annually.

STI targets for the Managing Director in the 2013 financial year were set by the Remuneration Committee for the Managing Director as follows.

STI targets – Managing Director

Metrics	Weighting
Execution of key Community approvals in Peru	50%
Securing additional funding to advance exploration activities and/or securing a strategic investor into the Apurimac and/or Cusco Projects.	50%

The Remuneration and Nomination Committee is responsible for assessing whether the KPIs are met. To assist in this assessment, the Committee receives detailed reports on performance from management which are verified by industry surveys and, where deemed appropriate, independent remuneration consultants. The Committee will make recommendations to the Board to adjust short-term incentives downwards in light of unexpected or unintended circumstances. Other senior executives currently do not have any short term incentives such as cash bonuses included in their employment contracts. The executives' performance is assessed on an annual basis and bonuses may be awarded on achievement of key performance objectives by recommendation of the Managing Director and at the discretion of the Board.

LONG-TERM INCENTIVES

Long-term incentives are provided to certain employees via the Strike Resources Limited Employee Option Plan which was approved by shareholders at the 6 November 2008 annual general meeting. The Employee Option Plan was subsequently amended on 8 November 2011.

The Strike Resources Limited Employee Option Plan is designed to provide long-term incentives for executives to deliver long-term shareholder returns. Under the plan, participants are granted options which are vested on issue. The Board has discretion to determine the exercise price and maturity date. Participation in the plan is at Board discretion and will often form part of an employment contract.

Director options were granted during the 2013 financial year which contributed to the long-term incentives. Details are contained within the notes to the accounts.

SHARE TRADING POLICY

The Company's Share Trading Policy regulates all Directors' and, employees' of Strike Resources Limited and its subsidiaries, and certain contractors', dealings in the Company's securities. The Policy prohibits:

- subscribing for, purchasing or selling Company securities or entering into an agreement to do any of those things; and
- advising, procuring or encouraging another person (including a family member, friend, associate, colleague, family company or family trust) to trade in Company securities,

whilst in possession of market-sensitive information, prior to disclosure of that information to the market and thereafter until adequate time has elapsed for this to be reflected in the security's price, in accordance with the Corporations Act 2001. The Policy also prohibits communicating inside information to any other person when directors, employees of Strike Resources Limited and its subsidiaries, and certain contractors should reasonably know that they may deal in the Company's securities or encourage another person to do so.

In order to further reduce the risk of inappropriate securities dealing, directors, employees of Strike Resources Limited and its subsidiaries, and certain contractors, must not deal in Company securities without the written consent of the "Trading Officers" nominated in the Company's Share Trading Policy. Consent will not be given during certain "Prohibited Periods" before key reporting dates or while inside information exists.

Directors, employees of Strike Resources Limited and its subsidiaries, and certain contractors must inform the Company Secretary of all transactions they enter into involving the Company's securities to enable disclosure to the market, where required.

A copy of Strike's Share Trading Policy can be found on the Company's website as www.strikeresources.com.au.

VOTING AND COMMENTS MADE AT THE COMPANY'S 2012 ANNUAL GENERAL MEETING

Strike Resources Limited received more than 99% (2011: 94%) of "yes" votes on its remuneration report for the 2012 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

DETAIL OF REMUNERATION

The following tables show details of the remuneration received by the Directors and the key management personnel of the Consolidated Entity for the current and previous financial year.

	Short-term employee benefits				Post-employment benefits	Long-term benefits		Share-based payments	Total
	Cash salary and fees	Cash bonus	Non-monetary benefit	Other	Super-annuation	Long-service leave	Termination benefits	Options	
2013	$	$	$	$	$	$	$	$	$
Non-Executive Directors:									
M Richmond	70,000	-	-	-	6,300	-	-	-	76,300
M Hammond	45,000	-	-	-	-	-	-	-	45,000
W Johnson[2]	26,250	-	-	-	2,362	-	-	-	28,612
S Tough	80,000	-	-	-	7,200	-	-	-	87,200
Executive Director:									
K Hellsten[1]	216,666	70,000	6,750	-	19,500	-	-	-	312,916
W Johnson[2]	142,356	-	-	-	6,812	-	-	42,000	191,168
Other key management personnel									
J Tambyrajah[3]	151,630	-	-	-	18,559	-	128,229	-	298,418
I Cullen[4]	13,977	-	-	-	1,420	-	5,402	-	20,799
Total	**745,879**	**70,000**	**6,750**	**-**	**62,153**	**-**	**133,631**	**42,000**	**1,060,413**

1. *Mr Hellsten ceased from position of Managing Director on 21 January 2013*
2. *Mr Johnson ceased from a position of Non-Executive Director and was appointed as Executive Director on 21 January 2013 and as Managing Director on 25 March 2013.*
3. *Mr Tambyrajah was appointed as Chief Financial Officer on 2 April 2012 and ceased on 11 April 2013.*
4. *Mr Cullen was appointed as General Manager Exploration and Development on 1 July 2011 and ceased on 15 July 2012.*

The relative proportions of remuneration that are linked to performance and those that are fixed are as follows:

Name	Fixed remuneration		At risk - STI		At risk – LTI #	
	2013	2012	2013	2012	2013	2012
Executive Director						
K Hellsten[1]	75%	66%	25%	13%	0%	21%
W Johnson	70%	0%	30%	0%	0%	0%
Other Key Management Personnel						
J Tambyrajah[2]	100%	42%	0%	0%	0%	58%
D Lim	0%	68%	0%	5%	0%	27%
I Cullen[3]	100%	82%	0%	3%	0%	15%

\# *Long-term incentives are provided exclusively by way of options, the percentages disclosed also reflect the value of remuneration consisting of options, based on the value of options expensed during the year. Negative amounts indicate expenses reversed during the year due to a failure to satisfy the vesting conditions.*

1. *Mr Hellsten resigned as a Managing Director on 21 January 2013*
2. *Mr Tambyrajah was appointed as Chief Financial Officer on 2 April 2012.*
3. *Mr Cullen was appointed as General Manager Exploration and Development on 1 July 2011 and ceased on 15 July 2012.*

SERVICE AGREEMENTS

Appointment to the Board as a Director is via resolution which outlines the Director's agreed remuneration. The appointment is later ratified by shareholders at the next general meeting. No formal service agreements are executed for Non-Executive Directors. On the appointment to the Board, the Company enters into a deed with each Non-Executive Director to regulate certain matters between the Company and that Non-Executive Director, however Matthew Hammond has not executed such a deed.

Remuneration and other terms of employment for the Managing Director and other key management personnel are formalised in Employment Agreements. The Employment Agreement of the Managing Director provides for the provision of performance-related cash bonuses, which are reviewed annually by the Remuneration and Nomination Committee. No specific cash bonuses are provided in the Employment Agreements of other key management personnel.

All agreements with Executives may be terminated early by either party with notice periods from 1-3 months, except for the Managing Director who has a 6 month notice period.

SHARE-BASED COMPENSATION

The terms and conditions of each grant of options affecting remuneration in the current or a future reporting period are as follows:

Grant date	Vesting and exercise date	Expiry date	Exercise price	Value per option at grant date	Performance achieved	% Vested
18 June 2013	18 June 2013	17 June 2018	$0.30	$0.014	N/A	100%

Options granted under the plan carry no dividend or voting rights.

When exercisable, each option is convertible into one ordinary share within 5 business days after the exercise.

Details of options over ordinary shares in the Company provided as remuneration to each director of Strike Resources Limited and each of the key management personnel of the Company and the Consolidated Entity are set out below. When exercisable, each option is convertible into one ordinary share of Strike Resources Limited. Further information on the options is set out in note 29 to the financial statements.

Name	Number of options granted during the year	Value of options at grant date*	Number of options vested during the year	Number of options lapsed during the year	Value at lapse date**
Directors of Strike Resources Limited					
M Richmond	-	-	-	-	-
M Hammond	-	-	-	-	-
W Johnson	3,000,000	$42,000	3,000,000	-	-
S Tough	-	-	-	-	-
Other former key management personnel of the Consolidated Entity					
J Tambyrajah	-	-	-	-	-
I Cullen	-	-	-	-	-

* *The value at grant date calculated in accordance with AASB 2 Share-based Payment of options granted during the year as part of remuneration.*

** *The value at lapse date of options that were granted as part of remuneration and that lapsed during the year because a vesting condition was not satisfied, or the participant ceased to be employee of the Company. The value is determined at the time of lapsing, but assuming the condition was satisfied.*

The assessed fair value at grant date of options granted to the individuals is allocated equally over the period from grant date to vesting date, and the amount is included in the remuneration tables above. Fair values at grant date are independently determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date, the expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

SHARES PROVIDED ON EXERCISE OF REMUNERATION OPTIONS

There were no shares issued as a result of the exercise of Directors' or employee options which were issued as part of remuneration during the current year (2012: nil).

DETAILS OF REMUNERATION: BONUSES AND SHARE-BASED COMPENSATION BENEFITS

For each cash bonus and grant of options included in the tables on pages 15, the percentage of the available bonus or grant that was paid, or that vested, in the financial year and the percentage that was forfeited because the person did not meet the service and performance criteria is set out below. No part of the bonus is payable in future years. The options vest immediately and will lapse on termination of employment, except due to redundancy or disability, in which case they will continue for 12 months or until any earlier expiry date. The Board has discretion to vary the lapse dates of terminating employees' options.

Name	Bonus		Share-based compensation benefit (options)			
	Paid	Forfeited	Year granted	Vested	Forfeited/ Lapsed	Financial years in which options may vest
M Richmond	-	-	-	-	-	-
M Hammond	-	-	-	-	-	-
W Johnson	-	-	2013	100%	-	2013
S Tough	-	-	-	-	-	-
K Hellsten	70,000	-	-	-	-	-
J Tambyrajah	*	*	-	-	-	-
I Cullen	*	*	-	-	-	-

* *Service agreement does not contain cash bonuses.*

SHARES UNDER OPTIONS

Unissued ordinary shares of Strike Resources Limited under option at the date of this report are as follows:

Date of options granted	Expiry date	Issue price of shares	Number under option
24 November 2011*	23 November 2016	$0.36	833,334
24 November 2011*	23 November 2016	$0.42	833,333
24 November 2011*	23 November 2016	$0.56	833,333
5 April 2012*	23 November 2016	$0.36	333,334
5 April 2012*	23 November 2016	$0.42	333,333
5 April 2012*	23 November 2016	$0.56	333,333
18 June 2013	17 June 2018	$0.30	3,000,000

* *Included in these options were options granted as remuneration to the directors and the five most highly remunerated officers during the year. Details of options granted to key management personnel are disclosed on page 12 – 14 above.*

No option holder has any right under the options to participate in any other share issue of the Company.

THIS CONCLUDES THE AUDIT REMUNERATION REPORT

INSURANCE OF OFFICER

The Directors have not included details of the nature of the liabilities covered or the amount of premiums paid in respect of a Directors' and Officers' liability and legal expenses insurance contract, as such disclosure is prohibited under the terms of the contract.

The Company has executed Directors' deeds with each Director (other than Matthew Hammond) to indemnify the directors for liabilities or legal costs incurred as an officer and advance monies to meet costs in relation to the indemnities under the deed.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001.*

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Consolidated Entity are important.

Details of the amounts paid or payable to the auditor (BDO Audit (WA) Pty Ltd) and to other parties for work performed on behalf of the auditor, for audit and non-audit services provided during the year are set out below.

The Board of Directors has considered the position and, in accordance with advice received from the Audit Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the Audit Committee to ensure they do not impact the impartially and objectivity of the auditor.
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants.*

During the year the following fees were paid or payable for audit and non-audit services provided by the auditor of the Company, its related practices and non-related audit firms:

	Consolidated	
	2013 $	2012 $
Audit & Review Fees – BDO Audit (WA) Pty Ltd	47,500	84,774
Audit & Review Fees – Affiliated practices of BDO International	6,779	6,830
Total	**54,279**	**91,604**

AUDITORS' INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 17.

AUDITOR

BDO Audit (WA) Pty Ltd continues in office in accordance with section 327 of the *Corporation Act 2001*.

This report is made in accordance with a resolution of directors.

William Johnson
Managing Director
30 September 2013

Corporate Governance Statement

Strike Resources Limited ("Company" or "Strike") and the Board are committed to achieving and demonstrating the highest standards of corporate governance. The Board continues to review the framework and practices to ensure they meet the interests of shareholders. The Company and its controlled entities together are referred to as the Consolidated Entity in this statement.

A description of the Consolidated Entity's main corporate governance practices is set out below. All these practices were in place for the entire year and they comply with the ASX Corporate Governance Principles and Recommendations unless otherwise stated.

The Board of Directors strongly supports the Corporate Governance Principles and Recommendations. Strike's practices are consistent with the principles, subject to the exception that there is not an independent majority on the Board or on Board Committees. It is not considered appropriate to move to an independent Board majority immediately due to the scale of the Company's activities, however, the Board supports moving to that position as the Company's activities expand. An additional independent director was appointed in January 2012 and the Board continues to monitor the potential to further increase the number of its independent members in the future.

Principle 1: Lay a Solid Foundations for Management and Oversight

The relationship between the Board and senior management is critical to the Consolidated Entity's long term success. The Directors are responsible to shareholders for the performance of the Consolidated Entity in both the short term and the longer term and seek to balance sometimes competing objectives in the best interest of the Consolidated Entity as a whole. Their focus is to enhance the interests of shareholders and other key stakeholders and to ensure the Consolidated Entity is properly managed.

The responsibilities of the Board include:

- providing strategic guidance to the Consolidated Entity including contributing to the development of and approving the corporate strategy
- reviewing and approving business plans, the annual budget and financial plans including available resources and major capital expenditure initiatives.
- overseeing and monitoring:
  - organisational performance and the achievement of the Consolidated Entity's strategic goals and objectives
  - compliance with the Company's Code of Conduct (see page 39)
  - progress in relation to the Company's diversity objectives and compliance with its diversity policy
  - progress of major capital expenditures and other significant corporate projects including any acquisitions and divestments
- monitoring financial performance including approval of the annual and half-year financial reports and liaison with the auditors
- appointment, performance assessment and, if necessary, removal of the Managing Director
- ratifying the appointment and/or removal and contributing to the performance assessment of the senior management team including the Chief Financial Officer and the Company Secretary
- ensuring there are effective management processes in place and approving major corporate initiatives
- enhancing and protecting the reputation of the organisation
- overseeing the operation of the Consolidated Entity's system for compliance and risk management reporting to shareholders
- ensuring appropriate resources are available to senior management.

Day to day management of the Consolidated Entity's affairs and the implementation of the corporate strategy and policy initiatives are formally delegated by the Board to the Managing Director and Senior Executives as set out in the Consolidated Entity's delegations policy. These delegations are reviewed on an annual basis.

A performance assessment for Senior Executives last took place in December 2011. The process for these assessments is described on the Company's website.

