STRIKE RESOURCES

A.B.N. 94 088 488 724

2020 ANNUAL REPORT

CONTENTS

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CORPORATE DIRECTORY

BOARD

Farooq Khan	Chairman
William Johnson	Managing Director
Victor Ho	Director
Malcolm Richmond	Non-Executive Director
Matthew Hammond	Non-Executive Director

COMPANY SECRETARY
Victor Ho

PRINCIPAL AND REGISTERED OFFICE
Level 2
31 Ventnor Avenue
West Perth, Western Australia 6005

Telephone:	(08) 9214 9700
Facsimile:	(08) 9214 9701
Email:	info@strikeresources.com.au
Website:	www.strikeresources.com.au

AUDITORS
Rothsay Auditing
Chartered Accountants
Level 1, Lincoln House
4 Ventnor Avenue
West Perth, Western Australia 6005

Telephone:	(08) 9486 7094
Website:	www.rothsayresources.com.au

STOCK EXCHANGE
Australian Securities Exchange
Perth, Western Australia

ASX CODE
SRK

SHARE REGISTRY
Advanced Share Registry Limited (ASX:ASW)

Main Office:
110 Stirling Highway
Nedlands, Western Australia 6009

Local Telephone:	1300 113 258
Telephone:	(08) 9389 8033
Facsimile:	(08) 6370 4203
Email:	admin@advancedshare.com.au
Web:	www.advancedshare.com.au

Sydney Office:
Suite 8H, 325 Pitt Street
Sydney, New South Wales 2000

Telephone:	(02) 8096 3502

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Friday, 30 October 2020

ASX Code: SRK

ASX MARKET ANNOUNCEMENT

Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

HIGHLIGHTS

- Feasibility Study for Paulsens East Iron Ore Project confirms strong Project economics with net cashflow of $167 Million and NPV of $140 Million over initial four-year mine life.
- 1.5 Mtpa production schedule for 4 years (6.0 Mt total), with an estimated 75% of production as DSO Lump at 62% Fe which attracts premium pricing.
- Low technical risk – conventional mining, crushing and screening and direct transport to bulk loading facility at Port Hedland.
- Low capital cost of $15.7 Million (including contingency).
- LOM production underpinned by JORC Ore Reserve of 6.2 Million tonnes at 59.9% Fe, 7.43% SiO_2, 3.77% Al_2O_3 and 0.086% P.
- Targeting first ore production during the first half of 2021 with the mining approvals process well underway.
- Offtake and funding discussions well advanced.
- Mining Proposal, Works Approvals and Project Management Plan advancing to fast-track approvals for site-works commencement.
- Investigations ongoing for further upside from potential for production of higher grade (63% - 64%) products, extension of mine life and exploitation of surface detrital material.

Strike Resources Limited (ASX:SRK) (**Strike**) is pleased to report on the results from the Feasibility Study (**Study**) undertaken for its Paulsens East Iron Ore Project (the **Project**) located in the Pilbara, Western Australia.

The Study has confirmed the potential for the Project to generate **$167 Million** in **net cashflows** (pre-tax) over a four-year life of mine (**LOM**) at an average Benchmark[1] iron ore price of US$100/t (US$115/t declining to US$85/t) for a pre-production capital cost of $15.7 Million.

If a Benchmark iron ore price of US$115/t (approximate to current levels) is sustained over LOM**,** the Project has the potential to generate **$279 Million** in **net cashflows**.

Notes:

- *The Probable Ore Reserve that underpins the Study has been prepared by a Competent Person, with a Competent Person's Statement included in this announcement.*
- *The Company has concluded that it has a reasonable basis for providing the forward-looking statements included in this announcement. The detailed reasons for this conclusion are outlined throughout this announcement.*

1 Benchmark price for 62% iron ore Fines CFR China

ASX ANNOUNCEMENT

Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

Project Economics and Assumptions

The results from the Study together with key assumptions are summarised in the following tables, with further details contained within the Feasibility Study - Summary section and the Appendices to this announcement.

Financial Metrics	Unit	Study Outcome Benchmark Iron Ore Price US$115/t[2]	Study Outcome Benchmark Iron Ore Price US$100/t[3]
Life of Mine Revenue	A$M	**1,032**	**906**
Operating Net Cashflow	A$M	**279**	**167**
NPV	A$M	**227**	**140**
IRR	%	**223**	**213**

Table 1: Study Financial Metrics (pre-tax)

Operating Metrics	Unit	Study Outcomes
Production Rate	Mtpa	1.5
Average Strip Ratio	Waste:Ore	3:1
Initial LOM	Years	4
Total Tonnes Processed	Mt	6.2
Average C1[4] Costs	US$/t	64.8

Table 2: Study Operating Metrics

Key Assumptions	Unit	Study Input Benchmark Iron Ore Price US$115/t LOM	Study Input Benchmark Iron Ore Price US$100/t LOM
Benchmark Price	US$/t	115	100
Lump to Fines Ratio	Lump:Fines	75:25	75:25
Price received – Lump (62% Fe)	US$/t	127	112
Price received – Fines (59% Fe)	US$/t	103	89
US$/A$ Exchange Rate	US$/A$	0.70	0.70

Table 3: Study Key Assumptions (average over LOM)

An economic model prepared by Strike forecasts an operating net cashflow of **$167 Million** (pre-tax) and a net present value (**NPV**) of **$140 Million** (pre-tax) over an initial four-year mine life, at an average Benchmark Price of US$100/t over LOM (US$115/t in the first year of production declining to US$85/t in the fourth year).

Estimated pre-production capital costs are approximately $15.7 Million (including contingencies), with an internal rate of return (**IRR**) of 213%.

An average iron ore price of US$100 per tonne[5] (62% Fe Fines, delivered CFR China) (**Benchmark Price**) has been assumed over the LOM.

If the Benchmark Price is assumed to be at recent levels (US$115/t[6]) for the LOM, the forecast operating net cashflow is **$279 Million** and pre-tax NPV is **$227 Million** over the four year LOM.

Average C1 cash costs free onboard (**FOB**) across the LOM are expected to be approximately US$64.8 per tonne.

2 Constant over LOM

3 Average over LOM

4 C1 Costs include mining, processing, haulage, port handling, administration and marketing, but excludes royalties, shipping, depreciation and capital charges.

5 The Benchmark Price is assumed to decline from US$115 per tonne in the first full year of production to US$85 per tonne in the fourth year, equating to an average of US$100 per tonne over LOM

6 As at 28 October 2020

ASX ANNOUNCEMENT

Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

The forecast Project financial metrics (NPV, IRR and Operating Net Cashflows) are calculated and shown net of applicable royalties but before deductions for tax. Strike will be subject to Australian corporate tax at an assumed rate of 30% on its taxable income. Any tax payable may potentially be reduced by utilising Strike's carried forward tax losses, which currently totals ~$25 Million[7].

Project Location

The Project is located ~10 kilometres from Northern Star Resources Limited's (ASX:NST) Paulsens Gold Mine, ~200 kilometres west of Paraburdoo (where a key 'FIFO' airport is located), and ~600 kilometres by road from Port Hedland (refer Figure 1).

Figure 1: Paulsens East Project Location, West Pilbara

7 Subject to compliance with Australian tax laws

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Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

Project JORC Mineral Resource and Ore Reserve

The Project consists of a three-kilometre-long outcropping high-grade hematite ridge, containing a **JORC Indicated Mineral Resource of 9.6 Million tonnes at 61.1% Fe**, 6.0% SiO_2, 3.6% Al_2O_3, 0.08% P (at a cut-off grade of 58% Fe).[8]

As part of the completion of the Study, part of the JORC Indicated Mineral Resource has been converted to a **maiden JORC Probable Ore Reserve** of **6.2 million tonnes at 59.9% Fe**, 7.43% SiO_2, 3.77% Al_2O_3 and 0.086% P (at a cut-off grade of 55% Fe).

Figure 2: Paulsens East Hematite Ridge

Project Production Details

Strike plans a 1.5 Million tonnes per annum (**Mtpa**) production schedule of direct shipping ore (**DSO**) over a minimum four-year LOM (totalling approximately 6.0 Million tonnes). This initial production target has been determined to facilitate fast track production of lower strip-ratio material at first instance, with the opportunity to expand production once the initial production target is met and is underpinned by the Probable Ore Reserve of 6.2 Million tonnes (within the Indicated Mineral Resource of 9.6 Million tonnes).

An open cut mine is proposed, with an average forecast waste to ore ratio of 3.0 over the first four years of mining. Ore will be crushed and screened to produce DSO Lump and Fines products, with estimated average product Lump grade of 62% Fe and Fines grade of 59% Fe over the LOM. Metallurgical testwork indicates that a 75/25 (or higher) Lump/Fines split can be expected where Lump ore typically attracts a significant price premium compared to Fines. An on-site laboratory will be established for ongoing analysis of ore samples to manage grade control and ensure consistency of product grades.

Processed Lump and Fines products will be trucked from the mine to the Utah Point Multi-User Bulk Handling facility at Port Hedland (**Utah Point**), predominantly by sealed road, where it will be stockpiled prior to being loaded directly into ocean going vessels (**OGV's**) for export to customers.

Mining, crushing and screening and haulage operations will be undertaken by specialist contractors with overall supervision and management provided by Strike employed personnel.

Strike is targeting a Project development and execution timetable for first ore production to commence in the first half of calendar 2021.

8 Refer Strike's ASX Announcement dated 4 September 2019: Significant Upgrade of JORC Mineral Resource into Indicated Category at Paulsens East Iron Ore Project

ASX ANNOUNCEMENT

Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

Feasibility Study Development

Strike has a number of highly experienced Iron Ore Executives on its Board and Management Team. The Study has been undertaken internally with assistance and oversight from project delivery and engineering consultancy Engenium, together with contributions from external consultants. Capital and Operating Costs have been predominantly obtained from proposals and quotations from selected experienced industry service providers and contractors, supported by detailed estimates from external consultants.

Strike has a confidence level of +/- 15% in the Project's forecast Capital and Operating Costs.

Project Opportunities

Opportunities identified with the potential to have a materially positive impact on the value of the Project include:

- Increasing the production rate materially above 1.5 Mtpa, given that Utah Point does not currently have export capacity restraints.
- Extending the LOM, underpinned by the balance of the existing JORC Indicated Mineral Resource inventory.
- Producing a higher grade (63 - 64%) product with Metallurgical testwork currently underway to confirm this potential.
- Exploration potential based on small hematite conglomerate outcrops along the surface and a drill intersection located 1.6 kilometres along the hematite ridge at the south-eastern corner of the tenement previously identified by Strike[9] and more recently taken surface rock-chip samples grading 64.4% - 66.2% Fe identified at multiple locations in the same area.[10]
- Exploration potential based on areas of surface detrital material identified north of the hematite ridge, where screening and assay results from a sample showed a highly encouraging product grade of 60% Fe, 6.4% SiO_2 and 3.4% Al_2O_3 with a mass recovery of 83% on crushing to -32mm and simple wet screening at +1mm size (refer Figure 3).[11]

The exploration targets (referred to above) are conceptual in nature, there has been insufficient exploration to estimate a JORC Mineral Resource in respect of the same and it is uncertain if further exploration will result in the estimation of a JORC Mineral Resource in this regard.

9 Refer Strike's ASX Announcements dated 4 December 2019: High Grade Results Located 1.6km from 9.6Mt Resource and 5 December 2019: Drilling and Surface Sampling Results at Paulsens East Iron Ore Project

10 Refer Strike's ASX Announcements dated 15 July 2020: High-Grade Rock Chip Samples Confirm Resource Upside Potential at Paulsens East Iron Ore Project

11 Refer Strike's ASX Announcement dated 14 October 2020: Discovery of High Grade Iron Rich Detritals at Surface at Paulsens East

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Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

Figure 3 - Paulsens East test pit at eastern end of outcropping hematite ridge with detritals in foreground

Key Project Risks

The key risks identified for the Project include:

- A significant decline in the iron ore price from current and recent levels (currently the Benchmark iron ore price is approximately US$115/t).
- A significant strengthening of the Australian currency against the US currency.
- Delays in obtaining necessary approvals/permits.
- Maintaining steady state operations at the proposed annualised production rate whilst achieving sustainable high grade products.
- Realising the forecast level of premium pricing for the Lump product over LOM.
- Cost escalations for key Project inputs such as fuel, staffing and shipping costs.
- Shortages in suitable staffing/contractors due to COVID-19 travel restrictions.

Strike Managing Director, William Johnson:

"The completion of the Feasibility Study is another key milestone achieved in moving Paulsens East towards production.

The continued strength to the iron ore price contributes to the robust economics of the Project, which are driven principally by the high-quality nature of the iron ore contained within the deposit and the low life of mine strip ratio.

The Project has the potential to generate very significant cashflows for Strike over an initial four-year mine life with a relatively low capital cost requirement.

Furthermore, the Project has additional upside potential with opportunities identified to potentially improve Fe grades, increase the production rate and extend the mine life".

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Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

FEASIBILITY STUDY - SUMMARY

1. Introduction

The Study has been overseen by project delivery and engineering consultancy Engenium, with inputs from Strike internal staff together with external consultants and with proposals and/or quotations provided by experienced industry participants as follows:

Feasibility Study Component	Principal Input
Study Management	Engenium
Mining Schedule and JORC Probable Ore Reserve	Harry Warries (MSc – Mine Engineering, FAusIMM), Principal, Mining Focus Consultants Pty Ltd
JORC Mineral Resource	Philip Jones (BAppSc (Geol), MAIG, MAusIMM) (Consultant)
Metallurgical Test work	ALS Metallurgy Iron Ore Technical Centre
Capital and Operating Costs	Engenium and Strike
Civil and Earthworks	Engenium and contractors
Mining, crushing and transport costs	Estimates/Quotations received from industry service providers and facility operators
Logistics	Strike
Environmental	Ecologia Environmental Consultants
Marketing	Mark Hancock, Principal, Haven Resources Pty Ltd
Economic Modelling	Strike

Table 4: Study Management and Contributors

2. Tenement Status and Location

The Project is beneficially owned by Paulsens East Iron Ore Pty Ltd (ABN 96 643 291 230) (**PEIOPL**), being a wholly-owned subsidiary of Strike.