Principle 2: Structure the Board to Add Value

The Board operates in accordance with the broad principles set out in its charter which is available from the corporate governance information section of the Company website at www.strikeresources.com.au. The charter details the Board's composition and responsibilities.

BOARD COMPOSITION

The charter states:

- the Board is to be comprised of both Executive and Non-Executive Directors with a majority of Non-Executive Directors. Non-Executive Directors bring a fresh perspective to the Board's consideration of strategic, risk and performance matters
- in recognition of the importance of independent views and the Board's role in supervising the activities of management, the Chairman must be an independent Non-Executive Director, the majority of the Board should be independent of management and all Directors are required to exercise independent judgement and review and constructively challenge the performance of management
- the Chairman is elected by the full board and is required to meet regularly with the Managing Director
- the Company is to maintain a mix of Directors on the board from different genders, age groups, ethnicity and cultural and professional backgrounds who have complementary skills and experience
- the Board will periodically consider the appropriate mix of skills required by the Board to maximise its effectiveness and its contribution to the Consolidated Entity.

The Board seeks to ensure that:

- at any point in time, its membership represents an appropriate balance between Directors with experience and knowledge of the Consolidated Entity and Directors with an external fresh perspective
- measurable board gender diversity objectives are established, to assess the objectives and progress in achieving them periodically
- the size of the Board is conducive to effective discussion and efficient decision-making.

DIRECTORS' INDEPENDENCE

The Board has adopted specific principles in relation to Directors' independence. These state that when determining independence, a Director must be Non-Executive and the Board should consider whether the Director:

- is a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company
- is or has been employed in an executive capacity by the Company or any other Consolidated Entity member within three years before commencing to serve on the Board
- within the last three years has been a principal of a material professional adviser or a material consultant to the Company or any other Consolidated Entity member, or an employee of such adviser or consultant materially associated with the service provided
- is a material supplier or customer of the Company or any other Consolidated Entity member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer
- has a material contractual relationship with the Company or a controlled entity other than as a Director of the Consolidated Entity
- is free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's independent exercise of their judgement.

Materiality for these purposes is determined on both quantitative and qualitative bases. An amount of over 5% of annual turnover of the Company or Consolidated Entity is considered material for these purposes. In addition, a transaction of any amount or a relationship is deemed material if knowledge of it may impact the shareholders' understanding of the Director's performance.

Recent thinking on corporate governance has introduced the view that a Director's independence may be perceived to be impacted by lengthy service on the Board. To avoid any potential concerns, the Board has determined that a Director will not be deemed independent if he or she has served on the Board of the Company for more than ten years. The Board will continue to monitor developments on this issue.

The Board assesses independence each year. To enable this process, the Directors must provide all information that may be relevant to the assessment.

BOARD MEMBERS

Details of the members of the Board, their experience, expertise, qualifications, term of office, relationships affecting their independence and their independent status are set out in the directors' report under the heading 'Information on Directors'. At the date of signing the Directors' Report, there is one Executive Director and three Non-Executive Directors, two of whom have no relationships adversely affecting independence and so are deemed independent under the principles set out above:

- Matthew Hammond is a representative Director for a major shareholder and has therefore been deemed 'not independent' as Directors of the Company
- No Director has served on the Board of the Company for more than ten years.

CHAIR AND MANAGING DIRECTOR (MD)

The Chair is responsible for leading the Board, ensuring Directors are properly briefed in all matters relevant to their role and responsibilities, facilitating Board discussions and managing the Board's relationship with the Company's senior executives. In accepting the position, the Chair has acknowledged that it will require a significant time commitment and has confirmed that other positions will not hinder his effective performance in the role of Chair. The Chair of the Company is Malcolm Richmond, whose qualifications and experience are stated in the Company's Full-Year Report.

The MD is responsible for implementing Consolidated Entity strategies and policies. The board charter specifies that the roles of Chair and MD are separate roles to be undertaken by separate people.

INDUCTION

The induction provided to new Directors and senior managers enables them to actively participate in Board and management decision-making, respectively, as soon as possible. It ensures that they have a full understanding of the Company's financial position, strategies, operations, culture, values and risk management policies. It also explains the respective rights, duties, responsibilities, interaction and roles of the Board and Senior Executives and the Company's meeting arrangements.

COMMITMENT

The board held eight board meetings during the year.

Non-Executive Directors are expected to spend the time required to prepare for and attending Board and Committee meetings and associated activities.

The number of meetings of the Company's Board of Directors and of each Board Committee held during the year ended 30 June 2013, and the number of meetings attended by each Director is disclosed on page 26.

It is the Company's practice to allow its Executive Directors to accept appointments outside the Company with prior written approval of the Board. No appointments of this nature were accepted during the year ended 30 June 2013.

The commitments of Non-Executive Directors are considered by the Nomination Committee prior to the Directors' appointment to the Board of the Company and are reviewed each year.

Prior to appointment or being submitted for re-election, each Non-Executive Director is required to specifically acknowledge that they have and will continue to have the time available to discharge their responsibilities to the Company.

CONFLICT OF INTERESTS

No Director had business dealings with the Consolidated Entity during the year, as described in note 23 to the financial statements. In accordance with the board charter, the Directors concerned declared their interests in those dealings to the Company and took no part in decisions relating to them or the preceding discussions. In addition, those Directors did not receive any papers from the Consolidated Entity pertaining to those dealings.

INDEPENDENT PROFESSIONAL ADVICE

Subject to prior consultation with the Chair, each Director has the right to seek independent legal and other professional advice at the Company's expense concerning any aspect of the Company's operations or undertakings in order to fulfil their Directors' duties.

PERFORMANCE ASSESSMENT

The Board's has a policy to ensure that the Directors and Executives of the Company are equipped with the knowledge and information they need to discharge their responsibilities effectively and that individual and collective performance is regularly and fairly reviewed. Although the Company is not of a size to warrant the development of formal processes for evaluating the performance of its Board, individual Directors and Executives, there is on-going monitoring by the Chair and self-review by the Board. The Chair also speaks to Directors individually regarding their role as a Director.

BOARD COMMITTEES

The Board has established a number of committees to assist in the execution of its duties and to allow detailed consideration of complex issues. Current committees of the Board are the Remuneration and Nomination Committee and the Audit Committee. Each committee is comprised entirely of Non-Executive Directors.

Each Committee has its own written charter setting out its role and responsibilities, composition, structure, membership requirements and the manner in which the committee is to operate. All of these charters are available on the Company's website. All matters determined by committees are submitted to the full Board as recommendations for board decisions.

Minutes of committee meetings are tabled at the subsequent board meeting. Additional requirements for specific reporting by the Committees to the Board are addressed in the charter of the individual committees.

NOMINATION COMMITTEE

The Nomination Committee function is performed by the Remuneration and Nomination Committee (the Committee). The Strike Board is not of sufficient size to warrant separate Remuneration and Nomination Committees. The Committee consists of the following Non-Executive Directors (a majority of whom are not independent):

Malcolm Richmond – Committee Chair (independent)
Matthew Hammond (not independent)
William Johnson (not independent)

Details of these Directors' attendance at Committee meetings are set out in the Directors' Report on page 26.

The Committee operates in accordance with its charter which is available on the Company's website. The main responsibilities of the Committee in relation to its nomination function are to make recommendations to the Board as to:

- the necessary and desirable competencies of Directors and the extent to which these are reflected in the Board
- suitable candidates for the position of Managing Director, when required
- the development and review of Board succession plans
- the appointment and re-election of Directors, and
- any other function conferred upon it by the Board related to Board membership and succession.

When a new Director is to be appointed, the Committee reviews the range of skills, experience and expertise on the Board, and to identify its needs. From this the Committee prepares a short-list of candidates with appropriate skills and experience. A number of channels are used to source candidates to ensure the Company benefits from a diverse range of individuals in the selection process. Where necessary, advice is sought from independent search consultants.

The full Board then appoints the most suitable candidate. A Director appointed by the Board must stand for election at the next annual general meeting of the Company. The Board and the Committee are also aware of the advantages of Board renewal and succession planning.

Details of the nomination, selection and appointment processes are available on the Company's website.

Notices of meetings for the election of Directors comply with the ASX Corporate Governance Council's best practice recommendations.

All new Directors participate in a comprehensive, formal induction program which covers the operation of the Board and its Committees and financial, strategic, operations and risk management issues.

Principle 3: Promote Ethical and Responsible Decision Making

CODE OF CONDUCT

The Company has developed a Code of Conduct (the Code) which has been fully endorsed by the Board and applies to all Directors and employees. The code is periodically reviewed and will be updated as necessary to ensure it reflects the highest standards of behaviour and professionalism and the practices necessary to maintain confidence in the Consolidated Entity's integrity and to take into account legal obligations and reasonable expectations of the Company's stakeholders.

In summary, the Code requires that at all times all Company personnel act with the utmost integrity, objectivity and in compliance with the letter and the spirit of the law and Company policies.

The Company has a trading policy which outlines the restrictions, closed periods and processes required when Directors, MD and key management personnel trade Company securities. Broadly, it states that the purchase and sale of Company securities by Directors and senior management is only permitted with written approval from the trading officer. Permission will not be given while inside information exists and will not in any case be given during the following blackout periods before the following key events:

Event	Start of Period
Release of full-year results on ASX.	28 days before the proposed date for release.
Release of half-year results on ASX.	28 days before the proposed date for release.
Release of quarterly cash-flow report on ASX.	14 days before the proposed date for release.
Annual General Meeting (AGM).	14 days before the AGM.
Significant exploration drilling campaign.	5 days before the proposed date for release of the drilling results on ASX.

Due to the Company's relatively small workforce, all staff is subject to the same securities trading restriction as Directors and senior management at the present time.

The Code and the Company's trading policy are discussed with each new employee as part of their induction training. Further training is periodically provided and all employees are asked to sign an annual declaration confirming their compliance with the Code and the trading policy.

The Code requires employees who are aware of unethical practices within the Consolidated Entity or breaches of the Company's trading policy to report these using the Company's whistleblower policy. This can be done anonymously.

The Directors are satisfied that the Consolidated Entity has complied with its policies on ethical standards, including trading in securities.

A copy of the Code and the trading policy are available on the Company's website.

DIVERSITY POLICY

The Company values diversity and recognises the benefits it can bring to the organisation's ability to achieve its goals. Accordingly the Company has developed a diversity policy, a copy of which can be found on the Company's website. This policy outlines the Company's diversity objectives in relation to gender, age, cultural background and ethnicity. It includes requirements for the Board to establish measurable objectives for achieving diversity, and for the Board to assess annually both the objectives, and the Company's progress in achieving them.

Principle 4: Safeguard Integrity in Financial Reporting

AUDIT COMMITTEE

The Audit Committee consists of the following Non-Executive Directors:

Malcolm Richmond – Committee Chair (independent)
Matthew Hammond (not independent)
Samantha Tough (independent)

Details of these Directors' qualifications and attendance at Audit Committee meetings are set out in the Directors' Report on page 26.

All members of the Audit Committee are financially literate and have an appropriate understanding of the industries in which the Consolidated Entity operates.

The Audit Committee operates in accordance with a charter which is available on the Company's website. The main responsibilities of the committee are to:

- review, assess and approve the annual full and concise reports, the half-year financial report and all other financial information published by the Company or released to the market
- assist the Board in reviewing the effectiveness of the organisation's internal control environment covering:
  - effectiveness and efficiency of operations
  - reliability of financial reporting
  - compliance with applicable laws and regulations
- oversee the effective operation of the risk management framework
- recommend to the Board the appointment, removal and remuneration of the external auditors, and review the terms of their engagement, the scope and quality of the audit and assess performance
- consider the independence and competence of the external auditor on an ongoing basis
- review and approve the level of non-audit services provided by the external auditors and ensure it does not adversely impact on auditor independence
- review and monitor related party transactions and assess their propriety
- report to the Board on matters relevant to the committee's role and responsibilities.

In fulfilling its responsibilities, the Audit Committee:

- receives reports from management and the internal and the external auditors
- meets with the external auditors at least twice a year, or more frequently if necessary
- reviews the processes the MD and Chief Financial Officer have in place to support their certifications to the Board
- reviews any significant disagreements between the auditors and management, irrespective of whether they have been resolved
- meets separately with the external auditors at least twice a year without the presence of management
- provides the external auditors with a clear line of direct communication at any time to either the Chair of the Audit Committee or the Chair of the Board.

The Audit Committee has authority, within the scope of its responsibilities, to seek any information it requires from any employee or external party.

EXTERNAL AUDITORS

The Company and Audit Committee policy is to appoint external auditors who clearly demonstrate quality and independence. The performance of the external auditor is reviewed annually and applications for tender of external audit services are requested as deemed appropriate, taking into consideration assessment of performance, existing value and tender costs. BDO was appointed as the external auditor in 2008. It is BDO's policy to rotate audit engagement partners on listed companies at least every five years, and in accordance with that policy a new audit engagement partner was introduced for the year ended 30 June 2013.

An analysis of fees paid to the external auditors, including a break-down of fees for non-audit services, is provided in the Directors' Report and in note 19 to the Financial Statements. It is the policy of the external auditors to provide an annual declaration of their independence to the Audit Committee.

The external auditor will attend the Annual General Meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the audit report.

Principle 5 and 6: Make Timely and Balanced Disclosures and Respect the Rights of Shareholders

CONTINUOUS DISCLOSURE

The Company has written policies and procedures on information disclosure that focus on continuous disclosure of any information concerning the Consolidated Entity that a reasonable person would expect to have a material effect on the price of the Company's securities. These policies and procedures also include the arrangements the Company has in place to promote communication with shareholders and encourage effective participation at general meetings. A summary of these policies and procedures is available on the Company's website.

The Company Secretary has been nominated as the person responsible for communications with the Australian Securities Exchange (ASX). This role includes responsibility for ensuring compliance with the continuous disclosure requirements in the ASX Listing Rules and overseeing and co-ordinating information disclosure to the ASX, analysts, brokers, shareholders, the media and the public.

All information disclosed to the ASX is posted on the Company's website as soon as it is disclosed to the ASX. When analysts are briefed on aspects of the Consolidated Entity operations, the material used in the presentation is released to the ASX and posted on the Company's website. Analysts do not receive price-sensitive information at any time prior to disclosure to the market as a whole. Procedures have also been established for reviewing whether any price-sensitive information has been inadvertently disclosed and, if so, the policy requires this information to be immediately released to the market.

The website also enables users to provide feedback and has an option for shareholders to register their email address for direct email updates on Company matters.

All shareholders receive a copy of the Company's annual (full or concise) and half-yearly reports. In addition, the Company seeks to provide opportunities for shareholders to participate through electronic means. Recent initiatives to facilitate this include making all Company announcements, media briefings, details of Company meetings, press releases for the last three years and financial reports for the last five years available on the Company's website. Where possible, the Company arranges for advance notification of significant group briefings (including, but not limited to, results announcements) and makes them widely accessible.