The Project's tenements comprise a Mining Lease M 47/1583 and various Miscellaneous Licences (applications pending grant) to allow for the construction of a main access corridor to connect the mine to the Nanutarra Munjina Road and an access corridor and site for a potential mining camp.

Tenement	Registered Holder	Date Granted	Date Expiry	Area
Mining Lease M 47/1583	Orion Equities Limited	4 September 2020	3 September 2041 (initial term of 21 years)	381.87 Ha (~3.82km^2)

Table 5: Paulsens East Tenement Details

The registered holder of M 47/1583 and applicant for the Miscellaneous Licences is Orion Equities Limited (ABN 77 000 742 843) (ASX:OEQ) (**Orion**). The Project's original tenements were acquired by the Strike Group from the Orion Group in 2005 and 2008.[12]

M 47/1583 (centroid 22° 34' 8" S, 116° 20' 35" E) is located in the Pilbara region of Western Australia, approximately 10 kilometres from the Paulsens Gold Mine (owned by Northern Star Resources Limited (ASX:NST)), approximately 200 kilometres west of Paraburdoo, approximately 233 kilometres by road from the Port of Onslow and approximately 600 kilometres by road from Port Hedland (refer Figure 1).

12 For further background details, refer to Strike's ASX Announcements dated 20 September 2005: Acquisition of Uranium Tenements and 11 August 2008: Acquisition of Outstanding Interests in Berau Coal and Paulsens East Iron Ore Projects.

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Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

3. Iron Ore Mineralisation

Paulsens East consists of hematite iron ore mineralisation occurring as a ridge rising to approximately 60 metres above the valley floor and extending for approximately three kilometres West to East (refer Figures 4 and 5).

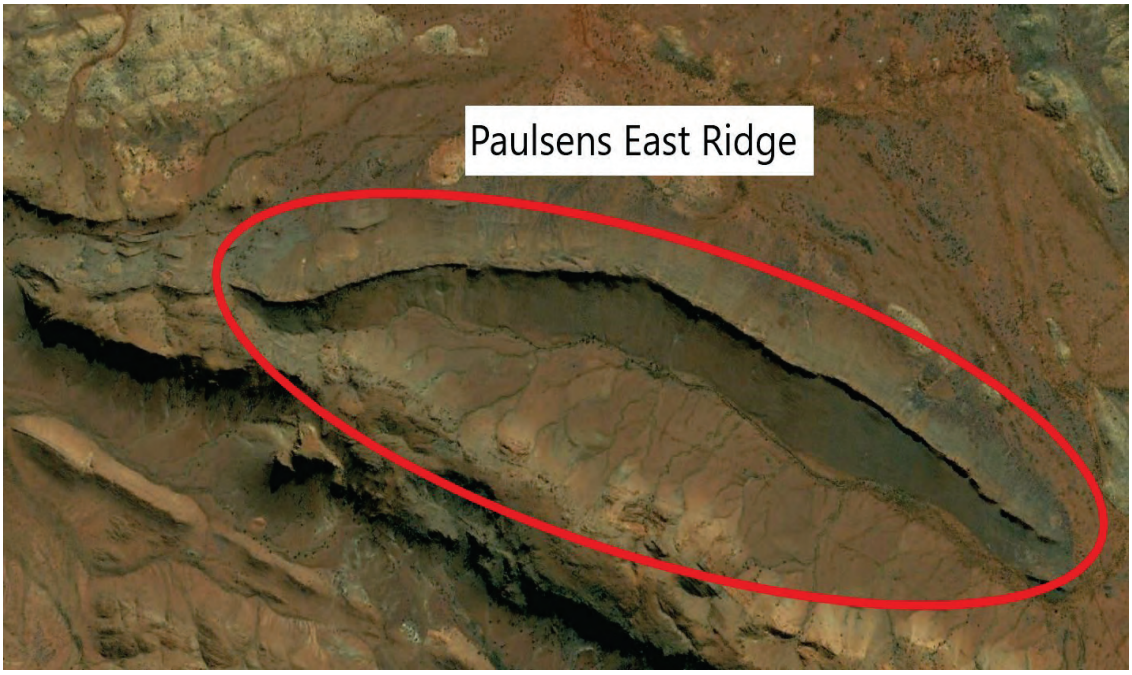

Figure 4: Satellite image of Paulsens East Ridge

Figure 5: Paulsens East Ridge, facing East

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4. JORC Ore Reserve and Mineral Resource Estimates

Table 6 summarises the Paulsens East JORC Indicated Mineral Resource within a 58% Fe lower grade cut-off wireframe. The Indicated Mineral Resource extends from the surface to 75 metres below the deepest drill intersection or the 150 metre RL (reduced level), whichever occurs first.

Mineral Resources Category	Fe% Range	Million Tonnes	Fe%	SiO_2%	Al_2O_3%	P%	S%	LOI%
Indicated	>58	9.6	61.1	6.0	3.6	0.08	0.01	2.1

Table 6: Paulsens East Mineral Resource estimate using a 58% Fe lower cut-off wireframe.

Of the Indicated Mineral Resource referred to above, approximately 3 Million tonnes of 61% Fe (with 5.9% SiO_2 and 3.6% Al_2O_3) hematite material is estimated to occur above the base of the ridge (as defined by drill hole collars) with minimal overburden.

Table 7 shows the Paulsens East JORC Indicated Mineral Resource for a range of cut-off grades.

Mineral Resources Category	Fe% Range	Million Tonnes	Fe%	SIO_2%	AL_2O_3%	P%	S%	LOI%
Indicated	>60	6.75	62.05	5.21	3.37	0.08	0.01	1.92
Indicated	>59	8.15	61.61	5.56	3.53	0.08	0.01	1.99
Indicated	>58	9.62	61.13	5.97	3.64	0.08	0.01	2.13
Indicated	>57	10.54	60.82	6.27	3.7	0.09	0.01	2.20
Indicated	>56	11.73	60.38	6.86	3.69	0.09	0.01	2.27
Indicated	>55	12.50	60.08	7.22	3.67	0.09	0.01	2.35

Table 7: Paulsens East Mineral Resource estimate using a range of lower cut-off wireframes.

Table 8 summarises the JORC Probable Ore Reserve that has been converted from (and within) the JORC Indicated Mineral Resource based on the outcomes of the Study (adopting a cut-off grade of 55% Fe to produce a marketable product):

Ore Reserves Category	Fe% Range	Million Tonnes	Fe%	SiO_2%	Al_2O_3%	P%
Probable	>55	6.2	59.9	7.43	3.77	0.086

Table 8: Paulsens East Mineral Resource estimate using a 58% Fe lower cut-off wireframe.

The Ore Reserve is derived from the Indicated Resource and the Mineral Resources outlined above in Tables 6 and 7 are inclusive of the Ore Reserve.

Further technical details in relation to the above JORC Ore Reserve and Mineral Resource estimates are set out in Appendices A, B and C.

5. Physical Characteristics of the Iron Ore Deposit at Paulsens East

The Paulsens East iron ore deposit comprises three main bands of iron rich hematite conglomerate mappable as continuous bands along its three kilometre strike length. These bands were originally deposited in the Proterozoic and formed by erosion of mineralised bedrock and its subsequent reconstitution. During reconstitution, hematite pebbles were deposited and held together in hematite matrix along land and marine interface such that the high purity heavy hematite conglomerate bands occur interbedded with ferruginous quartzites and subordinate ferruginous clay.

There is a sharp boundary at 58% Fe in the drill holes at 1.0 metre (2006 drilling) and at 0.5 metre sample widths (all subsequent drilling) and as such block modelling and resource estimation are based on a cut-off grade of 58% Fe.

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Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

In outcrop, however, the high-grade material (+64% Fe) stands in sharp contrast with low grade intervening siliceous material. The core of the deposit is generally very high grade and it is expected that sampling of blast holes and sharp colour contrast will assist greatly in grade control.

Figure 6: Paulsens East Rock Chip Sample

6. Metallurgical Testwork

ALS Metallurgy Iron Ore Technical Centre (**ALS IOTC**) in Perth, Western Australia has conducted a series of metallurgical tests for physical properties on bulk composite samples collected from various surface locations across the entire length and width of the Paulsens East deposit in 2019.[13]

The composite sample had a **head grade of 65.6% Fe**, 3.41% SiO_2 and 1.44% Al_2O_3. The composite head grade of the testwork samples was obtained from material sourced from surface mineralisation across the entire strike length of the deposit. The nature of the deposit, being a sharp ridge defined by an outcropping steeply dipping slope face of 30 to 40 metres in height, means that the test samples are likely to be reasonably typical of the physical properties of the initial mined material.

Figure 7 below shows the sharp ridge-like character of the deposit.

Figure 7: The Ridge-form hanging Wall of the Paulsens East Iron Ore Deposit

13 Refer Strike's ASX Announcement dated 10 October 2019: Outstanding Metallurgical Testwork Results at Paulsens East Iron Ore Deposit Indicate 79% Lump Yield with Low Impurities

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Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

Specific gravity tests were also completed on twenty separate samples.

Subsequent to the completion of this testwork (the results of which are summarised below in Section 6.1) a Bulk Sample programme was completed from an excavated test-pit on-site during August 2020, from which approximately 3,000 kilogrammes of representative Ore/Waste and transition material was collected and sent to ALS IOTC laboratories for further testwork (refer Figure 8).[14]

Figure 8: Paulsens East test pit at eastern end of outcropping hematite ridge

The test pit excavated for the Bulk Sample clearly exposed the multiple bands of high-grade hematite iron ore, which extend to depth and three kilometers east to west along strike (refer Figure 9).

14 Refer Strike's ASX Announcement dated 2 September 2020: Test Pit and Bulk Samples to Advance Offtake Agreements Completed at Paulsens East

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Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

Figure 9: High grade hematite iron ore bands extending from top of ridge to depth

6.1. 2019 Test Work Overview

The following results are from 2019 testwork undertaken by ALS IOTC.

Lump and Fines (Stage Crush and Drop Tower)

The stage crush and drop tower test results indicate that 79% of crushed material is likely to be classified as 'Lump' material (> 6.3 mm < 32.5mm in size), which typically attracts a price premium (depending upon market factors at the time of sale) over 'Fines' material (< 6.3 mm) of the same grade.

The testwork also indicates that the Lump material is likely to be approximately 2% Fe higher in grade than that of the Fines material, which will also potentially attract a further price premium for the Lump material.

Assays of the material taken after the drop tower test confirmed that both the Lump and Fines materials are likely to be exceptionally low in deleterious elements such as phosphorous (~0.05%) and sulphur (~0.008%), which can otherwise result in price penalties.

Crush Work Index

The crush work Indices for the samples varied from 27.4 to 6.5, averaging 15.3 kwh/tonne.

Tumble Index

Tumble Index of Lump material varied from 95.6% to 95.9%, averaging 95.8%, an excellent result indicating that there is likely to be minimal degradation of the Lump material during handling and transportation.

Specific Gravity

Specific Gravity (**SG**) measurements on twenty samples (averaging 65% Fe) returned a consistent result of 4.80. It should be noted that JORC Indicated Mineral Resource estimate is based on an assumed SG of 4.2, taking into account dilution and a low-grade envelope.

ASX ANNOUNCEMENT

Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

Further SG measurements are planned on lower grade material and waste in outcropping areas and at depth in drill holes, for mine planning purposes and to determine the potential for an increase in resource size and a decrease in mining strip ratios.

A summary table of metallurgical testwork results is in Table 19 in Appendix D.

6.2. 2020 Test Work Overview

The current series of testwork programmes being undertaken by ALS IOTC on the material recovered from the Bulk Sample (collected in August 2020) are designed to prepare and analyse indicative ROM primary crusher ore feed samples for ongoing metallurgical testing and beneficiation testwork.

The samples (High Grade Hematite and Waste Ores) have been crushed into Lump and Fines products for ore characterisation and grades/impurity level analyses.

Blended Lump and Fines products constituting a 90:10 blend of High Grade Hematite : Waste ore have been prepared for representation as potential product samples for marketing. The head-grade analyses of these samples are presented Table 18 in Appendix D.

The beneficiation testwork programme will review the physical and metallurgical characterisation of the Lump and Fines products at varying Hematite: Waste ore ratios to determine the optimal final product (Fe) grade versus plant recovery percentages – via varying ore beneficiation methodologies. This testwork will assist with optimising the design of the crushing and screening plant.

The completion of the testwork on the Bulk Sample is still pending as at the date of release of the Study.

7. Mining

Iron mineralisation in the tenement (M 47/1583) crops out as a ridge up to ~60 metres above the valleys on either side. It occurs as continuous bands of iron rich conglomerate with a cumulative width averaging 6.3 metres extending over a strike distance of approximately three kilometres.

It is proposed to mine the deposit using experienced contract mining and drill and blast operators, using conventional diesel-powered tracked excavators and off-road haul trucks. Mining will be open cut and is expected to occur above the water table, so no dewatering will be required.

The proposed Mine Schedule is based on JORC Ore Reserve Model using a Fe cut-off grade of 55% and assuming a 10% ore loss, delivering 6.2 million tonnes of ore to the run of mine (**ROM**) at an average grade of ~60% Fe over the LOM of 4 years.