Principle 7: Recognise and Manage Risk

The Board is responsible for satisfying itself annually, or more frequently as required, that management has developed and implemented a sound system of risk management and internal control. Detailed work on this task is delegated to the Audit Committee and reviewed by the full Board.

The Audit Committee is responsible for ensuring there are adequate policies in relation to risk management, compliance and internal control systems. They monitor the Company's risk management by overseeing management's actions in the evaluation, management, monitoring and reporting of material operational, financial, compliance and strategic risks. In providing this oversight, the committee:

- reviews the framework and methodology for risk identification, the degree of risk the Company is willing to accept, the management of risk and the processes for auditing and evaluating the Company's risk management system
- reviews group-wide objectives in the context of the abovementioned categories of corporate risk
- reviews and, where necessary, approves guidelines and policies governing the identification assessment and management of the Company's exposure to risk
- reviews and approves the delegations of financial authorities and addresses any need to update these authorities on an annual basis, and
- reviews compliance with agreed policies.

The Committee recommends any actions it deems appropriate to the Board for its consideration.

Management is responsible for designing, implementing and reporting on the adequacy of the Company's risk management and internal control system and has to report to the Audit Committee on the effectiveness of:

- the risk management and internal control system during the year, and
- the Company's management of its material business risks.

RISK MANAGEMENT GROUP

The Company's risk management policy and the operation of the risk management and compliance system are managed by the Company's risk management group which consists of senior executives chaired by the Chief Financial Officer. The Board receives quarterly reports from this group as to the effectiveness of the Company's management of material risks that may impede meeting business objectives.

The Chief Financial Officer and accounting staff, carry out regular systematic monitoring of control activities and reports to both relevant business unit management and the Audit Committee. In addition, each business unit reports on the key business risks in their area to the risk management group. The basis for this report is a half-yearly review of the past performance of their area of responsibility, and the current and future risks they face. The review is undertaken by business unit management. Results of Chief Financial Officer work are incorporated into this review if applicable.

The risk management group consolidates the business unit reports and recommends any actions to the Board for its consideration.

CORPORATE REPORTING

In complying with recommendation 7.3, the Managing Director and Chief Financial Officer have made the following certifications to the Board:

- that the Company's financial reports are complete and present a true and air view, in all material respects, of the financial condition and operational results of the Company and Consolidated Entity and are in accordance with relevant accounting standards
- that the above statement is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the board and that the Company's risk management and internal compliance and control is operating efficiently and effectively in all material respects in relation to financial reporting risks.

Principle 8: Remunerate Fairly and Responsibly

REMUNERATION AND NOMINATION COMMITTEE

The membership of this Committee has been disclosed above.

The Remuneration and Nomination Committee, in performing its remuneration function, advises the Board on remuneration and incentive policies and practices generally, and makes specific recommendations on remuneration packages and other terms of employment for Executive Directors, other senior executives and Non-Executive Directors.

Each member of the senior executive team signs a formal Employment Contract at the time of their appointment covering a range of matters including their duties, rights, responsibilities and any entitlements on termination. The standard contract refers to a specific formal job description.

Further information on Directors' and Executives' remuneration, including principles used to determine remuneration, is set out in the Directors' Report under the heading "Remuneration Report". In accordance with Consolidated Entity policy, participants in equity-based remuneration plans are not permitted to enter into any transactions that would limit the economic risk of options or other unvested entitlements. Details of this policy can be found on the Company's website.

The Committee also assumes responsibility for overseeing management succession planning, including the implementation of appropriate executive development programmes and ensuring adequate arrangements are in place, so that appropriate candidates are recruited for later promotion to senior positions. This includes overseeing processes in relation to meeting diversity objectives for executives and staff below board level.

Tel: +8 6382 4600
Fax: +8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

DECLARATION OF INDEPENDENCE BY WAYNE BASFORD TO THE DIRECTORS OF STRIKE RESOURCES LIMITED

As lead auditor of Strike Resources Limited for the year ended 30 June 2013, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Strike Resources Limited and the entities it controlled during the period.

Wayne Basford

Director

BDO Audit (WA) Pty Ltd

Perth, 30 September 2013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Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2013

		Consolidated Entity	
		2013	2012
	Note	$	$
Revenue from continuing operations	5	1,281,593	5,630,977
Other income	5	33,162,958	1,558,348
		34,444,551	7,189,325
Operating expenses	5	(220,076)	(271,616)
Personnel costs	5	(1,765,610)	(2,235,607)
Other corporate costs	5	(1,655,322)	(2,025,915)
Fair value adjustment -financial assets held as fair value through profit and loss		(1,869,704)	(2,055,850)
Impairment expense	5	(3,014,621)	(12,570,185)
Loss on sale of fixed assets		(18,318)	(40,577)
Loss on sale of investment in associate		-	(826,397)
Loss on sale of asset classified as held for sale		(138,186)	-
Foreign exchange loss		(2,068,395)	-
Profit/(loss) before income tax		23,694,319	(12,836,822)
Income expense tax	6	(97,132)	(203,900)
Profit/(loss) from continuing operations		23,597,187	(13,040,722)
Profit/(loss) for the year		23,597,187	(13,040,722)
Profit/(loss) is attributable to:			
Equity holders of Strike Resources Limited		23,597,187	(13,040,722)
Other comprehensive income			
Items that may be reclassified subsequently to Profit and Loss			
Exchange differences on translation of foreign operations		3,086,017	(555,221)
Other comprehensive losses net of tax		3,086,017	(555,221)
Total comprehensive income/(loss) for the year		26,683,204	(13,595,943)
Total comprehensive income/(loss) for the year is attributable to:			
Equity holders of Strike Resources Limited		26,683,204	(13,595,943)
Basic earnings/(loss) per share (cents)	28	16.44	(9.20)
Diluted earnings/(loss) per share (cents)	28	16.44	(9.20)

This consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position and Other Comprehensive Income as at 30 June 2013

		Consolidated Entity	
		2013	2012
	Note	$	$
Current assets			
Cash and cash equivalents	8	14,414,971	20,551,679
Trade and other receivables	9	1,119,228	3,583,457
Financial assets at fair value through profit or loss	10	40,982	1,742,253
Assets classified as held for sale	7	-	4,353,106
Total current assets		15,575,181	30,230,495
Non-current assets			
Trade and other receivables	9	8,483	26,335
Financial assets at fair value through profit or loss	10	68,634	114,364
Property, plant and equipment	12	592,572	59,291
Exploration and evaluation expenditure	13	41,842,078	-
Total non-current assets		42,511,767	199,990
Total assets		58,086,948	30,430,485
Current liabilities			
Trade and other payables	14	573,657	499,151
Provisions	15	100,600	61,418
Total current liabilities		674,257	560,569
Non-current liabilities			
Trade and other payables	14	706,296	219,395
Total non-current liabilities		706,296	219,395
Total liabilities		1,380,553	779,964
Net assets		56,706,395	29,650,521
Equity			
Issued capital	16	148,439,925	148,109,255
Reserves	17	15,132,922	12,004,905
Accumulated losses		(106,866,452)	(130,463,639)
Total equity		56,706,395	29,650,521

This consolidated statement of financial positon should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity for the year ended 30 June 2013

	Contributed Equity $	Currency Translation Reserve $	Share-based Payments Reserve $
Balance as at 30 June 2011	**145,632,412**	**(630,900)**	**12,780,333**
Total income for the period			
Current period loss	-	-	-
Other comprehensive income			
Exchange differences on translation of foreign operations	-	(555,221)	-
Total comprehensive income for the year	-	(555,221)	-
Transactions with owners in their capacity as owners:			
Ordinary shares	2,250,000	-	-
Share options	-	-	410,693
Option conversion	235,303	-	-
Exploration impairment	-	-	-
Share issue costs	(8,460)	-	-
Balance as at 30 June 2012	**148,109,255**	**(1,186,121)**	**13,191,026**
Total income for the period			
Current period profit	-	-	-
Other comprehensive income			
Exchange differences on translation of foreign operations	-	3,086,017	-
Total comprehensive income for the year	-	3,086,017	-
Transactions with owners in their capacity as owners:			
Ordinary shares	336,000	-	-
Share options	-	-	42,000
Share issue costs	(5,330)	-	-
Balance as at 30 June 2013	**148,439,925**	**1,899,896**	**13,233,026**

Accumulated Losses	Total Equity
$	$
(116,705,135)	**41,076,710**
(13,040,722)	(13,040,722)
-	(555,221)
(13,040,722)	(13,595,943)
-	2,250,000
(235,303)	175,390
-	235,303
(482,479)	(482,479)
-	(8,460)
(130,463,639)	**29,650,521**
23,597,187	23,597,187
-	3,086,017
23,597,187	26,683,204
-	336,000
-	42,000
-	(5,330)
(106,866,452)	**56,706,395**

Consolidated Statement of Cash Flows for the year ended 30 June 2013

	Note	Consolidated Entity 2013 $	Consolidated Entity 2012 $
Cash flows from operating activities			
Receipts from customers and associate		-	1,763,473
Payments to suppliers and employees		(4,739,748)	(4,232,584)
Tax paid		(97,132)	(203,900)
Interest received		803,088	1,688,264
Net cash outflow from operating activities	26	(4,033,792)	(984,747)
Cash flows from investing activities			
Exploration and evaluation expenditure		(1,279,099)	(2,712)
Payments for property, plant and equipment		(29,539)	(63,769)
Proceeds from sale of investments		-	1,889,236
Proceeds from sale of fixed assets		-	70,200
Investment in listed entity		(120,703)	(214,563)
Investment in associate		-	(23,101)
Loan to associate – Apurimac Ferrum		(4,954,844)	(9,310,500)
Loan to others		-	(5,001,943)
Other – Net Inflow from acquisition of subsidiary	22	209,723	-
Proceeds from held for sale assets		4,110,051	-
Net cash outflow from investing activities		(2,064,411)	(12,657,152)
Cash flows from financing activities			
Proceeds from exercise of share options		-	-
Payments for share issue cost		(5,100)	(8,460)
Net cash inflow from financing activities		(5,100)	(8,460)
Net increase/(decrease) in cash and cash equivalents		(6,103,303)	(13,650,359)
Cash and cash equivalents at beginning of the year		20,551,679	34,176,329
Effect of exchange rate changes on cash balance		(33,405)	25,709
Cash and cash equivalents at year end	8	14,414,971	20,551,679

Notes to the Consolidated Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated. The financial statements are for the consolidated entity consisting of Strike Resources Limited, its subsidiaries and its interest in associate entities.

A. BASIS OF PREPARATION

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001. Strike Resources Limited is a for-profit entity for the purpose of preparing the financial statements.

(i) Compliance with IFRS

The consolidated financial statements of Strike Resources Limited also comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (IASB).

(ii) New and amended standards adopted by the Consolidated Entity

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2012 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods. However, the adoption of AASB 1054 *Australian Additional Disclosures* and AASB 2011-1 *Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project* enabled the removal of certain disclosures in relation to commitments and the franking of dividends. The amendment (part of AASB 2011-9 *Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income* introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to AASB 101, the statement of comprehensive income is renamed as a statement of profit or loss and other comprehensive income. The amendments to AASB 101 require items of other comprehensive income to be grouped into two categories in the other comprehensive income section: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to AASB 101 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

(iii) Early adoption of standards

The Consolidated Entity has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2013 apart from the early adoption of AASB 9 'Financial Instruments'.

(iv) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities at fair value though profit or loss, assets of disposal group held for sale and capitalised exploration and evaluation expenditure.

(v) Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Consolidated Entity's accounting policies. The area involving a higher degree of judgement or complexity, or area where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

B. PRINCIPLES OF CONSOLIDATION

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Strike Resources Limited ("Company" or "Strike") as at 30 June 2013 and the results of all subsidiaries for the year then ended. Strike Resources Limited and its subsidiaries together are referred to in this financial report as Consolidated Entity.

Subsidiaries are all entities over which the Consolidated Entity has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Consolidated Entity controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated Entity. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Consolidated Entity (refer to note 1(h)).

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the assets transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Comprehensive Income, Statement of Changes in Equity, and Consolidated Statement of Financial Position respectively.

(ii) Associates

Associates are all entities over which the Consolidated Entity has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost. The Consolidated Entity's investment in associates includes goodwill identified on acquisition.

The Consolidated Entity's share of its associates' post-acquisition profits or losses is recognised in profit or loss and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the Consolidated Entity's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured long-term receivables, the Consolidate Entity does not recognise any further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Consolidated Entity and its associates are eliminated to the extent of the Consolidated Entity's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Entity.

(iii) Changes in ownership interests

The Consolidated Entity treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Consolidated Entity. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Strike Resources Limited.

When the Consolidated Entity ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for retained interest as an associate. In addition, any amounts previously recognised in Other Comprehensive Income in respect of that entity are accounted for as if the Consolidated Entity had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in Other Comprehensive Income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in Other Comprehensive Income are reclassified to profit or loss where appropriate.

C. SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the Managing Director. The Managing Director is responsible for allocating resources and assessing performance of the operating segments.

D. FOREIGN CURRENCY TRANSLATION

(i) Functional and presentation currency

Items included in the financial statements of each company in the Consolidated Entity are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Australian dollars, which is Strike Resources Limited's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign exchange gains or losses that relate to borrowings are presented in the Consolidated Statement of Comprehensive Income within finance costs. All other foreign exchange gains and losses are presented in the Consolidated Statement of Comprehensive Income on a net basis within other income or operating expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for Consolidated Statement of Comprehensive Income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in Other Comprehensive Income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in Other Comprehensive Income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

E. REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The Consolidated Entity recognises revenue when the amount of revenue can be reliably measured. It is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Consolidated Entity's activities as described below. The Consolidate Entity bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities as follows:

(i) Consultancy fees

Revenue from consulting services is recognised in the accounting period in which the services are rendered.

(ii) Sale of goods and disposal of assets

Revenue from the sale of goods and disposal of other assets is recognised when the Consolidated Entity has passed control and the risks and rewards of ownership of the goods/assets to the buyer.

(iii) Interest income

Interest income is recognised using the effective interest method. When a receivable is impaired, the Consolidated Entity reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

(iv) Dividends

Dividends are recognised as revenue when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits. However, the investment may need to be tested for impairment as a consequence, refer note 1(m).

(v) Other revenues

Other revenues are recognised on a receipts basis.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. INCOME TAX

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and for unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities, and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity. In this case, the tax is also recognised in Other Comprehensive Income or directly in equity, respectively.

G. LEASES

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Consolidated Entity as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Consolidated Statement of Comprehensive Income on a straight-line basis over the period of the lease.