Pre-production works are estimated to take approximately four months, which will include:

- Establishing sufficient operating ramps and initial mining benches that will ensure the required mill feed will be achieved on a sustainable basis;
- Establishing the mine haul roads from the ridge and pit to the ROM pad and waste dumping areas;
- Managing the generation of mine waste to build up the Mining Operations Centre (**MOC**) infrastructure pads, including the associated ROM pad, waste and topsoil stockpiles and South East Waste Dump access road; and
- Building strategic ROM inventories equivalent to a minimum of four weeks of primary crusher feed, ready for commissioning of the process plant and for long-term operational risk management and supply contingency.

ASX ANNOUNCEMENT

Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

Iron ore mineralisation outcrops on top of the ridge, which protrudes between approximately 40 to 60 metres above its base. It is envisaged that a 'pioneering mining fleet', comprising a small 50 tonne excavator and associated articulated dump trucks (ATD's), together with two drill and blast drill rigs, will be required in the first instance to access the top of the ridge, as well as establishing and mining the first few benches.

Once the pioneering fleet has established three to four mining benches across the upper portion of the ridge surface, the production mining fleet will commence mining. The production fleet will utilise a 105 tonne excavator, with waste and ore transported to waste dumps and the ROM pad respectively using 100 tonne payload dump trucks.

Production is forecast to progressively ramp up to an annualised production rate of 1.5 Mtpa of ore within eight months of the pioneering Mining Fleet commencing work. Mining is expected to transition from day shift only to day and night shifts once pre-production and pioneering are complete. Suitable lighting will be provided in the working areas (including at dump locations) to allow safe operations at night.

Ore will be mined on 5 metre bench heights and 2.5 metre flitches to facilitate accurate grade control.

For the purposes of the Mining Schedule in the Study, the mine has been divided into the 'Main Pit' (including Starter Pit and Final Cutback) and the 'West Pit'. The Main Pit is further divided into five 'Slices'. The Mine Schedule envisages mining commencing at the Main Pit Starter Pit, comprising Slices 1, 2 and 3 as well as the West Pit (refer Figures 10, 11 and 12).

Slice 1, Slice 2 and Slice 3 of the Main Pit Starter Pit are completed in the second half of Year 2. During the same year, the Main Pit transitions into the final cutback of the pit, which effectively mines the pit to its final depth.

Slice 4 of the Main Pit would be commenced in the first quarter of Year 1, when its upper benches are established by the pioneering fleet. At this point in time, Slice 4 would be mined independently from Slice 1, Slice 2 and Slice 3. However, in the second half of Year 2, Slice 4 catches up with the remainder of the Main Pit and is mined together with the rest of the Main Pit Final Cutback.

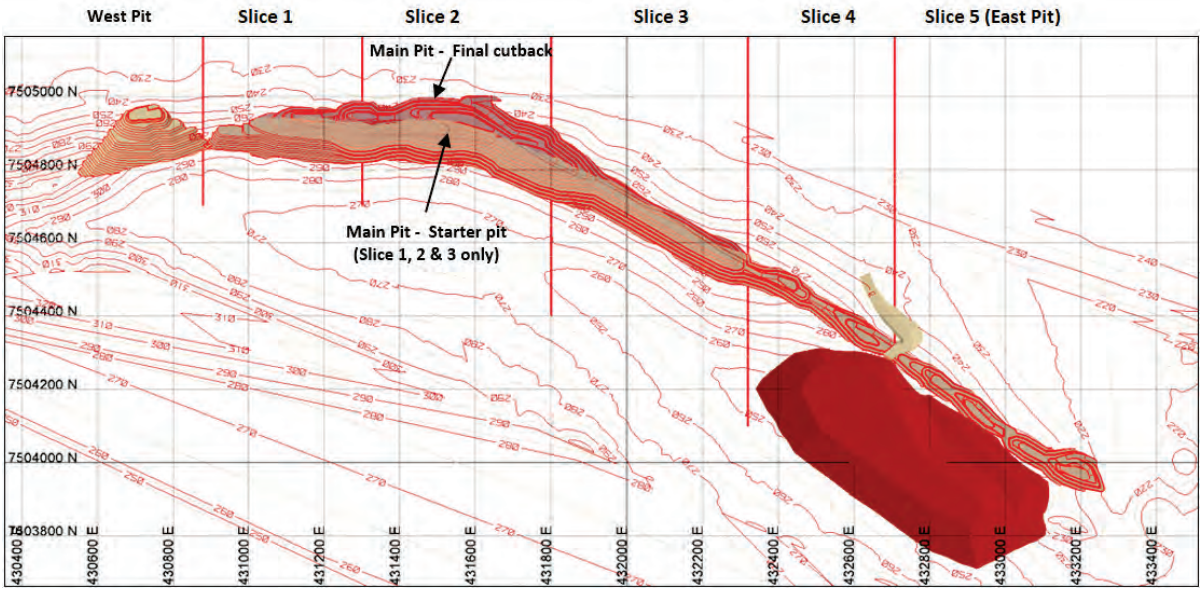

Figure 10: Mining Schedule Pit Design

In the first year of mining, the waste to ore ratio will average 2.7:1. As mining becomes progressively deeper, the waste to ore ratio will increase but the overall waste to ore ratio over the four-year life of mine is still expected to be relatively low at 3.0:1

ASX ANNOUNCEMENT

Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

The pit slope is estimated vary between 26 degrees to 44.5 degrees along the footwall and 44.5 degrees along the hanging wall (north wall). The average slope along the north wall will reduce to 40 degrees, taking into account a haul road along the north wall (refer Figure 11).

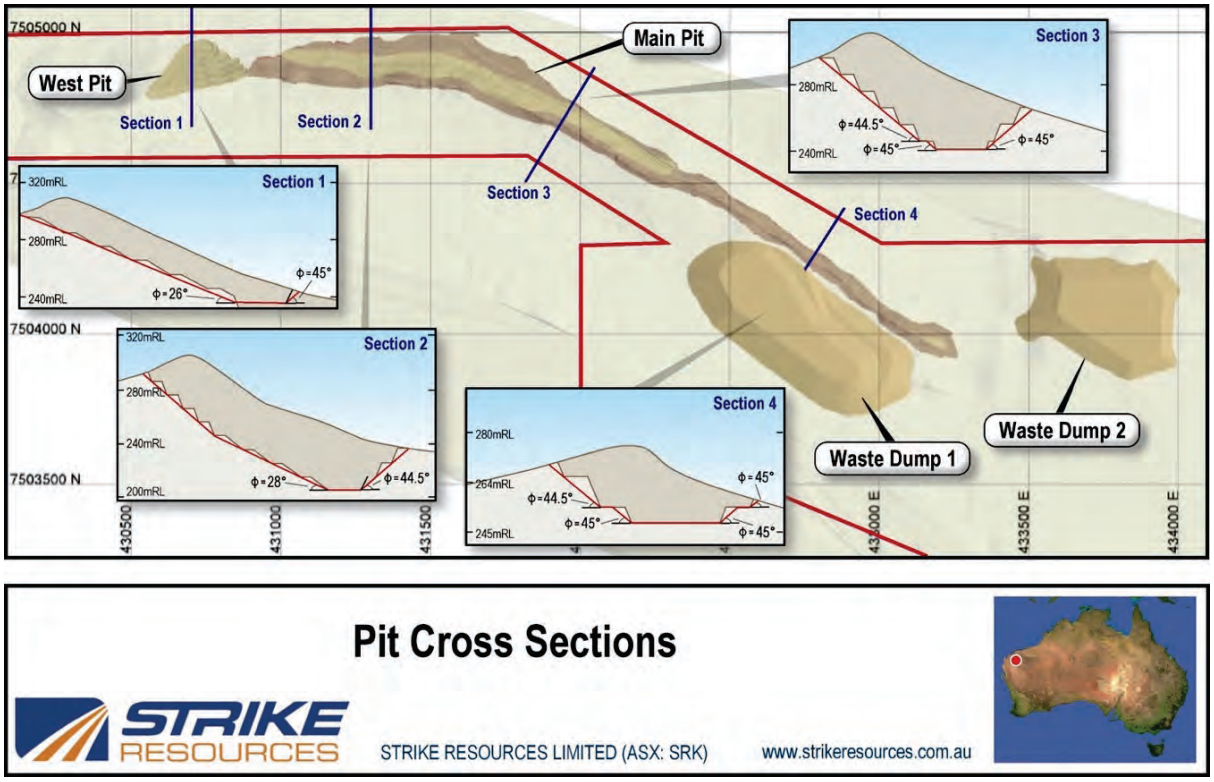

Figure 11: Pit cross section designs

Total waste movement is expected to be approximately 19 Million tonnes over LOM. Waste will be dumped in two dump locations with the main waste dump to be located south east of the pit on the southern side of the ridge (Waste Dump 1) with a second waste dump located north east of the pit (Waste Dump 2) (refer Figure 12). Waste material is predominantly indurated ferruginous siliceous sandstones, quartzite and massive basalt. No sulphide materials have been encountered in exploration drilling and there is very low potential for any acid forming materials to be present in the dumped waste material.

A diversion channel will be constructed to divert an existing creek system around Waste Dump 1 (see Figure 12).

ROM pad, crushing and screening infrastructure as well as truck loading, workshops and fuel depot are proposed to be located on a low-lying dolomite ridge to the east of the pit, outside a 500m blasting exclusion zone and located as close as practicable to the ore body (refer Figure 12).

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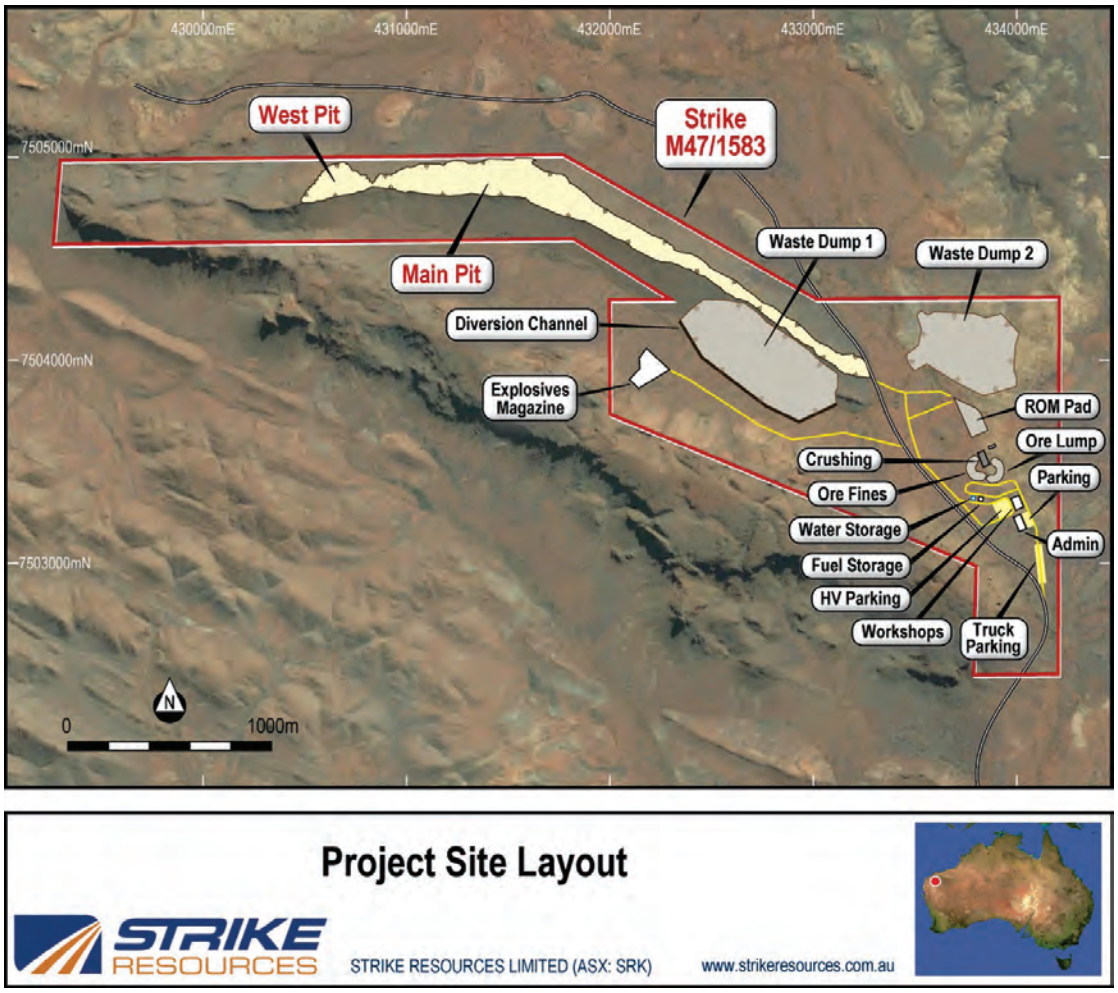

Figure 12: Study Mine Layout

8. Processing

The Ore Processing Facility involves the primary and secondary crushing of ROM ore and screening over a tri-deck screen to produce separated Lump and Fines stockpiles.

The Primary (jaw) Crusher will be fed by a front-end loader from the ROM pad and will reduce (crush) the ore from -750mm to a P90 of -150mm at a rate of 500 tph (dry) of ROM ore. The Secondary (cone) Crusher will receive 500 tph (dry) of primary crushed ore (at -150mm). The cone crusher settings will be designed to maximise Lump production, in preference to Fines. The ore discharged from the Secondary Crusher will be conveyed to a triple-deck screen, to segregate the Lump from the Fines ore (by size fractioning) and return any/all +32mm material back to the Secondary Crusher for re-processing.

The ore that passes through the top two decks but does not pass through the bottom deck (being -32mm/+6.3mm ore) will be considered a Lump product. The ore would be transported by a purpose-sized conveyor (rated for 500tph (dry) with a nominal operating rate of approximately 375-400 tph (dry)) and telescopic stacker, to the Lump stockpile.