H. BUSINESS COMBINATIONS

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Consolidated Entity. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identified assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an-acquisition-by-acquisition basis, the Consolidated Entity recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred and the amount of any non-controlling interest in the acquiree over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in the Consolidated Statement of Comprehensive Income as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted at their present value as at the date of exchange. The discount rate used is the Consolidated Entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. IMPAIRMENT OF ASSETS

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which they are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

J. CASH AND CASH EQUIVALENTS

For the purpose of presentation in the Consolidate Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Consolidated Statement of Financial Position.

K. TRADE RECEIVABLES

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within

30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Consolidated Entity will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of impairment loss is recognised in the Consolidated Statement of Comprehensive Income within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectable in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

L. ASSETS (OR DISPOSAL GROUPS) HELD FOR SALE AND DISCONTINUED OPERATIONS

Assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the asset (or disposal group) is recognised at the date of de-recognition.

Assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the Consolidated Statement of Financial Position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Consolidated Statement of Financial Position.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of the business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the Consolidated Statement of Comprehensive Income.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. INVESTMENTS AND OTHER FINANCIAL ASSETS CLASSIFICATION

The Consolidated Entity classifies its financial assets in the following categories: financial assets at fair value through profit or loss, and loans and receivables. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investment at initial recognition.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets if they are expected to be settled within 12 months; otherwise they are classified as non-current.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting period which are classified as non-current assets.

Financial assets-reclassification

The Consolidated Entity may choose to reclassify non-derivative trading financial assets out of the held for trading category if the financial asset is no longer held for the purpose of selling it in the near term. Financial assets other than loans and receivables are permitted to be reclassified out of the held for trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term. In addition, the Consolidated Entity may choose to reclassify financial assets that would meet the definition of loans and receivables out of held for trading if the Consolidated Entity has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made. Effective interest rates for financial assets reclassified to loans and receivables are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

Recognition and de-recognition

Regular way purchases and sales of financial assets are recognised on trade-date - the date on which the Consolidated Entity commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Consolidated Entity has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Consolidated Entity measures a financial asset at its fair value plus, in case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the profit or loss.

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the “financial asset at fair value through profit or loss” category are presented in profit or loss within Other Comprehensive Income or Other Operating Expenses in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the Consolidated Statement of Comprehensive Income as part of revenue from continuing operations when the Consolidated Entity’s right to receive payments is established. Interest income from these financial assets is included in the net gains/(losses).

Details on how the fair value of financial instruments is determined are disclosed in note 2.

Impairment

The Consolidated Entity assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset (or a group of financial assets) is impaired and the impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a “loss event”) and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial Assets carried at amortised cost

For loans and receivables, the amount of loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

N. PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Consolidated Entity and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or re-valued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements, the shorter lease term as follows:

Furniture & fittings	15% to 66.67%
Computer equipment	33.33% to 66.67%
Plant & equipment	20%
Leasehold improvements	15%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount note 1(i).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

O. INTANGIBLE ASSETS

(i) Goodwill

Goodwill is measured as detailed in note 1(h). Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purposes of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segments (note 4).

P. MINERAL EXPLORATION AND EVALUATION EXPENDITURE

Exploration and evaluation expenditure incurred is initially capitalised in respect of each identifiable area of interest where the Consolidated Entity has right of tenure. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence or otherwise of economically-recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

Under *AASB 6 Exploration for and Evaluation of Mineral Resources*, if facts and circumstances suggest that the carrying amount of any recognised exploration and evaluation assets may be impaired, the Consolidated Entity must perform impairment tests on those assets and measure any impairment in accordance with *AASB 136 Impairment of Assets*. Any impairment loss is to be recognised as an expense. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Q. TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the Consolidated Entity prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. EMPLOYEE BENEFITS

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be

paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

(ii) Other long-term employee benefit obligations

The liability for long service leave and annual leave which is not expected to be settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the Consolidated Statement of Financial Position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

(iii) Share-based payments

Shared-based compensation benefits are provided to employees via the Strike Resources Limited Employee Option Plan. Information on these schemes is set out in note 29.

The fair value of options granted under Strike Resources Limited Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted, which includes any market performance conditions and the impact of any non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions.

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss with a corresponding adjustment to equity.

S. CONTRIBUTED EQUITY

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are included in the cost of the acquisition as part of the purchase consideration.

T. DIVIDENDS

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

U. EARNINGS PER SHARE

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares.
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

V. GOODS AND SERVICES TAX ("GST") (INCLUDING VALUE ADDED TAX – "VAT")

Revenues, expenses and assets are recognised net of the amount of any associated GST (VAT), unless the GST (VAT) incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST (VAT) receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST (VAT) components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

W. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2013 reporting periods. The Consolidated Entity has elected not to early adopt any Standards or Interpretations. The Consolidated Entity's assessment of the impact of these new standards and interpretations is set out below:

Standard / Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 10 'Consolidated Financial Statements' and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'	1 January 2013	30 June 2014
AASB 11 'Joint Arrangements' and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'	1 January 2013	30 June 2014
AASB 12 'Disclosure of Interests in Other Entities' and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'	1 January 2013	30 June 2014
AASB 127 'Separate Financial Statements' (2011) and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'	1 January 2013	30 June 2014
AASB 128 'Investments in Associates and Joint Ventures' (2011) and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'	1 January 2013	30 June 2014
AASB 13 'Fair Value Measurement' and AASB 2011-8 'Amendments to Australian Accounting Standards arising from AASB 13'	1 January 2013	30 June 2014
AASB 119 'Employee Benefits' (2011) and AASB 2011-10 'Amendments to Australian Accounting Standards arising from AASB 119 (2011)'	1 January 2013	30 June 2014
AASB 2011-4 'Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements'	1 July 2013	30 June 2014

There are no other standards that are not yet effective and that are expected to have material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

X. PARENT ENTITY FINANCIAL INFORMATION

The financial information for the parent entity, Strike Resources Limited, disclosed in Note 30 has been prepared on the same basis as the consolidated financial statements.

2. FINANCIAL RISK MANAGEMENT

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Consolidated Entity's financial instruments mainly consist of deposits with banks, accounts receivable and payable and loans to related parties. The main risks arising from the Consolidated Entity's financial instruments are interest rate risk, foreign exchange risk, credit risk, equity price risk and liquidity risk.

The Board of Directors' is responsible for the overall internal control framework (which includes risk management) but no cost-effective internal control system will preclude all errors and irregularities. The system is based, in part, on the appointment of suitably-qualified management personnel in conjunction with a range of policies and procedures, which incorporate monitoring and reporting mechanisms, to assist in the management of the various risks to which the business is exposed. The effectiveness of the system is continually reviewed by management and at least annually by the Board.

The Consolidated Entity holds the following instruments.

	Variable interest rate		Fixed interest rate		Non-interest bearing		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
	$	$	$	$	$	$	$	$
Financial assets								
Cash	408,559	380,586	12,436,381	18,236,381	1,570,031	1,924,634	14,414,971	20,541,601
Receivables	-	-	-	-	357,663	570,795	357,663	570,795
Loan receivable	728,181	3,038,997	-	-	-	-	728,181	3,038,997
Financial assets	-	-	-	-	109,616	1,856,617	109,616	1,856,617
	1,136,740	3,419,583	12,436,381	18,236,381	2,037,310	4,352,046	15,610,431	26,008,010
Financial liabilities								
Payables	-	-	-	-	(1,380,553)	(741,915)	(1,380,553)	(741,915)
Net financial assets	1,136,740	3,419,583	12,436,381	18,236,381	656,757	3,610,131	14,229,878	25,266,095

A. MARKET RISK

i. Foreign Exchange Risk

The Consolidated Entity operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar, Peruvian Nuevo Soles and Canadian dollar.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The Consolidated Entity has a policy of not hedging foreign exchange risk and therefore has not entered into any hedging against movements in foreign currencies against the Australian dollar, including forward exchange contracts, as at the reporting date and is currently fully exposed to foreign exchange risk.

The Consolidated Entity's exposure to foreign exchange risk expressed in Australian dollar at the reporting date was as follows:

	USD		CAD		Others	
	2013	2012	2013	2012	2013	2012
Financial assets						
Cash at bank	538,915	1,622,747	-	-	45,304	46,113
Receivables	217,370	183,032	-	-	-	-
Financial assets at fair value through profit or loss	-	-	109,616	1,856,617	-	-
Loan receivable	-	25,796	728,181	3,013,201	-	-
Financial liabilities						
Payables	(1,093,742)	(410,802)	-	-	-	(12,799)
	(337,457)	1,420,773	837,797	4,869,818	45,304	33,314

Sensitivity

The Consolidated Entity has performed a sensitivity analysis on its exposure to exchange risk. The management assessment is based upon an analysis of current and future market position. The analysis demonstrates the effect on the current-year results and equity when the Australian dollar strengthened or weakened by 10% (2012: 10%) against the foreign currencies detailed above, with all the other variables held constant.

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

	Consolidated Entity 2013 $	Consolidated Entity 2012 $
Change in profit		
increase by 10%	(54,564)	(632,390)
decrease by 10%	54,564	632,390
Change in equity		
increase by 10%	-	-
decrease by 10%	-	-

ii. Price Risk

The Consolidated Entity is exposed to equity securities price risk. This arises from investments held by the Consolidated Entity and classified in the balance sheet as fair value through profit or loss. The Consolidated Entity is not exposed to commodity price risk.

At the share investment portfolio level, the Consolidated Entity is not overly exposed (by majority of its net assets) to one company or one particular industry sector of the market.

The table below summaries the impact of increases/decreases of the equity index on the Consolidated Entity's post-tax profit for the year. The analysis is based on the assumption that the equity index has increased by 9%/decreased by 6% with all other variables held constant.

	Impact on post-tax profit		Impact on other components of equity	
	2013 $	2012 $	2013 $	2012 $
increase by 9%	6,177	10,293	-	-
decrease by 6%	(4,118)	(6,862)	-	-

iii. Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Consolidated Entity's exposure to market risk for changes in interest rates relate primarily to investments held in interest-bearing cash deposits.

	Consolidated Entity 2013 $	Consolidated Entity 2012 $
Cash at bank	1,978,590	2,305,220
Term deposit	12,436,381	18,236,381
	14,414,971	20,541,601
Weighted average interest rates	3.84%	5.06%

The Consolidated Entity has performed a sensitivity analysis on its exposure to interest rate risk at the reporting date. The management assessment is based upon an analysis of current and future market conditions, in particular comments from the Reserve Bank of Australia on the likely movement of interest rates. The analysis demonstrates the potential effect on the current year results and equity which could result from a change in these risks.

	Consolidated Entity 2013 $	Consolidated Entity 2012 $
Change in profit		
increase by 25bps (2012: 25bps)	32,112	46,542
decrease by 25bps (2012: 25bps)	(32,112)	(46,542)
Change in equity		
increase by 25bps (2012: 25bps)	-	-
decrease by 25bps (2012: 25bps)	-	-

B. CREDIT RISK

Credit risk refers to the risk that a counterparty under a financial instrument will default (in whole or in part) on its contractual obligations resulting in financial loss to the Consolidated Entity. Concentrations of credit risk are minimised primarily by undertaking appropriate due diligence on potential investments, carrying out all market transactions through approved brokers, settling non-market transactions with the involvement of suitably qualified legal and accounting personnel (both internal and external), and obtaining sufficient collateral or other security (where appropriate) as a means of mitigating the risk of financial loss from defaults.

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

Pursuant to the Cuervo Investment Agreement, the Company holds a pledge over the shares of Minera Cuervo S.A.C., which pledge is exercisable if Cuervo defaults under the Investment Agreement.

The credit quality of the financial assets are neither past due nor impaired and can be assessed by reference to external credit ratings (if available with Standard & Poor's) or to historical information about counterparty default rates:

	Consolidated Entity 2013 $	Consolidated Entity 2012 $
Cash and cash equivalents		
AA	12,822,393	14,376,627
A+	1,165,601	500,000
A	-	5,649,550
BB	-	-
BBB+	-	-
No external credit rating available	426,977	15,424
	14,414,971	20,541,601
Receivables and loans		
AA	59,721	133,426
A+	3,116	1,528
A	-	47,260
BB	-	-
BBB+	-	-
No external credit rating available	1,064,874	3,427,578
	15,542,682	24,151,393

The Consolidated Entity measures credit risk on a fair-value basis. The carrying amount of financial assets recorded in the financial statements, net of any provision for losses, represents the Consolidated Entity's maximum exposure to credit risk.

All receivables noted above, except interest on term deposits, are due within 30 days. None of the above receivables are past due.

C. LIQUIDITY RISK

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities to meet obligations when due and to close out the market positions. At the end of the reporting period the Consolidated Entity held deposits of $12,436,381 (2012: $18,236,381) that mature within the next 3 months after 30 June 2013 that are expected to readily generate cash inflows for managing liquidity risk.
The financial liabilities disclosed have the following maturity obligation:

	Carrying amount 2013 $	Carrying amount 2012 $	Contractual amount 2013 $	Contractual amount 2012 $
Non-interest bearing				
less than 6 months	336,067	522,520	336,067	522,520
6 to 12 months	338,190	219,395	338,190	219,395
more than 12 months	706,298	-	706,298	-
	1,380,555	741,915	1,380,555	741,915
Interest-bearing				
between 1 & 2 years	-	-	-	-
between 2 & 5 years	-	-	-	-
	-	-	-	-

D. NET FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The carrying amounts of financial instruments recorded in the financial statements represent their fair value determined in accordance with the accounting policies disclosed in Note 3. The aggregate fair value and carrying amount of financial assets at the reporting date are set out in Notes 9 and 10. The carrying amount of the financial liabilities at the reporting date as set out in Note 14 approximates the current fair value.

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

E. FAIR VALUE MEASUREMENTS

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Consolidated Entity is the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Techniques such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

The fair value of financial instruments must be estimated for recognition and measurement or for disclosure purposes.

AASB 7 Financial Instruments: Disclosures requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);

(b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2); and inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).The following table presents the Consolidated Entity's financial instruments measured and recognised at fair value at 30 June 2013 and 30 June 2012.

2013	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Financial assets at fair value through profit or loss				
− Trading securities	68,634	40,982	-	109,616
Available-for-sale financial assets				
− Equity securities	-	-	-	-
Total assets	68,634	40,982	-	109,616

2012	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Financial assets at fair value through profit or loss				
− Trading securities	114,364	1,742,253	-	1,856,617
Available-for-sale financial assets				
− Equity securities	-	-	-	-
Total assets	114,364	1,742,253	-	1,856,617

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

A. IMPAIRMENT OF CAPITALISED EXPLORATION AND EVALUATION EXPENDITURE

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including the Consolidated Entity's ability to develop the relevant area of interest itself or, if not, whether it can successfully recover the capitalised exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the grade and quantity of mineral resources, future technological changes which impact the cost of mining, future legal changes (including changes to environmental restoration obligations), changes to commodity prices, right of tenure and community approvals or access.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

B. SHARE-BASED PAYMENT TRANSACTIONS

The Consolidated Entity measures the cost of equity-settled transactions with Directors and employees by reference to the fair value of the equity instruments at the date at which they are granted, and applying an estimated probability that they will vest. The fair value is determined using a Black-Scholes option valuation model, with the assumptions detailed in Note 29. The accounting estimates and assumptions relating to equity-

settled, share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

C. FAIR VALUE ESTIMATION

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. The fair value of financial instruments traded in active markets (such as publicly-traded

derivatives, and trading and available-for-sale securities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Consolidated Entity is the current bid price and the appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques such as Binomial pricing model. The Consolidated Entity may use a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Consolidated Entity for similar financial instruments.

4. SEGMENT INFORMATION

A. DESCRIPTION OF SEGMENTS

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions.

The Board of Directors considers the business from both a product and a geographic perspective and has identified three reportable segments as follows:

- Australia
- Indonesia (Thermal Coal)*
- Peru (Iron Ore)

* Strike's Indonesian subsidiary was sold during the year, with the settlement being complete on 2 April 2013.

4. SEGMENT INFORMATION (CONTINUED)

A. SEGMENT INFORMATION PROVIDED TO THE BOARD OF DIRECTORS

The segment information provided to the Board of Directors for the reportable segments for the year ended 30 June 2013 and 30 June 2012 are as follows:

2013	Indonesia	Peru	Australia	Total
Interest revenue	-	-	1,281,593	1,281,593
Fees for consulting to Apurimac Ferrum S.A.	-	-	22,648	22,648
Other income	-	-	33,140,310	33,140,310
Inter-segment revenue	-	-	-	-
Other income	**-**	**-**	**34,444,551**	**34,444,551**
Adjusted EBITDA	**-**	**1,402,857**	**20,137,798**	**21,540,655**
Depreciation and amortisation	-	(21,022)	(23,433)	(44,455)
Personnel costs	-	(245,185)	(1,520,425)	(1,765,610)
Impairment losses:				
- Resource projects	-	(1,546)	-	(1,546)
- Land	-	-	-	-
- Loan to Cuervo Resources Inc	-	-	(2,667,865)	(2,667,865)
Fair value adjustment – financial assets held at fair value through profit or loss	-	-	(1,869,704)	(1,869,704)
Loss/(gain) on sale of investment	-	-	138,186	138,186
Total segment assets	**-**	**43,651,072**	**15,039,587**	**58,690,659**
Total segment liabilities	**-**	**(13,316,569)**	**(36,485,673)**	**(49,802,242)**

2012	Indonesia	Peru	Australia	Total
Interest revenue	84	-	5,630,893	5,630,977
Fees for consulting to Apurimac Ferrum S.A.	-	-	835,942	835,942
Other income	-	-	-	-
Foreign exchange gain/(loss)	(541,818)	-	1,264,224	722,406
Inter-segment revenue	-	-	-	-
Other income	**(541,734)**	**-**	**7,731,059**	**7,189,325**
Adjusted EBITDA	**(3,632,418)**	**(370,906)**	**(24,412,801)**	**(28,416,125)**
Depreciation and amortisation	(2)	-	(77,521)	(77,523)
Personnel costs	-	-	(2,235,607)	(2,235,607)
Impairment losses:				
- Resource projects	(2,657,633)	(218,303)	-	(2,875,936)
- Land	(219,305)	-	-	(219,305)
- Investment in associated equity	-	-	1,688,034	1,688,034
- Loan to Cuervo Resources Inc	-	-	(2,125,576)	(2,125,576)
- Loans to associated entity	-	-	(7,326,445)	(7,326,445)
Fair value adjustment – financial assets held at fair value through profit or loss	-	-	2,055,850	2,055,850
Loss/(gain) on sale of investment	-	-	(2,537,354)	(2,537,354)
Total segment assets	**4,363,184**	**477,501**	**25,810,008**	**30,650,693**
Total segment liabilities	**(10,619,550)**	**(3,443,885)**	**(426,889)**	**(14,490,324)**

B. OTHER SEGMENT INFORMATION

(i) Segment revenue

Segment revenue reconciles to total revenue as per the Consolidated Comprehensive Income:

	Note	2013 $	2012 $
Other income			
Interest revenue		1,281,593	5,630,977
Other income		32,162,958	1,558,348
		34,444,551	**7,189,325**

4. SEGMENT INFORMATION (CONTINUED)

(ii) Adjusted EBITDA

A reconciliation of adjusted EBITDA to operating profit before income tax is provided as follows:

	2013 $	2012 $
Adjusted EBITDA	**21,540,655**	**(28,416,125)**
Intersegment eliminations	2,198,119	15,656,826
Depreciation	(44,455)	(77,523)
	23,694,319	**(12,836,822)**
Profit/(loss) before tax from continuing operations	23,694,319	(12,836,822)
	23,694,319	**(12,836,822)**

(iii) Segment assets and segment liabilities

Reportable segments' assets and liabilities are reconciled to total assets and liabilities respectively as follows:

	2013 $	2012 $
Segment assets	**58,690,659**	**30,650,693**
Intersegment eliminations	(603,711)	(220,208)
Total assets as per the Consolidated Statement of Financial Position	**58,086,948**	**30,430,485**
Segment liabilities	(49,802,242)	(14,490,324)
Intersegment eliminations	48,421,687	13,710,360
Total liabilities as per the Consolidated Statement of Financial Position	**(1,380,555)**	**(779,964)**

5. PROFIT/(LOSS) FOR THE YEAR

	Consolidated Entity 2013 $	Consolidated Entity 2012 $
(A) REVENUE		
Revenue from continuing operations	-	3,697,727
Interest received – Cuervo loan	1,281,593	1,933,250
Interest received – Cash on deposit	1,281,593	5,630,977
Other income		
Foreign exchange gain	-	722,406
Consulting fees	22,648	835,942
Other income	7,808	-
Capitalisation of loans and receivables due from AF as a result of the acquisition on 28 December 2012	33,132,502	-
	33,162,958	1,558,348
Total revenue and other income	34,444,551	7,189,325
(B) EXPENSES		
Operating expenses		
Occupancy costs	200,598	257,804
Finance costs	19,478	13,812
	220,076	271,616
Personnel costs		
Cash remuneration	1,584,660	1,571,974
Superannuation expense	138,950	252,940
Directors' and employees' options expense	42,000	410,693
	1,765,610	2,235,607
Administration costs		
Consultancy fees	617,093	386,999
Professional fees	259,190	350,109
Depreciation	44,455	77,523
Other corporate expenses	734,584	1,211,284
	1,655,322	2,025,915
Impairment losses		
Resource projects	1,546	2,875,936
Land	-	219,305
Investment in associate entity	-	22,923
Loan to Cuervo Resources Inc.	2,665,865	2,125,576
Loans to associated entity	-	7,326,445
Sundry debtors	347,210	-
	3,014,621	12,570,185

6. INCOME TAX EXPENSE

	Consolidated Entity 2013 $	Consolidated Entity 2012 $
(A) INCOME TAX EXPENSE		
Current tax	97,132	203,900
Deferred tax	-	-
	97,132	203,900
Income tax expense attributable to:		
Profit from continuing operations	97,132	203,900
Profit from discontinued operations	-	-
Aggregate income tax expense	97,132	203,900
(B) NUMERICAL RECONCILIATION BETWEEN TAX EXPENSE AND PRE-TAX NET PROFIT/(LOSS)		
Profit/(loss) from continuing operations before income tax	23,694,319	(12,836,822)
	23,694,319	(12,836,822)
Income-tax expense/(benefit) on above at 30%	7,108,296	(3,851,046)
Increase in income tax due to:		
Non-deductible expenses and foreign losses	774,257	2,214,454
Current year tax losses not recognised	242,114	55,608
Movement in unrecognised temporary differences	1,710,922	2,558,411
Capital gains	-	-
Decrease in income tax expenses due to:		
Non assessable income	(9,835,589)	-
Utilisation of prior year tax losses	-	(719,752)
Deductible equity raising costs	-	(257,675)
Net gain on loss of control of AF and IAC	-	-
Effect of current-year revenue losses not recognised	-	-
Under provision for prior-year taxable income	-	-
Foreign jurisdiction withholding tax	97,132	203,900
Income-tax expense attributable to operating profit	97,132	203,900
(C) DEFERRED TAX ASSETS NOT BROUGHT TO ACCOUNT		
On income-tax account		
−Carry-forward tax losses	6,133,121	6,612,251
−Other	2,934,842	20,633,332
	9,067,963	27,245,583
On capital account		
−Carry-forward tax losses	-	-
−Unrealised capital losses	-	-
	-	-
Total deferred tax assets not brought to account	9,067,963	27,245,583
(D) DEFERRED TAX LIABILITIES		
Timing differences	-	482,465
Offset by deferred tax assets recognised	-	(482,465)
	-	-

The deferred tax asset not brought to account for the 2013 and 2012 years will only be obtained if:

i. *the Consolidated Entity derives future assessable income of a nature and of an amount sufficient to enable the benefit to be realised;*

ii. *the Consolidated Entity continues to comply with the conditions for deductibility imposed by tax legislation; and*

iii. *in relation to Australian carry forward income tax losses the Consolidated Entity is able to meet the continuity of ownership and/or continuity of business tests.*

The Company and controlled entities of the Company have not elected to consolidate for taxation purposes and have not entered into a tax sharing and funding agreement in respect of such arrangements.

7. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE

A. DESCRIPTION

During the year ended 30 June 2012, the Board resolved to seek a settlement and exit its operations in Indonesia.

On 2 April 2013 the Company settled the dispute and exited the Berau Thermal Coal Project, receiving settlement proceeds of US$4.3 million.

B. ASSETS CLASSIFIED AS HELD FOR SALE

	2013	2012
	$	$
Land	-	332,078
Exploration and Evaluation	-	4,021,028
	-	4,353,106

C. LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

	2013	2012
	$	$
Trade creditors	-	-
Provision	-	-
	-	-

8. CASH AND CASH EQUIVALENTS

	Consolidated Entity	
	2013	2012
	$	$
Cash at bank	1,978,590	2,315,298
Term deposits	12,436,381	18,236,381
	14,414,971	20,551,679

Risk exposure

The Consolidated Entity's exposure to interest rate risk is discussed in note 2. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents mentioned above.

9. TRADE AND OTHER RECEIVABLES

	Consolidated Entity	
	2013	2012
	$	$
Current		
Amounts receivable from sundry debtors	326,214	535,537
Loan to Cuervo Resources Inc.	5,216,470	5,216,470
Provision for impairment	(4,488,289)	(2,203,269)
	1,054,395	3,548,738
Goods and service tax (GST) recoverable in Australia	25,049	19,674
VAT credit & Income Tax Credit	368	-
Prepayments	39,416	15,045
	1,119,228	3,583,457
Non-Current:		
Amounts receivable from sundry debtors	8,483	539
Loans to associated entity (Apurimac Ferrum S.A.)	-	33,160,045
Provision for impairment	-	(33,134,249)
	8,483	26,335

Refer to Note 2 for the Consolidated Entity's exposure to credit risk, foreign exchange risk and interest rate risk

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets at fair value through profit or loss are held for trading and include the following:

	Consolidated Entity 2013 $	Consolidated Entity 2012 $
Investments comprise:		
Current:		
Cuervo Resources Inc. unlisted warrants – initial recognition	1,742,253	3,697,727
Add: net change in fair value	(1,701,271)	(1,955,474)
	40,982	1,742,253
Non-current:		
Financial assets at fair value through profit and loss		
Cuervo Resources Inc. shares – at cost	114,364	214,563
Add: net change in fair value	(45,730)	(100,199)
	68,634	114,364

Changes in fair value of financial assets at fair value through profit or loss are recorded as an expense in the current reporting period (Note 1(m)). The fair value of listed shares in financial assets at fair value through profit or loss has been determined directly by reference to bid prices in an active market.

Information about the Consolidated Entity's exposure to market and price risk is provided in Note 2(a).

11. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Apurimac Ferrum S.A. ("**AF**") is a company incorporated and domiciled in Peru, South America.

In the financial year ended 30 June 2012, the Group's shareholding in AF decreased from 56% as at 30 June 2011 to 50% on 22 June 2012. Due to the operation of a series of agreements between the AF shareholders executed between 21 July and 5 August 2009 Strike was not deemed to control AF pursuant to *AASB 127 Consolidated and Separate Financial Statements* and therefore did not consolidate the accounts of AF.

On 28 December 2012, the Group obtained control of AF, by acquiring the remaining 50% shares (13,126,085 shares) from its existing shareholders, increasing the Group's equity interest in AF from 50% to 100%. As a result, AF was accounted for as an acquisition of subsidiary – refer to note 22.

Summarised financial information of associate entity:

The Consolidated Entity's share of the results of its associate and its' aggregate assets and liabilities are as follows:

	Ownership interest	Assets	Liabilities	Loss
Apurimac Ferrum S.A.		$	$	$
2013	100%	-*	-*	-*
2012	50%	16,487,774	18,987,832	1,826,840

Consolidated Entity's share of associate losses not bought to account:

	2013 $	2012 $
Opening share of carry-forward losses	3,568,360	1,741,520
Current year share of loss	-	1,826,840
Transfer of loss on date of control obtained	(3,568,360)	
Closing share of carry-forward losses	-	3,568,360

Prior to gaining control, the Consolidated Entity's share of the associate's loss has not been brought to account as the investment in the associate is fully impaired, refer Note 1(b).