Metallurgical testwork indicates that the Lump to Fines production ratio is likely to be better than 75% Lump to 25% Fines and that the Lump product is likely to be on average 2% higher grade than the Fines product (refer Table 8).

Product	Size	Proportion	LOM Average Grade
Lump	> 6.3mm < 32mm	> 75%	62% Fe
Fines	< 6.3mm	< 25%	59% Fe

Table 8: Lump and Fines Specifications.

ASX ANNOUNCEMENT

Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

Head Grade analyses of a 90:10 blend of high-grade hematite:waste from the August 2020 Bulk Sample confirmed that a 62% Lump product low in alumina and a 59% Fines product with a moderate level of alumina can be achieved from the Ore Reserve.[15]

An ore loss of 4% has been assumed through the processing circuit.

An on-site laboratory will be established for ongoing analysis of ore samples to manage grade control and ensure consistency of product grades.

Prior to haulage, crushed ore will be conditioned with water to ensure that the moisture content of the ore is suitable for transport, stockpiling at the port and shipping (approximately 4%-5% by weight).

9. Operations Camp

Local accommodation and services will be required to cater for up to 80 persons operating on-site, including Strike personnel and contractors.

Strike is currently negotiating to utilise an existing mining camp at a neighbouring project which is currently on care and maintenance and which has sufficient capacity to accommodate the Project's requirements during construction and on-going operations.

As an alternative (should agreement not be reached on the use of the neighbouring camp facilities), Strike is planning for the construction of a dedicated 80 person mining camp at its own site approximately 3 kilometres south of the mine operations area.

Communications to the mining operations area will be provided by a dedicated high bandwidth microwave service or via satellite. A dedicated radio network will operate at the mine site to enable efficient site communications between operations staff.

The mine site will operate on day and night shifts. Site personnel will be working mostly on a two week on, one week off roster. Staff will travel to and from site via Paraburdoo or Onslow Airports, from where they will be transported by bus to/from site.

The re-commissioning of a local (Wyloo) airstrip (previously used for charter flights to service the Paulsens Gold Mine) is also being considered as an alternative.

An approximately 18 kilometre long all-weather haulage road will be constructed to connect the mine site to the bitumen Nanutarra Road, with a junction to the Nanutarra Munjina Road designed to accommodate the trucking fleet proposed to transport iron ore to Utah Point in Port Hedland.

10. Water

Water for mining operations, ore conditioning, dust suppression will be sourced from local bores to be located within the Mining Lease.

Three water bores have been drilled on the Mining Lease with pump testing demonstrating the potential to provide sufficient water for construction and mining operations. Strike will be applying for a water licence to take water from these bores for mining operations.

15 Refer also Section 6 (Metallurgical Testwork) and Appendix D

ASX ANNOUNCEMENT

Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

11. Civil Works

Early civil and earth works (prior to mining operations) will be required for:

- Construction of the haulage road from the mine site to Nanutarra Road.
- Construction of the access road for the proposed mining camp.
- Levelling and site preparations for mining camp construction.
- Levelling and site preparations for the Mining Operations Centre (MOC), ROM pad and other mine site facilities/infrastructure.
- Establishment of water bores (on sites already drilled and pump tested) and water storage facility and fuel farm.
- Excavation of a creek diversion for Waste Dump 1.
- Construction of access ramps and haul roads for mine operations.

12. Haulage

Crushed ore will be loaded onto four trailer ('quad') road trains, which will transport crushed Lump and Fines ore from the mine to a receiving stockpile bunker area at the Utah Point Multi-User Bulk Handling facility (**Utah Point**) at Port Hedland.

Strike has entered into a Memorandum of Understanding (**MOU**) with Campbell Transport Pty Ltd, as Strike's preferred haulage contractor.[16]

Contract negotiations are currently ongoing regarding the final commercial terms of the haulage arrangements.

13. Port Facility

Utah Point was opened in 2010 and is operated by the Pilbara Ports Authority (**PPA**). It was established to provide multi-user access to port facilities and export markets, with an environmental licence to load approximately 24 Million tonnes of bulk material per year.

Utah Point will require no direct capital investment by Strike at the port, as there is already a well-established and operational facility present specifically designed for iron ore.

The PPA currently has stockpile and throughput capacity for the proposed production rate of 1.5 Mtpa for the Project.

The facilities at Utah Point allow for direct access and dumping of ore from Quad road trains into the ore hoppers (or bunkers) at the stockpile area, with no requirement for any intermediary stockpiles or double handling of ore. Ore can be loaded rapidly at a rate in excess of 4,000 wet tonnes per hour directly into the hold of Panamax or Mini-cape vessels, with cargo capacities up to 110,000 tonnes.

Strike is currently in discussions with the PPA regarding the final commercial terms for the use of Utah Point.

14. Shipping

It is envisaged that an average of 12 - 15 shipments of ore per year will be undertaken, each with a cargo of approximately 110,000 tonnes. The shipments will be scheduled to enable the export of the targeted 1.5 Mtpa of production.

16 Refer Strike's ASX Announcement dated: 29 April 2020: MOU Executed for Iron Ore Haulage Services with Campbell Transport for Paulsens East Iron Ore Project

ASX ANNOUNCEMENT

Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

15. Product Marketing and Sales

The current strong iron ore price is being driven primarily by economic stimulus in China and sustained supply constraints out of Brazil, where ongoing tailings dam management issues and the impact of the COVID-19 pandemic on various of Vale's operations have resulted in them continue to deliver at the low end of guidance and well below nameplate capacity.

Strike is of the view that these factors will continue to support high iron ore prices in the near to medium term.

The Lump and Fines products to be produced are expected to be high grade (approximately 62% Fe and 59% Fe respectively over LOM), with some moderate levels of impurities alumina and silica reporting mainly to the Fines.

Lump iron ore typically attracts a significant price premium compared to Fines material of similar grade, which has been reflected in the economic model.

An allowance for potential discounts to benchmark prices due to grade and impurities has also been made, as well as an allowance for marketing and shipping costs.

Discussions are ongoing with multiple potential offtake parties and customers. Whilst Strike has not yet made any firm binding commitments, discussions with several parties are well advanced.

16. Environmental

The initial field work for a reconnaissance flora and vegetation survey and Level 1 fauna and fauna habitat assessment has been completed over the Project area and will be incorporated into the preparation of a Mining Proposal for submission to the Western Australian Department of Mines, Industry Regulation and Safety (**DMIRS**).

During the field work, evidence of Northern Quoll (Endangered EPBC Act and BC Act) was recorded on motion sensors and cameras. Strike will develop a strategy to minimise and impact the Project may have on the Quoll habitat.

No other significant environmental issues have been identified at this stage.

17. Heritage Survey and Native Title

A Heritage Survey over the main Project area was undertaken with representatives of the Puutu Kunti Kurrama & Pinikuras (**PKKP**) traditional owners in March 2020, with the main hematite ridge being cleared (approved) by the PKKP for mining. A further Heritage Survey is planned for November 2020 to clear several remaining areas associated with infrastructure (haul road, waste dumps, camp etc.).

On 14 August 2020, Strike entered into a Native Title Mining Agreement (**Native Title Agreement**) and State Deed (for the grant of a mining lease) with the PKKP Aboriginal Corporation RNTBC (**PKKPAC**). The PKKPAC holds native title on trust for the benefit of the Puutu Kunti Kurrama and Pinikura People (**PKKP**) Traditional Owners.[17]

The Native Title Agreement provides an agreed framework for Strike to undertake its mining activities at the Project in a way that minimises any impacts on Aboriginal Cultural Heritage. The agreement has a strong focus on protection of Aboriginal heritage and includes effective safeguards for the care and protection of the lands and rights of the PKKP peoples.

Strike has also agreed to provide a package of financial and business development related benefits for the PKKP, including an annual payment based on the value of iron ore sales, an annual training and development allowance for PKKP members together with opportunities for PKKP members to contract for the provision of certain support operations related to the Project.

17 Refer Strike's ASX Announcement dated 17 August 2020: Native Title Agreement Paves Way for Iron Ore Development

ASX ANNOUNCEMENT

Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

18. Royalties

A 7.5% Royalty on gross iron ore revenues (excluding shipping costs) to the Western Australian State Government has been factored into the economic model.

Strike also has a liability to pay Orion Equities Limited (ASX:OEQ) a royalty of 2% of gross revenues (exclusive of GST) from any commercial exploitation of any minerals from the Project - this royalty entitlement stems from Strike's acquisition of a portfolio of tenements (including the Paulsens East tenement) from Orion in September 2005.[12]

19. Capital and Operating Costs

Strike envisages using contract mining, crushing, haulage and transport operators where possible to minimise upfront capital costs.

A breakdown of expected capital and pre-start costs is included in Table 9 below:

Capital/Pre-Start Costs	A$M
Mining Administration Centre Setup	1.1
Water Bores, Fuel storage etc.	1.0
Civil Works – MOC	1.4
Haul Road Construction	5.3
Earthworks and Civils	1.9
Mobilisation and Setup	2.4
Mining Pre-Production	1.9
Contingency	0.7
Total	**15.7**

Table 9: Expected Capital and Pre-Start Costs

The Study envisages that local accommodation and camp services will be available for up to 80 Strike personnel and contractors at a neighbouring mine camp facility, which is currently on care and maintenance.

As an alternative (should agreement with not be reached with the owners of the neighbouring mine camp facilities), Strike is planning for the construction of a dedicated 80 persons mining camp at a site approximately 3 kilometres south of the mine operations area, which would add approximately $2.6 Million in capital cost to the Project.

Operating costs have been estimated based mainly upon proposals and/or quotations received from experienced industry participants, potential contractors and service providers with input from external consultants, with annual and average costs over LOM in Table 10 below:

Financial Metrics	Unit	Study Outcome
C1 Cost Year 1	US$/t	62.1
C1 Cost Year 2	US$/t	66.4
C1 Cost Year 3	US$/t	61.3
C1 Cost Year 4	US$/t	68.6
Average C1 Costs[4]	US$/t	64.8

Table10: Expected C1 Costs

ASX ANNOUNCEMENT

Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

20. Economic Modelling

An economic model has been prepared by Strike, using inputs from various sources as summarised in Table 11 below:

Model Input – Capital and Pre- Start Costs	**Principal Source**
Mine Operations Establishment	Engenium / Contractors
Haul Road Construction	Engenium / Contractors
Civil and Earth Works	Engenium / Contractors
Model Input – Operating Costs	**Principal Source**
Management and Mine Camp Operations	Strike / Contractors
Mining and Crushing Costings	Strategic Mines (Consultant) / Contractors
Haulage Costs	Contractors
Port Operations	Port Operator
Shipping Costs	Shipping Agent
Iron Ore Pricing	Published Benchmark pricing / Strike / Haven Resources Pty Ltd (Consultant)
Royalties	State Government of Western Australia
Contingency	Strike
Model Input – Mining Schedule	**Principal Source**
Mining Schedule	Mining Focus Consultants Pty Ltd

Table 11: Sources of Economic Model Inputs

The majority of the cost estimates used in the Study are based upon proposals and/or quotations from suitably experienced industry participants with input from external consultants. Strike believes that it is reasonable to attribute a +/- 15% level of confidence to the estimated capital costs and an overall +/- 15% to the operating costs.

A production rate of approximately 1.5 Mtpa has been selected for the first 4 years, with total production over the LOM of 6.0 Million tonnes. This schedule has been selected taking account of the physical characteristics of the deposit, the capacity and constraints of potential mining and processing contractors.

An average Benchmark Price of US$100 per tonne[5] (62% Fe Fines, delivered CFR China) has been assumed over the LOM, an approximately 13% discount to the prevailing iron ore at the time of this Study (approximately US$115/t)[7].

It is assumed that during the LOM and using the Benchmark Price as a base, the average Lump price received will be at a premium price to the 62% Benchmark Price taking account of the premium expected for the Lump ore. The average price received for the Fines ore is assumed to be at a discount to the 62% Benchmark Price, taking account of assumed discounts/penalties associated with impurities and grade relative to the 62% Benchmark Price index.

ASX ANNOUNCEMENT

Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

Key inputs used for the economic model are highlighted in Table 12 below:

Key Inputs	Units	Value
US$/A$ Exchange Rate	US$/A$	**0.70**
Total Ore Production	Mt	**6.0**
Mine Life	Years	**4**
Annual Ore Production	Mtpa	**1.5**
Lump: Fines Ratio	Lump:Fines	**75:25**
Processing Losses	%	**4**
Mining and Processing Costs	A$/t	**29**
Haulage and Port Costs	A$/t	**56**
Shipping Costs	A$/t	**13**
Benchmark Iron Ore Price 62% Fines CFR China	US$/t	**100**
Lump Premium (per dry metric tonne unit)	US$/dmtu	**0.20**
Price Received – Lump	US$/t	**112**
Price Received – Fines	US$/t	**89**
Discount Rate	%	**8**

Table 12: Economic Model Inputs

20.1. Economic Model Results

The results of the economic modelling based upon the assumptions above are summarised in Table 13 below:

Economic Model - Financial Metrics	Unit	Study Outcomes
Life of Mine Revenue	A$M	**906**
Operating Net Cash Flow	A$M	**167**
NPV	A$M	**140**
IRR	%	**213**
Capex Payback Period	Months	**9**

Table 13: Economic Model Operating and Financial Metrics (pre-tax)

The forecast Project financial metrics (NPV, IRR and Operating Net Cashflows) are calculated and shown net of applicable royalties but before deductions for tax. Strike will be subject to Australian corporate tax at the assumed rate of 30% on its taxable income. Any tax payable may potentially be reduced by utilising Strike's carried forward tax losses, which currently total ~$25 Million.[7]

The economic model confirms the Project has the potential to generate an attractive economic return with an **operating net cashflow** of **$167 Million** (pre-tax) and **NPV** of **$140 Million** (pre-tax) over a four-year mine life, assuming an average Benchmark Price of US$100 per [tonne5] (currently approximately US$115/t[6]).