* AF became a subsidiary on 28 December 2012

12 PROPERTY, PLANT AND EQUIPMENT

	Capital WIP	Land	Plant and equipment	Leasehold improvements	Total
At 30 June 2011					
Cost or fair value	960	640,639	219,755	121,743	983,097
Accumulated depreciation and impairment	-	-	(114,520)	(19,117)	(133,637)
Net carrying amount	**960**	**640,639**	**105,235**	**102,626**	**849,460**
2012 Consolidated					
Carrying value at 1 July 2011	960	640,639	105,235	102,626	849,460
Foreign exchange adjustment	-	-	(29)	-	(29)
Additions to CWIP	41,769	-	-	-	41,769
Transfers out of CWIP	(42,449)	-	-	-	(42,449)
Transfers from CWIP	-	-	27,513	14,936	42,449
Depreciation expense	-	-	(70,063)	(7,458)	(77,521)
Cost of asset disposals	-	-	(77,905)	(121,743)	(199,648)
Accumulated depreciation on disposed assets	-	-	59,999	25,900	85,899
Reclassed to Assets classified as held for sale	-	(640,639)	-	-	(640,639)
Carrying value at 30 June 2012	**280**	-	**44,750**	**14,261**	**59,291**
At 30 June 2012					
Cost or fair value	280	-	169,323	14,936	184,539
Accumulated depreciation and impairment	-	-	(124,573)	(675)	(125,248)
Net carrying amount	**280**	-	**44,750**	**14,261**	**59,291**
2013 Consolidated					
Carrying value at 1 July 2012	280	-	44,750	14,261	59,291
Foreign exchange adjustment	-	25,877	14,444	-	40,321
Cost of asset additions	-	-	29,539	-	29,539
Acquisition of AF - Peru subsidiary	-	427,290	122,500	-	549,790
Depreciation expense	-	-	(42,533)	(1,922)	(44,455)
Cost of asset disposals	-	-	(114,345)	(15,006)	(129,351)
Accumulated depreciation on disposed assets	-	-	84,770	2,667	87,437
Carrying value at 30 June 2013	**280**	**453,167**	**139,125**	-	**592,572**
At 30 June 2013					
Cost or fair value	280	453,167	460,031	-	913,478
Accumulated depreciation and impairment	-	-	(320,906)	-	(320,906)
Net carrying amount	**280**	**453,167**	**139,125**	-	**592,572**

13. EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated Entity 2013 $	Consolidated Entity 2012 $
Balance at the beginning of the year	-	8,239,883
Exploration and evaluation recognised upon acquisition of AF	46,052,125	-
Foreign exchange adjustment	1,565,978	(1,345,053)
Exploration and evaluation expenditure additions	1,945,292	2,134
Re-estimation of deferred consideration	(7,722,863)	-
Impairment loss – exploration and evaluation	1,546	(2,875,936)
Reclassed to assets classified as held for sale	-	(4,021,028)
Balance at the end of the year	41,842,078	-

The ultimate recoverability of deferred exploration and evaluation expenditure is dependent on the successful development or sale of the relevant area of interest. Refer to Note 1 (p) & 3(a).

14. TRADE AND OTHER PAYABLES

	Consolidated Entity 2013 $	Consolidated Entity 2012 $
Current		
Trade creditors	183,503	95,635
Other creditors and accruals	390,154	403,516
	573,657	499,151
Non Current		
Loan from associate	-	219,395
Other creditors and accruals	706,296	-
	706,296	219,395

Details of the Consolidated Entity's exposure to risks arising from current payables are set out in Note 2.

15. PROVISIONS

	Consolidated Entity 2013 $	Consolidated Entity 2012 $
Current		
Provision for employee entitlements – annual leave	48,602	61,306
Other	51,998	112
	100,600	61,418

16. ISSUED CAPITAL

	Consolidated Entity 2013 $	Consolidated Entity 2012 $
145,334,268 (2012: 142,534,268) fully-paid ordinary shares	148,439,925	148,109,255

Each fully-paid, ordinary share carries one vote per share and the right to participate in dividends.

	Date of movement	No.	$
Movement in ordinary share capital			
At 1 July 2011		133,534,268	145,632,412
Shares issued on exercise of options		-	235,303
Share issued	5 Aug 2011	9,000,000	2,250,000
Share issue expenses		-	(8,460)
At 30 June 2012		142,534,268	148,109,255
Share issued	28 Dec 2012	2,800,000	336,000
Share issue expenses		-	(5,330)
At 30 June 2013		145,334,268	148,439,925

16. ISSUED CAPITAL (CONTINUED)

ORDINARY SHARE

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

OPTIONS

Information relating to the Strike Resources Limited Employee Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 28.

CAPITAL RISK MANAGEMENT

The Consolidated Entity's objectives when managing capital are to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure the Consolidated Entity may return capital to shareholders, issue new shares or sell assets to reduce debt. The Consolidated Entity's non-cash investments can be realised to meet accounts payable arising in the normal course of business.

17. RESERVES

	Consolidated Entity	
	2013	2012
	$	$
Foreign currency translation reserve	1,899,896	(1,186,121)
Share-based payments reserve	13,233,026	13,191,026
	15,132,922	12,004,905

NATURE AND PURPOSE OF OTHER RESERVES

i. Share-Based Payment

The share-based payments reserve records the consideration (net of expenses) received by the Company on the issue of options. In relation to options issued to Directors and employees for nil consideration, the fair values of these options are included in the share-based payments reserve.

ii. Foreign Currency Translation

Exchange differences arising on translation of the foreign controlled entities are taken to the foreign currency translation reserve as described in Note 1(d) and accumulate in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

17. RESERVES (CONTINUED)

2013 - Movement in share-based payment reserve	Grant date	Consolidated Entity No.	$
The number of unlisted options outstanding over unissued ordinary shares at the reporting date is as follows:			
Opening balance at 1 July 2012		10,250,000	13,191,026
Granted options			
Employee Options			
Unlisted options exercisable at $0.30; expiring 17 Jun 18	18 Jun 13	3,000,000	42,000
Lapsed options			
Other Options			
Lapsed options exercisable at $3.978; expired 3 Dec 12		(3,500,000)	-
Lapsed options exercisable at $2.50; expired 24 Nov 12		(750,000)	-
Lapsed options exercisable at $2.75; expired 24 Nov 12		(750,000)	-
Lapsed options exercisable at $3.25; expired 24 Nov 12		(750,000)	-
Lapsed options exercisable at $2.878; expired 3 Mar 13		(250,000)	-
Unlisted options cancelled at $0.36; cancelled 18 Jun 13		(250,000)	-
Unlisted options cancelled at $0.42; cancelled 18 Jun 13		(250,000)	-
Unlisted options cancelled at $0.56; cancelled 18 Jun 13		(250,000)	-
Closing balance at 30 June 2013		**6,500,000**	**13,233,026**

2012 - Movement in share-based payment reserve	Grant date	Consolidated Entity No.	$
The number of unlisted options outstanding over unissued ordinary shares at the reporting date is as follows:			
Opening balance at 1 July 2011		17,786,404	12,780,333
Granted options			
Employee Options			
Unlisted options exercisable at $0.36; expiring 23 Nov 16	24 Nov 11	1,416,668	120,386
Unlisted options exercisable at $0.42; expiring 23 Nov 16	24 Nov 11	1,416,666	111,456
Unlisted options exercisable at $0.56; expiring 23 Nov 16	24 Nov 11	1,416,666	95,106
Unlisted options exercisable at $0.36; expiring 23 Nov 16	5 Apr 12	333,334	30,365
Unlisted options exercisable at $0.42; expiring 23 Nov 16	5 Apr 12	333,333	28,458
Unlisted options exercisable at $0.56; expiring 23 Nov 16	5 Apr 12	333,333	24,922
Lapsed options			
Other Options			
Lapsed options exercisable at $0.938; expired 21 Jul 11		(4,600,000)	-
Lapsed options exercisable at $0.938; expired 13 Sep 11		(500,000)	-
Lapsed options exercisable at $2.788; expired 7 Mar 12		(3,300,000)	-
Lapsed options exercisable at $2.078; expired 7 Mar 12		(500,000)	-
Lapsed options exercisable at $3.978; cancelled 7 Oct 11		(500,000)	-
Lapsed options exercisable at $2.75; expired 29 Jul 11		(903,404)	-
Lapsed options exercisable at $1.30; cancelled 23 Nov 11		(400,000)	-
Lapsed options exercisable at $1.50; cancelled 23 Nov 11		(400,000)	-
Lapsed options exercisable at $1.75; cancelled 23 Nov 11		(400,000)	-
Lapsed options exercisable at $2.75; expired 4 Mar 12		(250,000)	-
Lapsed options exercisable at $0.36; cancelled 12 Apr 12		(333,334)	-
Lapsed options exercisable at $0.42; cancelled 12 Apr 12		(333,333)	-
Lapsed options exercisable at $0.56; cancelled 12 Apr 12		(333,333)	-
Lapsed options exercisable at $2.878; expired 1 May 12		(33,000)	-
Closing balance at 30 June 2012		**10,250,000**	**13,191,026**

EQUITY-BASED REMUNERATION

On 18 June 2013 the Company granted 3,000,000 unlisted Director Options with an exercise price of $0.30, vesting immediately. The expiry date of these options is 17 June 2018.

The fair value of these options are expensed over the period from their date of grant to each respective vesting date. The fair value is calculated using a Black-Scholes options valuation model with an assumed volatility rate of 85% for the underlying SRK shares (Note 29).

18. KEY MANAGEMENT PERSONNEL DISCLOSURES

A. DETAILS OF KEY MANAGEMENT PERSONNEL DURING THE FINANCIAL YEAR:

Current

Malcolm Richmond	Chairman/ Non-Executive Director
Matthew Hammond	Non-Executive Director
William Johnson	Managing Director (appointed 25 March 2013)
Samantha Tough	Non-Executive Director
Ken Hellsten	Managing Director (resigned on 21 January 2013)
Julian Tambyrajah	Chief Financial Officer (ceased 11 April 2013)
Ian Cullen	General Manager Exploration and Development (appointed 1 July 2011 and ceased on 15 July 2012)

Past

David Lim	Chief Financial Officer (ceased on 10 April 2012)

B. COMPENSATION OF KEY MANAGEMENT PERSONNEL

	Consolidated Entity	
	2013	2012
	$	$
Short-term employee benefits	822,629	1,238,292
Post-employment benefits	62,153	96,324
Long-term benefits	-	-
Termination benefits	133,631	-
Share-based payments	42,000	333,764
	1,060,413	1,668,380

Detailed remuneration disclosures are provided in the remuneration report on pages 8 to 15.

C. EQUITY INSTRUMENT DISCLOSURES RELATING TO KEY MANAGEMENT PERSONNEL

i. Options provided as remuneration and shares issued on exercise of such options

Details of options provided as remuneration are disclosed in the Remuneration Report section of the Directors' Report. There were no shares issued on the exercise of these options during the financial year.

ii. Options holdings

The numbers of options over ordinary shares in the Company held during the financial year by each director of Strike Resources Limited and other key management personnel of the Consolidated Entity, including their personally related parties, are set out below:

	Balance at 1 July 2012	Balance at appointment	Granted as compensation	Net change other[5]	Balance at 30 June 2013	Vested and exercisable	Unvested
2013							
M Richmond	600,000	-	-	(600,000)	-	-	-
M Hammond	-	-	-	-	-	-	-
W Johnson[1]	390,000	-	3,000,000	(390,000)	3,000,000	3,000,000	-
S Tough	-	-	-	-	-	-	-
K Hellsten [2]	1,500,000	-	-	(1,500,000)	-	-	-
J Tambyrajah [3]	1,000,000	-	-	(1,000,000)	-	-	-
I Cullen[4]	750,000	-	-	(750,000)	-	-	-
Total	4,240,000	-	3,000,000	(4,240,000)	3,000,000	3,000,000	-

1. *Mr Johnson was appointed as Executive Director on 21 January 2013 and as Managing Director on 25 March 2013.*
2. *Mr Hellsten resigned as Managing Director on 21 January 2013*
3. *Mr Tambyrajah resigned as Chief Financial Officer on 11 April 2013.*
4. *Mr Cullen resigned as General Manager Exploration and Development on 15 July 2012.*
5. *Figures in "net change other" column represent final holding when the options have been cancelled or have lapsed.*

	Balance at 1 July 2011	Balance at appointment	Granted as compensation	Net change other[5]	Balance at 30 June 2012	Vested and exercisable	Unvested
2012							
M Richmond	1,700,000	-	-	(1,100,000)	600,000	600,000	-
M Hammond	-	-	-	-	-	-	-
W Johnson	1,240,000	-	-	(850,000)	390,000	390,000	-
S Tough [1]	-	-	-	-	-	-	-
K Hellsten	-	-	1,500,000	-	1,500,000	1,500,000	-
J Tambyrajah [2]	-	-	1,000,000	-	1,000,000	1,000,000	-
I Cullen [3]	-	-	750,000	-	750,000	750,000	-
D Lim [4]	600,000	-	1,000,000	(1,600,000)	-	-	-
Total	3,540,000	-	4,250,000	(3,550,000)	4,240,000	4,240,000	-

1. *Ms Tough was appointed as Non-Executive Director on 23 January 2012.*
2. *Mr Tambyrajah was appointed as Chief Financial Officer on 2 April 2012.*
3. *Mr Lim ceased his position as the Chief Financial Officer on 10 April 2012.*
4. *Mr Cullen was appointed as General Manager Exploration and Development on 1 July 2011.*
5. *Figures in "net change other" column represent final holding when the options have been cancelled or have lapsed.*

18. KEY MANAGEMENT PERSONNEL DISCLOSURES (CONTINUED)

iii. Share holdings

The numbers of shares in the Company held during the financial year by each director of Strike Resources Limited and other key management personnel of the Consolidated Entity, including their personally related parties, are set out below. There were no shares granted during the reporting period as compensation.

	Balance at beginning of year	Received during the year on the exercise of options	Net change other	Balance at the end of the year
2013				
M Richmond	100,000	-	-	100,000
M Hammond	-	-	-	-
W Johnson [1]	-	-	249,273	249,273
S Tough	-	-	-	-
K Hellsten [2]	217,083	-	(217,083)	-
J Tambyrajah[3]	-	-	-	-
I Cullen[4]	-	-	-	-
Total	**317,083**	-	**32,190**	**349,273**

1. Mr Johnson was appointed as Executive Director on 21 January 2013 and as Managing Director on 25 March 2013.
2. Mr Hellsten resigned as Managing Director on 21 January 2013
3. Mr Tambyrajah resigned as Chief Financial Officer on 11 April 2013.
4. Mr Cullen resigned as General Manager Exploration and Development on 15 July 2012.

	Balance at beginning of year	Received during the year on the exercise of options	Net change other	Balance at the end of the year
2012				
M Richmond	100,000	-	-	100,000
M Hammond	-	-	-	-
W Johnson	-	-	-	-
S Tough [1]	-	-	-	-
K Hellsten	187,083	-	30,000	217,083
Tambyrajah[2]	-	-	-	-
I Cullen[3]	-	-	-	-
D Lim[4]	38,100	-	(38,100)	-
Total	**325,183**	-	**(8,100)**	**317,083**

1. Ms Tough was appointed as Non-Executive Director on 23 January 2012.
2. Mr Tambyrajah was appointed as Chief Financial Officer on 2 April 2012.
3. Mr Lim ceased his position as the Chief Financial Officer on 10 April 2012.
4. Mr Cullen was appointed as General Manager Exploration and Development on 1 July 2011.

D. LOANS TO KEY MANAGEMENT PERSONNEL

There were no loans to Key Management Personnel (or their personally-related entities) during the financial year.

E. OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

There were no transactions with Key Management Personnel (or their personally-related entities) during the financial year.

19. AUDITORS' REMUNERATION

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms.

	Consolidated Entity 2013 $	Consolidated Entity 2012 $
Auditors of the Consolidated Entity		
Audit and review of financial statements		
- BDO Audit (WA) Pty Ltd	47,500	84,774
Auditors of the Peruvian subsidiaries		
Audit and review of financial statements		
- BDO Pazos, Lopez de Romana, Rodriguez	6,779	6,830
	54,279	91,604

20. CONTINGENT ASSETS AND LIABILITIES

A. NATIVE TITLE

The Consolidated Entity's tenements in Australia may be subject to native title applications in the future. At this stage it is not possible to quantify the impact (if any) that native title may have on the operations of the Consolidated Entity.

B. GOVERNMENT ROYALTIES

The Consolidated Entity is liable to pay royalties on production obtained from its mineral tenements/concessions. For example, the applicable Government royalties in Peru are between 1% to 3% based on the value of production. At this stage it is not possible to quantify the potential financial obligation of the Consolidated Entity under Government royalties

C. DIRECTORS' DEEDS

The Consolidated Entity has entered into deeds of indemnity with certain Strike Resources Limited Directors, indemnifying them against liability incurred in discharging their duties as Directors/officers of the Consolidated Entity. As at the reporting date, no claims have been made under any such indemnities and, accordingly, it is not possible to quantify the potential financial obligation of the Consolidated Entity under these indemnities.

D. MILLENIUM LEGAL DISPUTE

Millenium Trading S.A.C ("Milenium") has the right to conduct a small-scale mining operation on an AF concession, the identity of which is to be agreed. A mining operation of this kind by Millenium will not materially affect AF's development plans. As the parties have been unable to agree on the identity of the concession, AF referred the matter to arbitration.

After Millenium questioned several arbitrators as a stalling tactic, the Lima Chamber of Commerce ("LCC") has now appointed Mr. Enrique Palacios who –despite being also challenged by Millenium was ratified in a final decision dated August 12 2013 by the Superior Counsel for Arbitration of the LCC.

The arbitrator has since taken charge of the proceedings. AF is unlikely to have any liability arising out of these proceedings.

E. DEFERRED CONSIDERATION TO D&C

The D&C Group receives the following deferred payments if certain milestones are achieved (with the payments being allocated to the entities comprising the D&C Group as follows; D&C Pesca S.A.C. - 38.6%; Ausinca Peru S.A. - 61.4%):

a. US$2 million on Apurimac Ferrum defining a JORC Resource at the Apurimac project of 500 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.

b. US$3 million on Apurimac Ferrum S.A achieving environmental and community approvals for the construction of an iron ore mine and associated infrastructure with a design capacity of at least 10Mtpa of iron ore product.

c. US$5 million on formal Apurimac Ferrum 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 10Mtpa of iron ore product (Construction Milestone).

Under the terms of Shootout Settlement Agreement, Apurimac Ferrum S.A will also pay D&C Group the following royalties:

- 1.5% of the net profits from sales of iron ore.
- 2% of the proceeds of sales of other metals (on a net smelter return basis).

Or Apurimac Ferrum S.A may extinguish the royalties by paying D&C Group any one of the following amounts (Extinguishment Payment):

- US$13 million within 2 years from 20 December 2012, or
- US$15 million between 2 and 3 years from 20 December 2012, or
- US$20 million between 3 and 4 years from 20 December 2012, or
- US$30 million after 4 years from today but before the Construction Milestone occurs or the 15th anniversary of the agreement (whichever is sooner).

Due to the inherent uncertainty surrounding the achievement and timing of the above milestones, as at 30 June 2013 the Company treated the deferred consideration as a contingent liability.

21. COMMITMENTS

A. LEASE COMMITMENTS

	Consolidated Entity 2013 $	Consolidated Entity 2012 $
Non-cancellable operating lease commitments:		
not longer than one year	165,215	160,638
between 2 years and 5 years	241,840	236,388
	407,055	397,026

The Consolidated Entity leases an office in Perth, Australia under a non-cancellable operating lease with an expiry date between 2 and 4 years.

The lease rent is subject to a fixed 4.5% increase on each anniversary of the term. Strike is required to pay the annual outgoings incurred by the lessor in respect of the premises. This figure varies on an annual basis.

B. MINERAL TENEMENT/CONCESSION/MINING RIGHTS - COMMITMENTS FOR EXPENDITURE

Australian tenements

In order to maintain current rights of tenure to exploration tenements, the holders of Australian mineral tenements are required to outlay lease rentals and meet minimum expenditure commitments. The Company does not currently have any material commitments for expenditure relating to Australian tenements.

Peruvian concessions

The Consolidated Entity is required to pay annual licence fees by 30 June of each year, at rates which vary on an amount per-hectare basis. The total amount of this commitment will depend upon the area of concessions relinquished (if any) and the area of new concessions granted (if any) and therefore cannot be reliably estimated. As a result of finalising the arbitration process with the shareholders of Apurimac Ferrum S.A.("**AF**"), the Consolidated Entity granted on option over Peruvian tenements held by its subsidiary, Strike Resources Peru S.A.C. Under the terms of the AF Settlement Agreement AF is obliged to make all necessary payments to keep the concessions in good standing. Financial commitments for subsequent periods are contingent upon the continuity of the agreement with AF, future exploration and evaluation results, and as such cannot be reliably estimated.

Australian heritage protection agreements

These agreements facilitate the preservation of Aboriginal heritage through the protection of Aboriginal sites and objects upon the grant of mining tenements in Western Australia. The Heritage Protection Agreements require the Consolidated Entity to conduct Aboriginal heritage surveys prior to conducting exploration that is not low-impact in nature and detail procedures to be followed if an Aboriginal site is identified.

Agreements with Peruvian landowners and community groups

The Company notes that holding a mineral concession in Peru does not grant automatic access to the surface land. Notwithstanding an easement procedure is contemplated in Peruvian law, in practice, mining companies have to negotiate and enter into private agreements with landowners/community groups in order to have access to their land for the purposes of conducting mining activities (exploration, evaluation, development and mining). Multiple landowners/community groups are affected by the Consolidated Entity's proposed mining activities on a majority of the Consolidated Entity's Peruvian concessions. To date, approvals have been sought and obtained for drilling on a programme by programme basis.

Obtaining approvals from landowners/community groups can be a complicated and lengthy process. The Consolidated Entity will have to commit funds to community groups and/or landowners to secure land access agreements to develop its Peruvian projects. There can be no guarantees that such approvals will be obtained, or as to the terms upon which they will be obtained. At this stage it is not possible to quantify the potential financial obligation of the Consolidated Entity in this regard.

22. ACQUISITION OF SUBSIDIARY

On 28 December 2012, the Group obtained control of Apurimac Ferrum S.A. (AF), an iron ore explorer, by acquiring the remaining 50% shares (13,126,085 shares) from its existing shareholders. As a result, the Group's equity interest in AF increased from 50% to 100%.

The acquisition of AF was assessed by the Board in the current period and it was determined that the acquisition was an asset acquisition, rather than a business combination as the substance and intent of the transaction was for the Group to acquire the exploration and evaluation assets of AF for the purpose of expanding the Group's overall resource base.

The value of net assets acquired at the date of acquisition were as follows:	
Cash and cash equivalents	209,723
Trade and other receivables	258,568
Land	427,290
Property, plant and equipment	122,500
Exploration and evaluation expenditure	46,052,125
Trade and other payables	(1,456,177)
Loans and interests from Strike Resources Limited and Strike Finance Pty Ltd	(37,992,172)
Net assets acquired	7,621,857
Acquisition consideration:	
Shares issued (2,800,000 shares at $0.12 each), at fair value	336,000
Deferred consideration	6,674,833
Acquisition costs	611,024
Total purchase consideration	7,621,857

Deferred consideration

The D&C Group receives the following deferred payments if certain milestones are achieved (with the payments being allocated to the entities comprising the D&C Group as follows; D&C Pesca S.A.C. - 38.6%; Ausinca Peru S.A. - 61.4%):

a. US$2 million on Apurimac Ferrum defining a JORC Resource at the Apurimac project of 500 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.

b. US$3 million on Apurimac Ferrum S.A achieving environmental and community approvals for the construction of an iron ore mine and associated infrastructure with a design capacity of at least 10Mtpa of iron ore product.

c. US$5 million on formal Apurimac Ferrum 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 10Mtpa of iron ore product (Construction Milestone).

The Company treated the deferred payments as a contingent liability at 30 June 2013. Refer to note 20.

The cash inflow on acquisition is as follows:	
Net cash acquired with subsidiary	209,723
Net cash outflow	-
Net cash inflow on acquisition of subsidiary, net of cash acquired	209,723

23. RELATED-PARTY DISCLOSURES

A. SUBSIDIARIES

Interests in subsidiaries are set out in Note 24.

During the year $ 4,954,844 (2012: Nil) was loaned to subsidiaries to fund exploration activities.

B. ASSOCIATES

Apurimac Ferrum S.A. was an associate until 28 December 2012 as set out in Note 11.

Loans to associates - Apurimac Ferrum

On 21 July 2009, through the AF Settlement Agreement, Strike Resources Limited entered into a replacement loan agreement with Apurimac Ferrum S.A.("**AF**") in which US$20 million may be advanced to AF to undertake exploration on the Apurimac and Cusco Iron Ore projects. This loan is interest bearing (USD Monthly LIBOR rate + 2% per annum) as provided for under the AF Settlement Agreement.

On 16 May 2012, Apurimac Ferrum S.A. entered into the AF Finance Agreement with Strike Finance Pty Ltd for a principal amount US$6m, interest rate is 10% for principal amounts drawn and repaid before 31 December 2012 and 15% for principal amounts repaid after 31 December 2012. The latest repayment date is 31 January 2014.

23. RELATED-PARTY DISCLOSURES(CONTINUED)

Subsequent to Strike Resources acquiring the remaining 50% of ownership of AF, the intercompany loans between the two entities were extinguished and converted into equity in AF.

	2013 $	2012 $
Balance at 1 July	33,160,045	25,714,498
Loans advanced	1,584,900	9,310,500
Interest charged	597,880	607,044
Loan and interest purchased from IAC (Iron Associates Corporation)	-	-
Loan and interest sold to D&C Group S.A.C	-	(2,715,628)
Expenses paid on behalf of AF	-	543,578
Reclassed to Expense Claim	-	(1,708,378)
Reclass to other receivables	(220,208)	-
Foreign exchange movements	(591,966)	1,408,431
Balance at 30 June	34,530,651	33,160,045
Less provision for impairment	34,530,651	33,134,249
Carrying value	-	25,796

	2013 $	2012 $
Opening Balance	193,596	80,014
Reclassed from Loans to AF	-	1,708,378
Expenses paid on behalf of AF	153,614	146,256
Collected from AF	-	(1,741,052)
Closing Balance	347,210	193,596
Less provision for impairment	-	-
Carrying value	347,210	193,596

C. TRANSACTIONS WITH RELATED PARTIES

	2013 $	2012 $
Fees for services provided by:		
- Ms Helen Hellsten a related party of Mr Ken Hellsten	-	5,668

24. INVESTMENT IN CONTROLLED ENTITIES

	Country of Incorporation	Percentage of Ownership 2013	2012
Strike Finance Pty Ltd	Australia	100%	100%
Strike Australian Operations Pty Ltd	Australia	100%	100%
Strike Operations Pty Ltd (“SOPL”)	Australia	100%	100%
PT Indo Batubara (100% beneficially owned by SOPL)*	Indonesia	-	100%
Strike Indo Operations Pty Ltd (“SIOPL”)	Australia	100%	100%
PT Orion Indo Mining (100% beneficially owned by SIOPL)*	Indonesia	-	100%
Ferrum Holdings Limited	British Anguilla	100%	100%
Strike Resources Peru S.A.C.	Peru	100%	100%
Apurimac Ferrum S.A.**	Peru	100%	50%

* On 2 April 2013, Strike Resources Limited sold its Berau Coal Project and its subsidiaries, PT Indo Batubara and PT Orion Indo Mining.
** On 28 December 2012, Strike Resources Limited obtained control of Apurimac Ferrum S.A. (AF), an iron ore explorer by acquiring the remaining 50% shares from its existing shareholders. As a result, the Group’s equity interest in AF increased from 50% to 100%.

25. EVENTS OCCURRING AFTER THE REPORTING PERIOD

On 30 July 2013 the Company advised of the increased resources reported at Cuervo Resources Inc’s Cerro Ccopane project.

25. EVENTS OCCURRING AFTER THE REPORTING PERIOD (CONTINUED)

On 15 August 2013, the Company confirmed it had made a confidential non-binding offer to Cuervo Resources Inc. in respect of certain Peruvian iron ore assets including the Cerro Ccopane project. This offer was subsequently rejected by Cuervo.

On 9 September 2013, the Company reached an agreement with local Apurimac community to enable commencement of regulatory approvals for future drilling program. The approval forms part of key next stage in validating Apurimac's high grade magnetite exploration target of at least 500 million tonnes or iron ore.

There have been no further changes of significance since then.

26. RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Consolidated Entity	
	2013	2012
	$	$
Operating profit/(loss) after tax	23,597,187	(13,040,722)
Interest received – Cuervo loan	-	(3,697,727)
Consulting fees	22,648	(835,942)
Non cash flows in profit/(loss) from ordinary activities:		
Depreciation - plant & equipment	44,455	77,522
Adjustment for movement in foreign exchange	-	(1,011,269)
Adjustment on deconsolidation of subsidiary	-	-
Fair value adjustments		
Loan to associated entity	(33,132,502)	9,310,500
Loan to Cuervo Resources Inc.	-	2,125,576
Fair value through profit and loss financial assets	1,869,704	2,055,850
Sundry debtors impairment	347,210	-
Investment in associate	-	22,923
Exploration and evaluation impairment	1,546	2,875,936
Land impairment	-	219,305
Finance costs	-	-
Directors' and employees' options	42,000	410,693
Loss on sale of fixed assets	18,318	40,577
Loss on sale of held for sale assets	138,186	826,397
Decrease/(increase) in assets:		
Receivables	2,626,624	(362,162)
Increase/(decrease) in liabilities:		
Trade creditors and accruals	430,014	11,978
Provisions	(39,182)	(14,182)
Net cash outflows from operating activities	(4,033,792)	(984,747)

27. NON – CASH INVESTING AND FINANCING ACTIVITIES

	Consolidated Entity 2013 $	Consolidated Entity 2012 $
Shares issued to acquire Apurimac Ferrum S.A.	336,000	2,250,000

On 28 December 2012, Strike Resources Limited issued 2,800,000 shares to Iron Associates Corporation, as part of the acquisition costs to acquire remaining 50% of Apurimac Ferrum S.A..