If the Benchmark Price is assumed to be at recent levels (US$115/t) for the LOM, with other assumptions unchanged, the forecast pre-tax **operating net cashflow** increases to **$279 Million** and **NPV** increases to **$227 Million**.

The average C1 Cost (over LOM) is forecast to be US$64.8 per tonne. The Project is expected to be able to continue to generate positive cashflow throughout the four-year mine life if the Benchmark iron ore price remains above approximately US$80/t (currently ~ US$115/t), the assumed premiums and discounts to the Benchmark Price index for product delivered remain and at an assumed constant US$/A$ exchange rate of 0.70.

ASX ANNOUNCEMENT

Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

20.2. Sensitivity

A sensitivity analysis on the financial model highlights that the Project value is most sensitive to the following variables:

- Iron ore price;
- US$/A$ exchange rate;
- Lump Premium price; and
- Haulage Costs.

For example, a 10% increase in the average Benchmark iron ore price to US$110/t over the LOM would result in a 42% increase in forecast NPV to approximately $199 Million (pre-tax). Conversely, a 10% decline in the average Benchmark iron ore price to US$90/t over LOM would result in the expected NPV for the Project reducing to approximately $81 Million (pre-tax).

Figure 13 below highlights the sensitivities of the Project NPV to changes in various inputs:

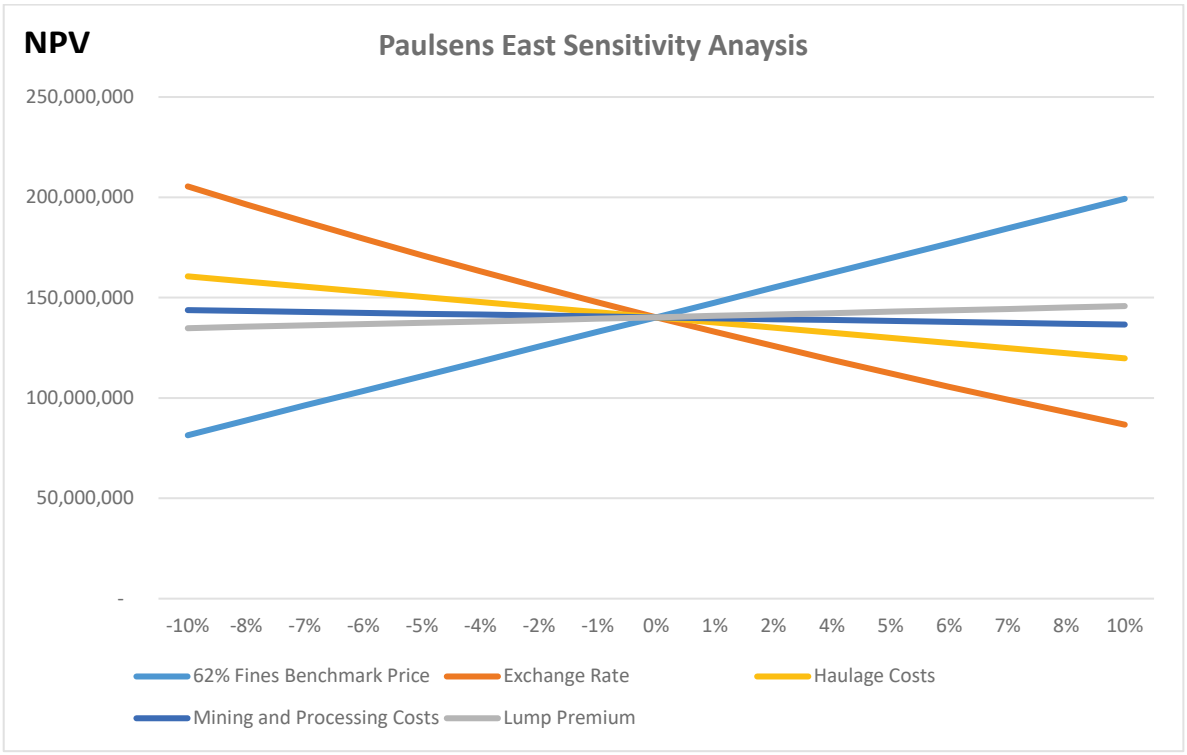

Figure 13: Sensitivity Analysis - Benchmark Iron Ore price, exchange rate and operating costs

ASX ANNOUNCEMENT

Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

21. Opportunities

There are clearly defined opportunities that may significantly improve the economic and operational performance of the Project as described in this Study. Such improvements, which will be the focus of ongoing analysis and testing, include the potential for:

- Increasing the production rate materially above 1.5 Mtpa, given that Utah Point does not currently have export capacity restraints.
- Extending the LOM, underpinned by the balance of the existing JORC Indicated Mineral Resource inventory.
- Improvements in operational efficiencies relating to the transport logistics (mine to port to ship).
- Producing a higher grade (63 - 64%) product with Metallurgical testwork currently underway to confirm this potential where surface sampling has indicated the extensive occurrences of higher grades of iron (64% – 66% Fe) than those currently assumed as average product grades (59% - 62%) in Strike's economic model.
- Exploration upside based on small hematite conglomerate outcrops along the surface and a drill intersection located 1.6 kilometres along the hematite ridge at the south-eastern corner of the tenement previously identified by Strike[9] and more recently taken surface rock-chip samples grading 64.4% - 66.2% Fe identified at multiple locations in the same area.[10]
- Exploration upside based on areas of surface detrital material identified approximately 100 metres north of the hematite ridge, where screening and assay results from a sample showed a highly encouraging product grade of 60% Fe, 6.4% SiO_2 and 3.4% Al_2O_3 with a mass recovery of 83% on crushing to -32mm and simple wet screening at +1mm size (refer Figure 3).[11]

The exploration targets (referred to above) are conceptual in nature, there has been insufficient exploration to estimate a JORC Mineral Resource in respect of the same and it is uncertain if further exploration will result in the estimation of a JORC Mineral Resource in this regard.

ASX ANNOUNCEMENT

Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

22. Risks

The key risks identified for the Project include:

- A significant decline in the iron ore price from current and recent levels (currently the Benchmark iron ore price is approximately US$115/t).
- A significant strengthening of the Australian currency against the US currency.
- Delays in obtaining necessary approvals/permits.
- Maintaining steady state operations at the proposed annualised production rate whilst achieving sustainable high-grade product quality.
- Realising the forecast level of premium pricing for the Lump product over LOM.
- Cost escalations for key Project inputs such as fuel, staffing and shipping costs.
- Shortages in suitable staffing/contractors due to COVID-19 travel restrictions.

23. Approvals

The following key approvals/agreements/permits are still required from the relevant parties/authorities:

- DMIRS approval of a Mining Proposal (and ancillary matters) to conduct mining operations on Mining Lease M 47/1583.
- Grant of Miscellaneous Licences, including for construction of the haul road (from Nanutarra Road to mine site).
- Dangerous Goods Transport and Storage licence(s) – for drill and blast activities and fuel storage.
- DMIRS and Local Shire Works Approvals for mine site construction.
- DMIRS Native Vegetation Clearing Permits, including for drilling and ROM pad/processing plant footprints.
- Department of Water and Environmental Regulation (**DWER)** approvals, including a water and borefield extraction licence/permit and Beds and Banks approval for creek diversion.
- Main Roads WA approvals, including for the construction of the haul road that intersects with Nanutarra Road and road haulage (including truck configuration and axle loading).
- Access Agreement with the Pilbara Ports Authority (PPA) for stockpile and loading at Utah Point.
- Agreement for use of nearby mining camp for worker accommodation.

24. Timing

Strike envisages that with reasonable assumptions concerning the receipt of necessary approvals and funding (in particular the receipt of DMIRS approval of the Mining Proposal during December 2020) first production from the Project could commence in the first half of calendar 2021.

To achieve this goal, Strike is targeting the following key milestones:

Key Activity	Target Date for Completion (2020/2021)
DMIRS approval of Mining Proposal	December 2020
Commercial Contracts/Agreements	December 2020/January 2021
Final Investment Decision	December 2020
Financing	December 2020
Mobilisation/Construction	January 2021
Mine Commissioning	May 2021

Table 14: Project Milestones

ASX ANNOUNCEMENT

Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

25. Funding

Strike believes there is a reasonable basis to assume the necessary funding for the Project will be obtained, for the following reasons:

(a) Strike has been able to raise funding for its exploration and development over the past 15 years in order to progress its projects. During this time, Strike has successfully raised over $100 Million in equity to fund its various projects. During 2019/2020, Strike raised approximately $2.8 Million equity capital from professional and sophisticated investors, principally to advance the development of the Paulsens East Project.

(b) The positive outcomes delivered by the Study provide confidence to the Board in the ability of Strike to fund the development capital through conventional debt and/or equity financing. A mix of debt and equity is the most likely funding model so 100% of the capital expenditure will not need to be borrowed. There will also be a requirement for working capital to fund the mining of the first shipments prior to receipt of payment.

In this regard:

(i) Strike is exploring a range of options to fund this working capital requirement including pre-sales of iron ore or vendor finance for the first shipment.

(ii) Strike has held discussions with its corporate advisors regarding the ability to secure funding for the Project, as well as with iron ore traders and agents who have indicated that project funding may be available from customers in China as pre-payment for supply or as a loan against a guaranteed offtake for the whole or part of the proposed production of iron ore from the Project.

Strike has a strong financing track record and it is the view of the Board that when the project parameters in this Study are met, that funding will be able to be arranged. Notwithstanding this, the normal risks for the raising of capital will apply to Strike, such as the state of equity capital and debt markets, the status of approvals required to advance the Project and the price of iron ore.

(c) Strike believes that its funding opportunities will be improved at the completion of:

(i) receipt of all necessary permits and approvals; and

(ii) commercial contracts secured with equipment providers, service providers and offtake partners.

(d) The funding models being considered will depend will likely be conventional debt and equity financing, but may include convertible notes, prepayment for offtake and/or other options for projects of a similar nature.

(e) The raising of equity by Strike may be dilutive to existing shareholders, depending on the price at which the then funding is completed.

ASX ANNOUNCEMENT

Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

26. Next Steps

The Study has successfully outlined Strike's preferred mining and processing plans, production rate, capital costs, operating costs and infrastructure requirements to support the Project production plan. It has determined that the Project has strong financial and economic merit, whilst being deemed technically low risk.

In order to advance the Project towards development, the following additional work programmes are required:

- Final Mine development sequencing and ramp/road prioritisation and development during Pre-Production period.
- Further metallurgical test work, including confirmation of Lump/Fines ratio following crushing and screening, Lump and Fines final grades and SG, product size range distribution and mineralogy/morphology verification for marketing purposes.
- Detailed design works for haulage road and other infrastructure and sourcing of suitable sheeting materials.
- Submission of a Mining Proposal.
- Development of operational Project Management Plan (PMP).
- Submissions for various outstanding permits/approval (see Section 23 above).
- Accelerated engagement and contract negotiations with key contractors (mining, crushing and screening, haulage, stevedoring and civil) and infrastructure providers/stakeholders (Main Roads WA; Pilbara Ports Authority).
- Negotiations towards securing one or more offtake/sales agreements with potential customers.
- Identification and recruitment of key operational staff.
- Development of appropriate systems and processes for Health and Safety, Environmental Management, Heritage Management, Risk Management, Contractor Management and Compliance.

ASX ANNOUNCEMENT

Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

For further background information about Paulsens East, please refer to Strike's previous ASX market announcements as follows:

- 26 October 2020: Iron Detrital Sampling Programme Completed at Paulsens East
- 14 October 2020: Discovery of High Grade Iron Rich Detritals at Surface at Paulsens East
- 7 September 2020: Grant of Mining Lease for Paulsens East Iron Ore Project
- 2 September 2020: Test Pit and Bulk Samples to Advance Offtake Agreements Completed at Paulsens East
- 17 August 2020: Native Title Agreement Paves Way for Iron Ore Development
- 22 July 2020: Native Title Agreement Progress to Final Stage
- 15 July 2020: High-Grade Rock Chip Samples Confirm Resource Upside Potential at Paulsens East Iron Ore Project
- 22 June 2020: Engenium to Complete Paulsens East Feasibility Study
- 29 April 2020: MOU Executed for Iron Ore Haulage Services with Campbell Transport for Paulsens East Iron Ore Project
- 9 April 2020: Revised Scoping Study for Utah Point, Port Hedland Supports Excellent Project Economics for Paulsens East Iron Ore Project
- 3 April 2020: Final Heritage Surveys Now Completed for Paulsens East Iron Ore Project
- 25 March 2020: Utah Point, Port Hedland Considered as Preferred Port Option for Paulsens East Iron Ore Project
- 12 February 2020: Substantial Progress Towards Development of Paulsens East Iron Ore Project
- 5 December 2019: Drilling and Surface Sampling Results at Paulsens East Iron Ore Project
- 4 December 2019: High Grade Results Located 1.6km from 9.6Mt Resource
- 28 November 2019: Excellent Scoping Study Results for Paulsens East Iron Ore Project
- 19 November 2019: Beadon Creek Onslow Selected as Preferred Port for Paulsens East
- 24 October 2019: Strike Strengthens Management Team for Paulsens East Iron Ore Project with Key Appointments
- 10 October 2019: Outstanding Metallurgical Testwork Results at Paulsens East Iron Ore Deposit Indicate 79% Lump Yield with Low Impurities
- 4 September 2019: Significant Upgrade of JORC Mineral Resource into Indicated Category at Paulsens East Iron Ore Project
- 15 July 2019: Maiden JORC Resource of 9.1 Million Tonnes at 63.4% Fe – Paulsens East Iron Ore Project in the Pilbara
- 1 August 2019: Strong Progress at the Paulsens East Iron Ore Project
- 19 June 2019: Strike's Iron Ore Assets

The Strike ASX market announcements referred to above may be viewed and downloaded from Strike's website: www.strikeresources.com.au or the ASX website: www.asx.com.au under ASX code "SRK".

AUTHORISED FOR RELEASE - FOR FURTHER INFORMATION:

William Johnson
Managing Director

T | 0419 047 460
E | wjohnson@strikeresources.com.au

ASX ANNOUNCEMENT

Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

ABOUT STRIKE RESOURCES LIMITED (ASX:SRK)

Strike Resources is an ASX listed resource company which is developing the Paulsens East Iron Ore Project in Western Australia and owns the high grade Apurimac Magnetite Iron Ore Project in Peru. Strike is also developing a number of battery minerals related projects around the world, including the highly prospective Solaroz Lithium Brine Project in Argentina and the Burke Graphite Project in Queensland.

JORC CODE COMPETENT PERSON'S STATEMENT

(a) The information in this announcement that relates to **Mineral Resources** is based on information compiled by Mr Philip Jones (BAppSc (Geol), MAIG, MAusIMM), who is a Member of the Australian Institute of Mining and Metallurgy (AusIMM) and the Australian Institute of Geoscientists (AIG). Mr Jones is an independent contractor to Strike Resources Limited. Mr Jones has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). Mr Jones consents to the inclusion in this document of the matters based on this information in the form and context in which it appears.

(b) The information in this document that relates to **Ore Reserves** is based on information compiled by Mr Harry Warries (MSc – Mine Engineering, FAusIMM), who is a Fellow of AusIMM. Mr Warries is the Principal of Mining Focus Consultants Pty Ltd, a Consultant to Strike Resources Limited. Mr Warries has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Warries consents to the inclusion in this document of the matters based on this information in the form and context in which it appears.

(c) The information in this document that relates to **metallurgical sampling, metallurgical testing and metallurgical results undertaken during 2020** is based on information compiled by Dr Michael J Wort (FAusIMM CP(Met)), who is a Fellow of AusIMM and a Chartered Professional Engineer. Dr Wort is an independent contractor to Strike Resources Limited. The information that relates to Processing and Metallurgy is based on the work done by ALS Metallurgy Iron Ore Technical Centre (ALS IOTC) on a bulk sample collected under the direction of Dr Wort and fairly represents the information compiled by him from the ALS IOTC testwork reports. Dr Wort has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Dr Wort consents to the inclusion in this document of the matters based on this information in the form and context in which it appears.

(d) The information in this document that relates to **Mineral Resources and related Exploration Results/Exploration Targets** (as the case may be, as applicable) is also extracted from the following ASX market announcements made by the Strike Resources Limited on:

- 4 September 2019: Significant Upgrade of JORC Mineral Resource into Indicated Category at Paulsens East Iron Ore Project.
- 15 July 2019: Maiden JORC Resource of 9.1 Million Tonnes at 63.4% Fe – Paulsens East Iron Ore Project in the Pilbara.
- 1 August 2019: Strong Progress at the Paulsens East Iron Ore Project.

The information in the original announcements that relates to these Mineral Resources and related Exploration Results/Exploration Targets (as applicable) is based on, and fairly represents, information and supporting documentation prepared by Mr Philip Jones (BAppSc (Geol), MAIG, MAusIMM), who is a Member of AusIMM and a Member of the Australian Institute of Geoscientists (AIG). Mr Jones is an independent contractor to Strike Resources Limited. Mr Jones has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

ASX ANNOUNCEMENT

Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

(e) The information in this document that relates to **metallurgical sampling, metallurgical testing and metallurgical results undertaken during 2019** is extracted from the following ASX market announcement made by the Strike Resources Limited on:

- 10 October 2019: Outstanding Metallurgical Testwork Results at Paulsens East Iron Ore Deposit Indicate 79% Lump Yield with Low Impurities.

The information in the original announcement that relates to these metallurgical testwork matters is based on, and fairly represents information and supporting documentation compiled by Mr Philip Jones (BAppSc (Geol), MAIG, MAusIMM), who is a Member of the AusIMM and AIG. Mr Jones is an independent contractor to Strike Resources Limited. The information that relates to Processing and Metallurgy is based on the work done by ALS IOTC on a bulk sample collected under the direction of Mr Jones and fairly represents the information compiled by him from the ALS IOTC testwork reports. Mr Jones has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

(f) The information in this document that relates to **Other Exploration Results and related Exploration Targets** (as applicable) is extracted from the following ASX market announcements made by the Strike Resources Limited on:

- 14 October 2020: Discovery of High Grade Iron Rich Detritals at Surface at Paulsens East
- 15 July 2020: High-Grade Rock Chip Samples Confirm Resource Upside Potential at Paulsens East Iron Ore Project
- 4 December 2019: High Grade Results Located 1.6km from 9.6Mt Resource at Paulsens East

The information in the original announcements that relate to these Other Exploration Results and related Exploration Targets (as applicable) is based on, and fairly represents, information and supporting documentation prepared by Mr Hem Shanker Madan (Honours and Masters Science degrees in Applied Science), who is a Member of AusIMM. Mr Madan is an independent contractor to Strike Resources Limited and was formerly the Managing Director (September 2005 to March 2010) and Chairman (March 2010 to February 2011) of Strike Resources Limited. Mr Madan has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

The Strike ASX market announcements referred to above may be viewed and downloaded from the Company's website: www.strikeresources.com.au or the ASX website: www.asx.com.au under ASX code "SRK".

FORWARD LOOKING STATEMENTS

This document contains "forward-looking statements" and "forward-looking information", including statements and forecasts which include without limitation, expectations regarding future performance, costs, production levels or rates, mineral reserves and resources, the financial position of Strike, industry growth and other trend projections. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "is expecting", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes", or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might", or "will" be taken, occur or be achieved. Such information is based on assumptions and judgements of management regarding future events and results. The purpose of forward-looking information is to provide the audience with information about management's expectations and plans. Readers are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Strike and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, changes in market conditions, future prices of minerals/commodities, the actual results of current production, development and/or exploration activities, changes in project parameters as plans continue to be refined, variations in grade or recovery rates, plant and/or equipment failure and the possibility of cost overruns.

Forward-looking information and statements are based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date such statements are made, but which may prove to be incorrect. Strike believes that the assumptions and expectations reflected in such forward-looking statements and information are reasonable. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Strike does not undertake to update any forward-looking information or statements, except in accordance with applicable securities laws.

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APPENDIX A

PAULSENS EAST IRON ORE PROJECT – TECHNICAL INFORMATION

Geology

Regional Geology

Paulsens East is located near the centre of the Wyloo Dome on the Wyloo 1:250,000 scale geology sheet within the crystalline basement (refer Figure 14).

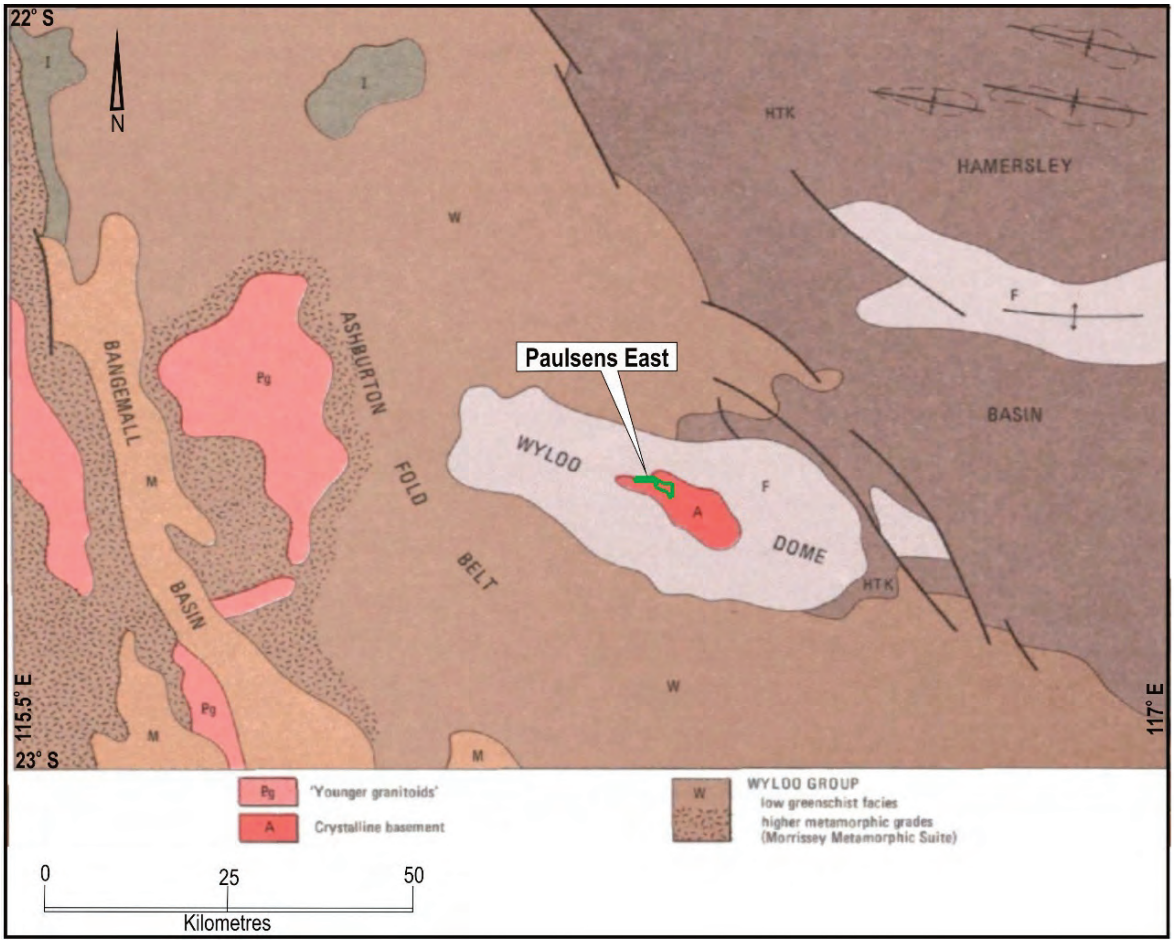

Figure 14: Regional geology (Wyloo geology sheet 1:250,000 SH5010)

Pilbara Supergroup

The oldest rocks on the Wyloo 1:250,000 scale geological sheet SH50-10 are exposed in the core of the Wyloo Dome. They are a metamorphosed sequence of mafic volcanics, dolerite, gabbro, and minor chert, and are intruded by the Metawandy Granite. They are generally schistose and are unconformably overlain by rocks of the Fortescue Group.

The dolerite and gabbro occur either as individual sills and dykes or as sheeted-dyke complexes. Large enclaves of mafic schist occur in the Metawandy Granite. The mafic rocks are broadly correlated with the Pilbara Supergroup (Ap) of the northern Pilbara Block.

Within the Pilbara Supergroup is the Mount McGrath Formation, a sequence of conglomerate, arenite, wacke, mudstone, dolomitic mudstone and dolomite. This formation hosts the hematite mineralisation at Paulsens East.

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Local Geology and Mineralisation

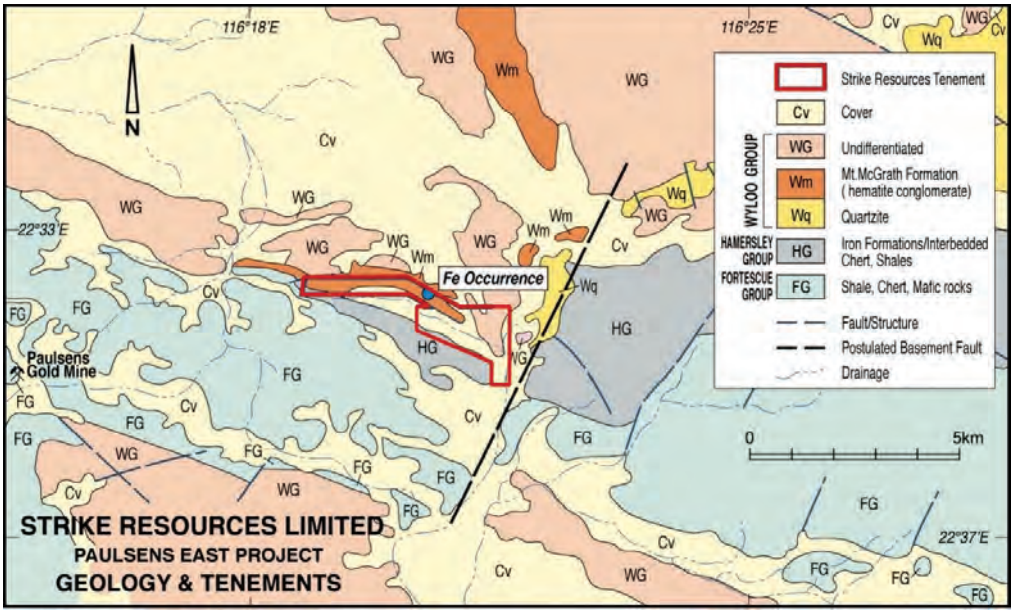

Figure 15: Paulsens East Geology Map

The Paulsens East tenement includes sediments of the Middle Proterozoic Wyloo Group which contain hematite mineralisation. The Wyloo Group rocks range from the continental Beasley River Quartzite to red beds of the Mt McGrath Formation that have been overlain by the shallow marine Duck Creek Dolomite.