28. EARNINGS PER SHARE

	Consolidated Entity 2013 cents	Consolidated Entity 2012 cents
(a) Basic earnings/(loss) per share		
From continuing operations attributable to the ordinary equity holders of the Company	16.44	(9.20)
(b) Diluted earnings/(loss) per share		
From continuing operations attributable to the ordinary equity holders of the Company	16.44	(9.20)

	Consolidated Entity 2013	Consolidated Entity 2012
(c) Reconciliations of earnings used in calculating earnings per share		
Basic earnings per share		
Loss attributable to the ordinary equity holders of the Company used in Calculating basic earnings per share:		
From continuing operations	23,597,187	(13,040,722)
From discontinued operation	-	-
(d) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	143,555,270	141,671,254
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	143,555,270	141,671,254

29. SHARE-BASED PAYMENTS

The establishment of the Strike Resources Limited Employee Option Plan was approved by shareholders on 6 November 2008. Options granted under the plan carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share within 5 business days after the exercise. A total of 3,000,000 Employee Options were granted during the year (Note 18). The reasons for the grant of these options to the Managing Director are as follows:

(a) The options issue was designed to act as an incentive for the recipient to strive to achieve the Company's goals with the aim of enhancing shareholder value.

(b) The options provide an equity holding opportunity for the recipient which is linked to the Company's share price performance.

(c) Based on the option exercise price, the exercise of the options by the recipient is potentially only likely to occur if there is sustained upward movement in the Company's share price.

(d) The number of options issued to the recipient has been determined having regard to the level of the recipient's salary being paid and is a cash-free, effective and efficient way of providing an appropriate level of remuneration as well as providing ongoing equity-based incentives for the recipients to remain with the Company with a view to improving the future growth of the Company.

(e) As a relatively-small company, with much of its available funds dedicated or committed to its resource projects (and also in seeking opportunities in relation to the same), and in financing its day to day working capital requirements, the Company is not always in a position to maintain competitive cash salary ranges for its directors and employees within the industry in which it operates.

29. SHARE-BASED PAYMENTS (CONTINUED)

	Consolidated Entity 2013 $	Consolidated Entity 2012 $
Share-based payments expense	42,000	410,693

Grant date	Expiry date	Exercise price $	Balance at start of year	Granted during the year	Exercised during the year	Forfeited during the year	Balance at end of the year	Vested and exercisable at end of year
Consolidated entity - 2013								
3 Dec 07	3 Dec 12	3.978	3,500,000	-	-	(3,500,000)	-	-
4 Mar 08	4 Mar 13	2.878	250,000	-	-	(250,000)	-	-
25 Nov 09	25 Nov 12	2.50	750,000	-	-	(750,000)	-	-
25 Nov 09	25 Nov 12	2.75	750,000	-	-	(750,000)	-	-
25 Nov 09	25 Nov 12	3.25	750,000	-	-	(750,000)	-	-
24 Nov 11	23 Nov 16	0.36	1,083,334	-	-	(250,000)	833,334	833,334
24 Nov 11	23 Nov 16	0.42	1,083,333	-	-	(250,000)	833,333	833,333
24 Nov 11	23 Nov 16	0.56	1,083,333	-	-	(250,000)	833,333	833,333
5 Apr 12	23 Nov 16	0.36	333,334	-	-	-	333,334	333,334
5 Apr 12	23 Nov 16	0.42	333,333	-	-	-	333,333	333,333
5 Apr 12	23 Nov 16	0.56	333,333	-	-	-	333,333	333,333
18 Jun 13	17 Jun 18	0.30	-	3,000,000	-	-	3,000,000	3,000,000
			10,250,000	3,000,000	-	(6,750,000)	6,500,000	6,500,000
Weighted-average exercise price			2.24	0.30	-	3.36	0.38	0.38

Grant date	Expiry date	Exercise price $	Balance at start of year	Granted during the year	Exercised during the year	Forfeited during the year	Balance at end of the year	Vested and exercisable at end of year
Consolidated entity - 2012								
21 Jul 06	21 Jul 11	0.938	4,600,000	-	-	(4,600,000)	-	-
13 Sep 06	12 Sep 11	0.938	500,000	-	-	(500,000)	-	-
7 Mar 07	7 Mar 12	2.788	3,300,000	-	-	(3,300,000)	-	-
7 Mar 07	7 Mar 12	2.078	500,000	-	-	(500,000)	-	-
5 Jun 07	1 May 12	2.878	33,000	-	-	(33,000)	-	-
3 Dec 07	3 Dec 12	3.978	4,000,000	-	-	(500,000)	3,500,000	3,500,000
4 Mar 08	4 Mar 13	2.878	250,000	-	-	-	250,000	250,000
14 Oct 08	13 Oct 13	2.75	250,000	-	-	(250,000)	-	-
25 Nov 09	25 Nov 12	2.50	750,000	-	-	-	750,000	750,000
25 Nov 09	25 Nov 12	2.75	750,000	-	-	-	750,000	750,000
25 Nov 09	25 Nov 12	3.25	750,000	-	-	-	750,000	750,000
6 May 11	23 Mar 13	1.30	400,000	-	-	(400,000)	-	-
6 May 11	23 Mar 13	1.50	400,000	-	-	(400,000)	-	-
6 May 11	23 Mar 13	1.75	400,000	-	-	(400,000)	-	-
24 Nov 11	23 Nov 16	0.36	-	1,416,668	-	(333,334)*	1,083,334	1,083,334
24 Nov 11	23 Nov 16	0.42	-	1,416,666	-	(333,333)*	1,083,333	1,083,333
24 Nov 11	23 Nov 16	0.56	-	1,416,666	-	(333,333)*	1,083,333	1,083,333
5 Apr 12	23 Nov 16	0.36	-	333,334	-	-	333,334	333,334
5 Apr 12	23 Nov 16	0.42	-	333,333	-	-	333,333	333,333
5 Apr 12	23 Nov 16	0.56	-	333,333	-	-	333,333	333,333
			16,883,000	5,250,000	-	(11,883,000)	10,250,000	10,250,000
Weighted-average exercise price			2.55	0.45	-	1.69	2.24	2.24

*Options issued to individuals who ceased employment with Strike Resources Limited during the year, these options were not forfeited and did not lapse during the year.

No options were exercised during the period.

The weighted-average remaining contractual life of share options outstanding at the end of the period was 1.78 years (2012: 2.08 years).

Fair value of options granted

The assessed fair value at grant date of options granted during the year ended 30 June 2013 was $0.014 for $0.30 options (2012: $0.086 for $0.36 options, $0.08 for $0.42 options and $0.07 for $0.56 options). The fair value at grant date is independently determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date, the expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The model inputs for options granted during the year ended 30 June 2013 included:

29. SHARE-BASED PAYMENTS (CONTINUED)

Options granted on 18 June 2013

a. the options were granted for no consideration and vest immediately. Vested options are exercisable for a period of five years after vesting.
b. exercise prices of $0.30
c. grant date: 18 June 2013
d. expiry date: 17 June 2018
e. share price at grant date: $0.043
f. expected price volatility of the Company's shares: 85.00%
g. expected dividend yield: 0%
h. risk-free interest rate: 2.84%

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

30. PARENT ENTITY INFORMATION

The following details information related to the parent entity, Strike Resources Limited, at 30 June 2013 and 30 June 2012. The information presented here has been prepared using consistent accounting policies as presented in Note 1.

	2013 $	2012 $
Current assets	15,146,787	25,633,433
Non-current assets	(210,133)	199,990
Total assets	14,936,654	25,833,423
Current liabilities	260,468	395,249
Non-current liabilities	-	-
Total liabilities	260,468	395,249
Net assets	14,676,186	25,438,174
Contributed equity	148,439,925	148,109,255
Accumulated losses	(146,996,764)	(135,862,107)
Option reserve	13,233,025	13,191,026
Total equity	14,676,186	25,438,174
Profit/(loss) for the year	(11,134,658)	(28,114,264)
Other comprehensive income/(loss) for the year	-	(235,303)
Total comprehensive income/(loss) for the year	(11,134,658)	(28,349,567)

The parent entity does not have any contingent assets or liabilities.

Directors' Declaration

In the Directors' opinion:

a) The Financial Statements, comprising the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows and accompanying notes as set out on pages 46-84 above, are in accordance with the *Corporations Act 2001*, and:

  (i) comply with Accounting Standards and the *Corporations Regulations 2001*;

  (ii) give a true and fair view of the Consolidated Entity's financial position as at 30 June 2013 and of its performance for the financial year ended on that date;

b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

c) The remuneration disclosures set out in the Directors' Report on pages 17-34 (as the audited Remuneration Report).

Note 1 confirms that the Financial Statements also comply with the International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Managing Director (the person who performs the chief executive function) and the Chief Financial Officer as required by section 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Directors.

William Johnson
Managing Director
30 September 2013

BDO

Tel: +8 6382 4600
Fax: +8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Strike Resources Limited

Report on the Financial Report

We have audited the accompanying financial report of Strike Resources Limited, which comprises the consolidated statement of financial position as at 30 June 2013, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Strike Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

(a) the financial report of Strike Resources Limited is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Report on the Remuneration Report

We have audited the Remuneration Report in the directors' report for the year ended 30 June 2013. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Strike Resources Limited for the year ended 30 June 2013 complies with section 300A of the *Corporations Act 2001*.

BDO Audit (WA) Pty Ltd

BDO

Wayne Basford

Director

Perth, 30 September 2013

ASX Additional Information

Additional information required by the Australian Securities Exchange Limited and not shown elsewhere in this report is shown below. All information is current as at 2 October 2013.

A) ISSUED CAPITAL

Analysis of holders of fully paid ordinary shares by size of holding:

Class of Security	Quoted	Not Quoted	Total
Ordinary Shares	145,334,268	-	145,334,268
$0.36 Options exercisable on or before 23 November 2016		1,166,666	1,166,666
$0.42 Options exercisable on or before 23 November 2016		1,166,666	1,166,666
$0.56 Options exercisable on or before 23 November 2016		1,166,668	1,166,668
$0.30 Options exercisable on or before 17 June 2018		3,000,000	3,000,000
TOTAL	**145,334,268**	**6,500,000**	**151,834,268**

B) DISTRIBUTION OF EQUITY SECURITIES

Analysis of holders of fully paid ordinary shares by size of holding:

Spread of holding	Number of holders	Number of units	Percentage of total issued capital
1 – 1,500	446	202,128	0.139
1,001 – 5,000	942	2,870,393	1.975
5,001 – 10,000	391	3,207,163	2.207
10,001 – 100,000	560	19,236,464	13.236
100,001 and over	111	119,818,120	82.443
TOTAL	**2,450**	**145,334,268**	**100**

Of these, 1,554 individual shareholders collectively holding 4,147,409 shares had less than the marketable parcel of 7,936 shares.

C) TWENTY LARGEST SHAREHOLDERS

The twenty largest holders of fully paid ordinary shares are:

	Holder name	Shares held	Percentage of ordinary fully paid shares
1	HSBC Custody Nominees (Australia) Limited	35,480,475	24.41
2	Orion Equities Limited	16,690,802	11.48
3	Database Systems Limited	8,877,090	6.11
4	HSBC Custody Nominees (Australia) Limited	7,019,372	4.83
5	Ferrous Resources Limited	6,370,000	4.38
6	Alara Resources Limited	3,573,889	2.46
7	Database Systems LTD	3,530,000	2.43
8	J P Morgan Nominees Australia Limited	2,551,983	1.76
9	Merrill Lynch (Australia) Nominees Pty Limited	2,465,000	1.70
10	National Nominees Limited	1,896,751	1.31
11	JP Morgan Nominees Australia Limited	1,802,569	1.24
12	Ausinca Peru S.A.	1,718,973	1.18
13	Mr Nicholas Kenos + Mrs Pauline Kenos	1,200,000	0.83
14	D&C Pesca S.A.	1,081,027	0.74
15	Mr Gordon Anthony	800,000	0.55
16	ACN 139 886 025 Pty Ltd	762,895	0.52
17	Katana Equity Pty Ltd	750,000	0.52
18	Classic Capital Pty Ltd	750,000	0.52
19	Aliana Pty Ltd	700,000	0.48
20	Citicorp Nominees Pty Ltd	698,932	0.48

D) SUBSTANTIAL SHAREHOLDER

These substantial shareholders have notified the company in accordance with section 671B of the Corporations Act 2001:

Substantial shareholder	Shares held
Abu Holding International Limited	25,825,000
Mr Azhar Chaudhri / Renmuir Holdings Limited / Chi Tung Investments Ltd	17,178,261
Database Systems Limited (DBS) / Ambreen Chaudhri	12,004,590

E) VOTING RIGHTS

All ordinary shares are fully paid and carry one vote per share without restriction.

F) INTERESTS IN MINING TENEMENTS

Strike Resources holds interests in the following mining tenements as at 2 October 2013

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

Apurimac Project tenements

Name	Area (Ha)	Province	Code	Title	File No
(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
(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
(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 (km²)
(1) PL 47/1170*	Granted	27/03/06	26/03/13	164 Ha	1.64

*An application has been made to convert PL 47/1170, together with a portion of expired former exploration licence E47/1328, into a retention licence with a total area of 381Ha.


72
70
68
66
64
R. Sapote
R. Coary
R. Jurua
R. Teffeor Tefe
R. Purus
Ugina s or
Coata Tapuyjas
Jumas
Sierra de Conomamas
Culinos
Canan
Falls of Theotinio
Falls of S. Antonio
S. Antonio
Balsamao
Morinhos Falls
Giran Falls
Caldeirao do Inferno Falls
R. Triste
3 Irmaos Falls
Perado Falls
Paredao Falls
Pedernerias
Figueira Falls
Riberano Falls
Misericordia Falls
Lakes of the Mamora
S. Jose
Lages Falls
R. Iacuma
R. Cahido
Toromonas
Andes
Port of Biera
Exaltacion R.
Lake Rogaguela
Coquecancha
Lares
Urubamba
Zamora
Cuzco
Paucartambo
Abancay
S. Joaquim
Magdalena
S. Simao
S. Xavier
S. Luiz
S. Ignacio
Trinidad de Pampas
S. Nicolas
L. de S. Salvador
Lake S. Magdalena
Loreto
S. Juan del Oro
Apolobamba
L. Grazumiri
la Conception
S. Miguel
Cordillera
Chalhaunca
Sicuani
Sandia
Arequipa
Port Bay
Morro de Chile
Chucuito
Lake
Achacacha
Moquehua
Ho
Tacna
Puebla Nueva
LA PAZ or
Palca
Mobosa
SANTA CRUZ
S. Jose de Chiquitos
S. Lourenzo de la Frontera
Raches
Cochabamba
Tinta
Mizque
Arica
Victor
Camarones
Pt. Pisagua
Oruro
Paria
CHUQUISACA or LA PLATA
Valle Grande
Tomina
Pomabamba
POTOSI
Tarabuco
Pt. Iquique
Tarapaca
Pica
Lipes
Atacama
Pavillions of Pica
Bay of Pica
Tupiza
Suipacha
Tarija
S. Bern de TARIJA
Cobija
Los Algodonales
BOLIVIA
MOXOS
CHARCAS

STRIKE
RESOURCES