The iron mineralisation found within the tenement occurs as a hematite conglomerate in the Mt McGrath Formation forming a prominent arcuate ridge up to 60 metres high, with cumulative average widths of ~6 metres and approximately 3,000 metres long. The conglomerate consists of hematite pebbles in a hematite rich matrix and cement.

The conglomerate, when it is fully mineralised, is composed of hematite clasts in a hematite matrix. When the conglomerate is "unmineralised" (i.e. below economic cut-off grade) the clasts are composed chert and often Weeli Wolli BIF (a distinctive banded red chert alternating with a siliceous hematite BIF – see clast just by point of pick in (Figure 16).

At least one of the conglomerate beds appears to grade fairly abruptly into a cherty siliceous bed along strike to the west.

A "halfway" mineralised conglomerate was also found at a few locations where the silica in the clasts has been leached out leaving vughs (refer Figure 16).

Figure 16: Close up view of "unmineralised" conglomerate with chert and BIF clasts in hematite matrix as found at Paulsens East

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Earlier exploration has been conducted in the nearby areas to look for the source of hematite pebbles without success.

Figure 17: Close up view of hematite conglomerate with hematite matrix as found at Paulsens East

Figure 18: Close up view of "halfway" hematite conglomerate with vughs after chert as found at Paulsens East

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Surface mapping and drilling has shown that the hematite conglomerate is usually found in three main beds of variable thickness up to approximately 10 metres, although up to five hematite beds of limited strike length have been identified along the mineralised ridge (refer Figure 19).

Figure 19: Looking east along Paulsens East ridge showing bedding

Mapping along the ridge indicates that to the west of the resource, the conglomerate clasts tend to become cherty and the matrix siliceous, with a consequent drop in Fe grade. The lower conglomerate bed also in part becomes more like a massive chert in sections to the west of the resource along the ridge.

Figure 20: Looking west along Paulsens East ridge showing bedding and massive blocky hematite conglomerate beds

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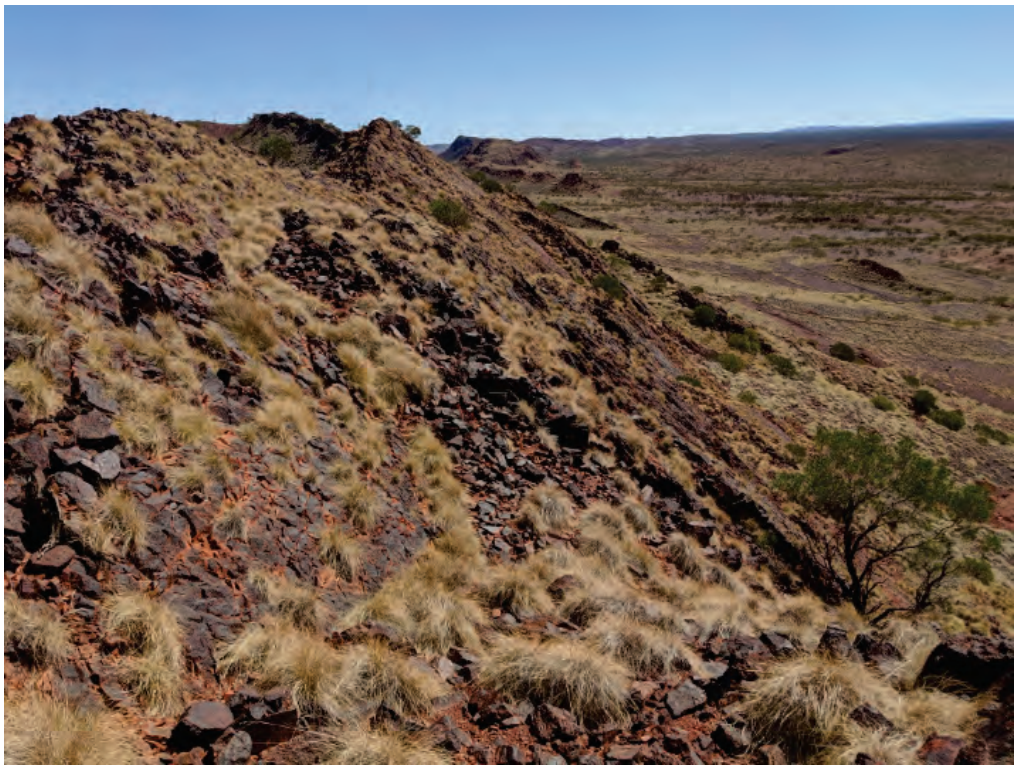

Figure 21: Looking west along Paulsens East ridge showing dip slopes of hematite conglomerate beds

Drilling and Rock Sampling Programmes

Between 2006 and 2008, Strike conducted an extensive rock chip sampling programme across the ridge and two drilling campaigns comprising 66 holes for 3,537 metres of reverse circulation (**RC**) drilling, to determine the extent and quality of the Paulsens East mineralisation.

Figure 22: Drilling at Paulsens East (North side), 2008

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A summary of the drill holes comprising the database used in the Mineral Resource estimate is included in Table 15.

Type	IDs	Number	Total Drilled (m)
RC (2006)	PERC001 to PERC008	8	813
RC (2008)	PERC009 to PERC064 Includes PERC029A & PERC063A	58	2,724
TOTAL		**66**	**3,537**

Table 15: Summary of holes used in resource estimation

The drill hole spacing is semi-regular along the north side of the target ridge as shown in Figure 23. The drill hole spacing was controlled by drill access along the ridge. Most holes were drilled between 30 and 60 degrees from horizontal with an approximate south azimuth from sites near the base of the ridge. On most cross sections there is only one drill hole.

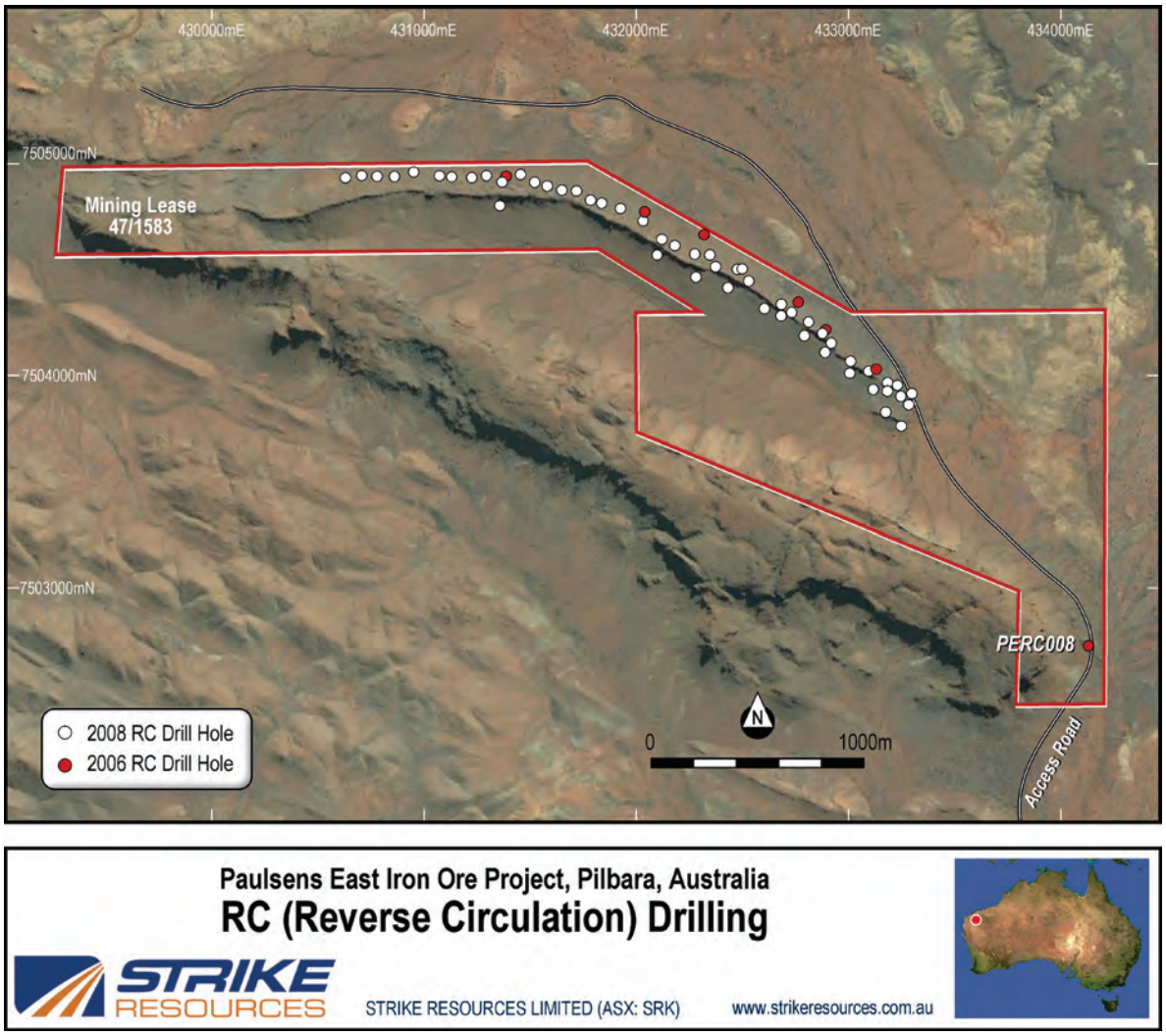

Figure 23: Drill hole location plan showing semi-regular spacing of holes

Sample recovery using a face sampling hammer for all the samples collected is reported to be excellent. All samples were split, mostly at 0.5m intervals with some at 1m, using a drill rig mounted rotary cone splitter with the laboratory split bagged in a pre-labelled calico bag. Proper procedures were followed when splitting and bagging the drilling samples prior to being dispatched to Ultra Trace Laboratories for chemical analysis. All drilling and field sampling were continually monitored by a site geologist who also logged the chips for each sample interval to produce geological lithology logs.

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Topography

The topography was surveyed using drone photogrammetry between 29th July – 2nd August 2019. Parameters for the survey are as follows:

Collection Drone:	DJI Mavic 2 Pro
Nominal Ground Clearance:	60-70m
Drone Flight Speed:	8m/s
Photo interval:	18m
Total Flight Distance:	approximately 125-line kilometres
Area Surveyed:	454 Hectares

The Mavic 2 Pro utilises GNSS GPS/Glonass satellite control and for the duration of the survey, 12-18 satellites were visible to the drones. Accuracy in this configuration of +/- 2-4m E-W can be expected, with elevation control not as reliable. Further accuracy can be gained by using Ground Control Points, although none were available for this survey.

Normally, the final DC Levelled Digital Elevation Model (**DEM**) Grid would be DC levelled against a ground control elevation, to link it into either WGS84 MASL elevation or an Australian Height Datum (**AHD**). This was not available for the Paulsens East area at the time of processing although may be considered at a later date. An alternative, the DC Levelled DEM Grid was referenced against the Space Shuttle Radar data (**SRTM**), which has a nominal ground pixel size of 30m and is the default DEM for the Google Earth Application.

All the drill collars were projected to the photogrammetry surface to generate standardised elevations.

Sampling Method and Approach

In the 2006 drilling programme, all the drill samples were dispatched for chemical analysis. In 2008, only samples logged with a high iron content were analysed.

Regular laboratory repeats and approximately 10% field sample duplicates were processed and showed very good correlation (refer Figure 24 and Figure 25).

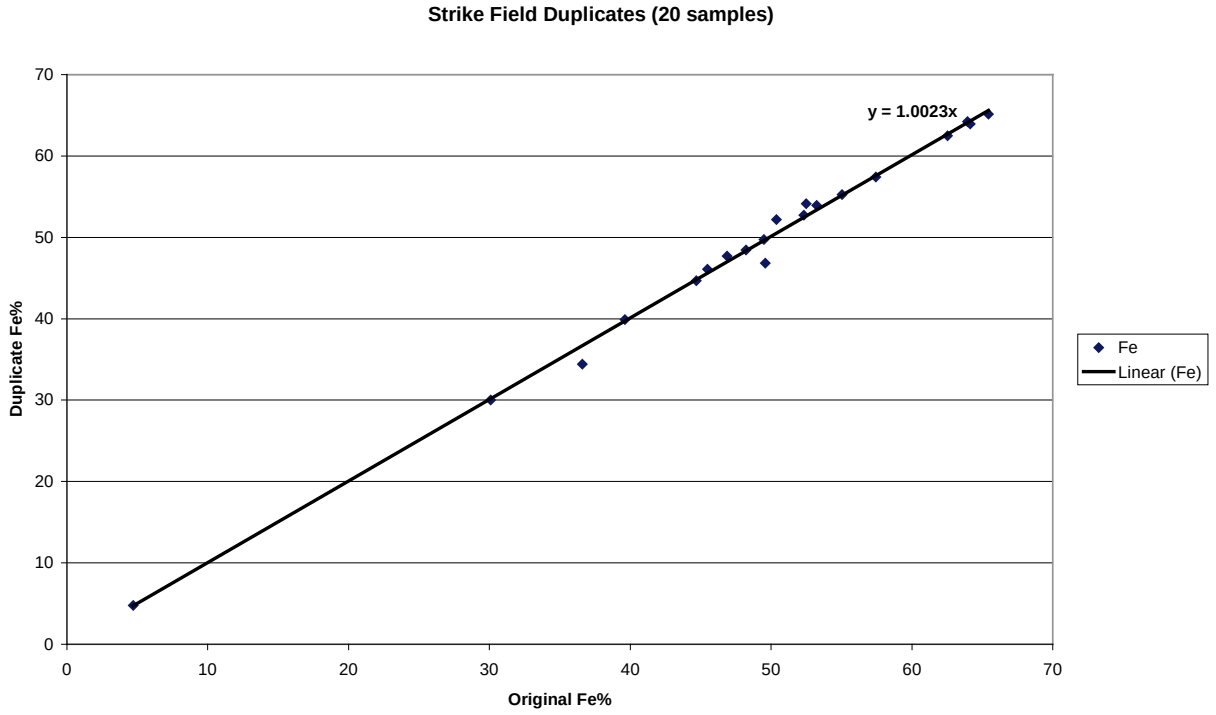

Figure 24: Field duplicate correlations

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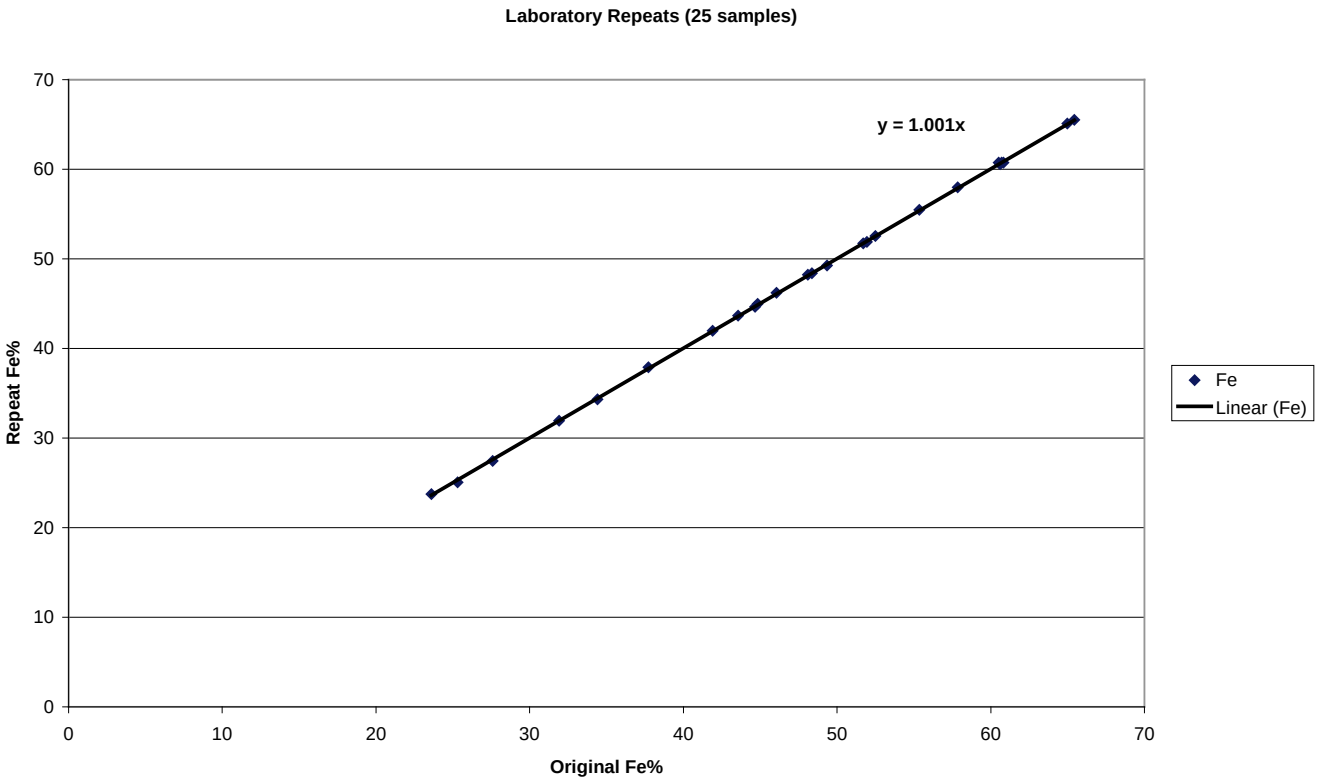

Figure 25: Laboratory repeat

The hole collars were surveyed using a hand-held GPS. The accuracy of drill hole collar surveys cannot be fully verified but were found to lie where expected on drill pads shown on the georeferenced images. Considering the large dimensions of the mineralisation, the accuracy of the collar data is sufficiently accurate for an Indicated Mineral Resource estimate.

Bulk Density

A standard bulk density of 4.2 t/m3 was used for this estimate. This bulk density is typical for hematite ore (hematite mineral = 5.26 in Australian Field Geologists' Manual – Monograph 9, AusIMM). The hematite conglomerate beds are low in goethite/ limonite and shale and as such this is reflected in low loss on ignition (**LOI**). The standard bulk density assumed for the estimation reflects absence of goethite, limonite and shale material commonly found in Hamersley iron ores.

Resource Modelling Methodology

The Paulsens East Mineral Resources were modelled using MineMap IMS® software. A polygon was created on each variably spaced drilling section, approximately perpendicular to the strike of the ridge, using a 58% Fe lower cut off with a minimum drill intersection width of 1.0 m, however a few intersections less than 1.0 m were included to maintain continuity between cross sections. Some intersections of lower than cut-off material was included in the polygons as "included waste" to maintain continuity between higher-grade intersections. The 58% Fe lower cut-off grade was chosen to reflect the iron mineralisation as it produced coherent intersections on the drill holes.

The average drill intersection width is 6.26 metres. Note that since most of the drill holes were designed to intersect the mineralisation approximately orthogonally, the drill intersection width in most drill holes would be only slightly longer than the true width of the mineralisation. Where the azimuth of a hole or the dip of a hole is not orthogonal to the mineralisation the drill intersection width will be longer than the true width of the mineralisation.

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	Unit 1		Unit 2		Unit 3		Unit 4		Unit 5		Total	
	Drill Interval	Fe%	Drill Interval	Fe%	Drill Interval	Fe%	Drill Interval	Fe%	Drill Interval	Fe%	Drill Interval	Fe%
Count	51		52		41		11		4		54	
Minimum	1.00		0.50		0.50		0.50		0.50		1.00	
Maximum	6.00		8.50		10.00		2.50		4.00		16.00	
Average	2.08	61.26	2.40	62.03	2.05	59.71	1.45	60.90	1.75	62.33	6.26	61.53
Width average		61.77		62.16		61.29		61.61		63.13		61.82

Table 16: Mineralisation width statistics

Since there was usually only one drill hole per cross section, the few sections with multiple holes were interpreted first to get a sense of the dip. Then the rest of the sections were interpreted by linking the main mineralised drill intersection with the crest of the ridge, corresponding with the geological mapping of the mineralisation (refer 26). On most sections there are three iron units separated by shales and quartzites.

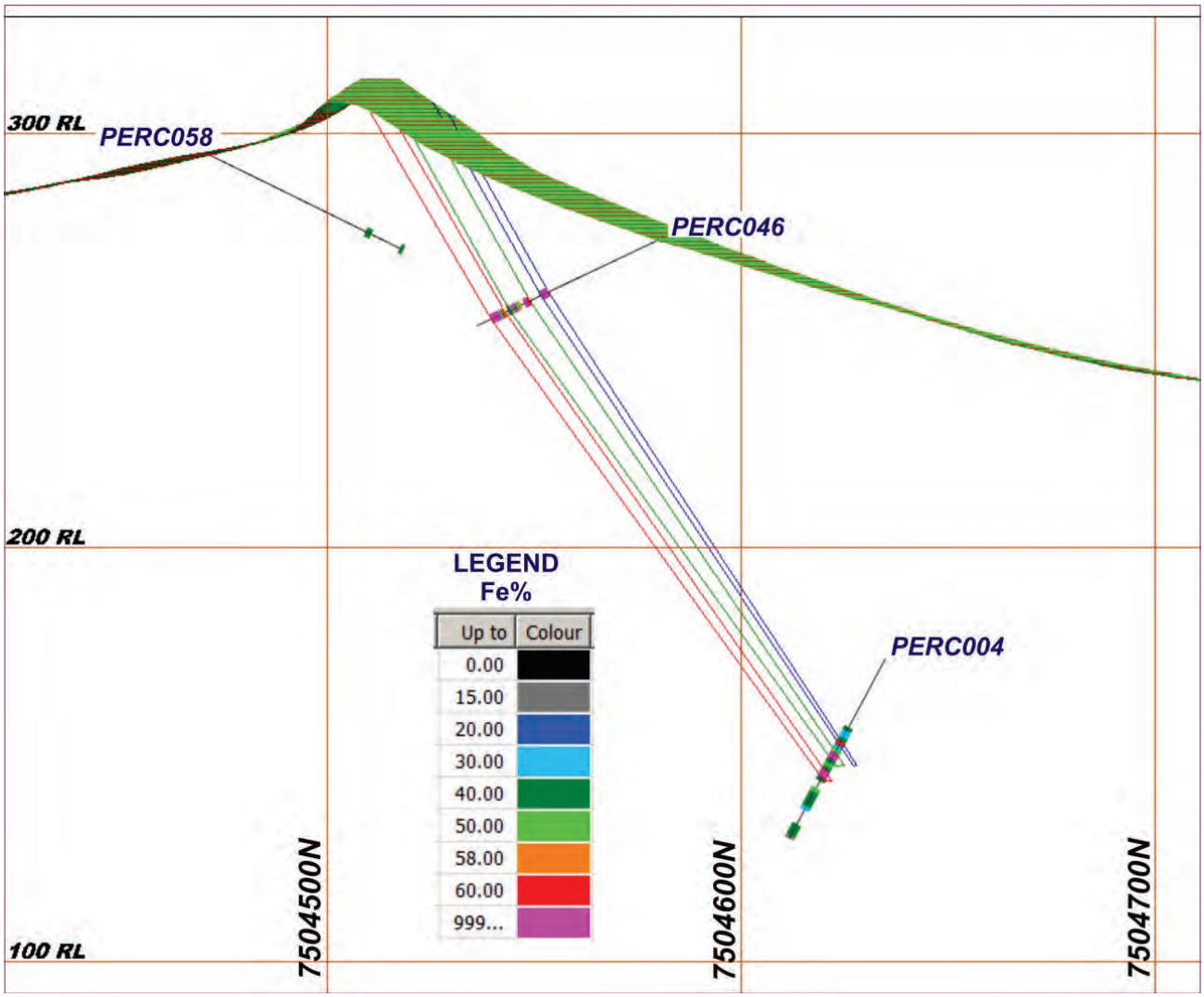

Figure 26: Typical cross section (432285E) showing three main mineralised units

The sections were then linked by wireframes to produce a 3D model. The interpreted mineralised zones on each section generally showed good continuity between sections.

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The grades were interpolated using Inverse Distance Cubed (**ID3**) into the model blocks using a 100 m along-strike search ellipse. The parameters used in the modelling are outlined in Table 17.

Parameters	
East/West limits	430,350E – 433,350E
North/South limits	7,503,850N - 7,505,150N
Block dimensions (metres) X (strike), Y (across strike), Z (depth)	5.0m x 5.0m x 2.0m
Algorithm	3D Ellipsoidal
Inverse Distance Weighting Power	2
Upper RL	340.0m RL
Base RL	150.0m RL
Search Ellipse Along strike	100m
Search Ellipse Across strike (to fill model, mineralised bodies only several metres thick)	100m
Search Ellipse Depth	100m
Rotation Z (dip off vertical)	0º
Rotation Y (strike)	0º
Rotation X (plunge)	0º

Table 17: Modelling parameters used to model the Paulsens East Mineral Resource

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APPENDIX B

JORC CODE (2012 EDITION)
TABLE 1 – CHECKLIST OF ASSESSMENT AND REPORTING CRITERIA

Section 1 Sampling Techniques and Data
(Criteria in this section apply to all succeeding sections)

Criteria	Commentary
Sampling techniques	• The only samples used in the resource estimate are splits of chips collected during Reverse Circulation (**RC**) drilling. • Most of the drilling was designed to penetrate the whole width of the mineralised zone approximately orthogonally. All the drilling samples were split with a cyclonic splitter. • All drilling met industry standards and used to obtain usually 0.5 m samples from which 3 kg was pulverised for XRF analysis.
Drilling techniques	• All the drilling used in the resource modelling was RC drilling.
Drill sample recovery	• All the samples were logged by a qualified geologist and visually assessed for sample recovery. The logging indicates that the sample recoveries were excellent. • The RC drilling was monitored by the site geologist and when sample recoveries were becoming a problem, drilling was stopped. • There are no known relationships between grades and sample recovery.
Logging	• All the drill samples were logged by a qualified geologist at a sufficient level to support resource modelling. • The logging was both qualitative and quantitative. • Each hole was logged entirely.
Sub-sampling techniques and sample preparation	• The RC sample chips were split using a rig mounted cyclonic splitter. • The sample collection and sub-sampling was appropriate for the mineralisation being sampled. • Field duplicates and laboratory standards were used for Quality Assurance and Quality Control (QAQC). • To ensure the sampling is unbiased, the whole of the mineralised zone was drilled and drill holes spaced on a regular grid. The RC chips were collected and sub-sampled in a cyclonic splitter. • The samples collected and submitted for assay are of an appropriate size for the grain size of the material being sampled.
Quality of assay data and laboratory tests	• The samples were analysed using XRF by an independent ISO accredited laboratory following international standard procedures to produce total assays. • No geophysical results are reported. • Field duplicates and laboratory standards were used for QAQC.
Verification of sampling and assaying	• No independent verification of the data was made by the Competent Person (for the Mineral Resource). • No twinned holes have been drilled to check quality of original drilling. • All data collection, data entry, data verification procedures and data storage protocols are properly documented. • No adjustments were made to the assay data.
Location of data points	• The drill hole collars were surveyed using a hand-held GPS. The accuracy of drill hole collar surveys cannot be fully verified but were found to lie where expected on drill pads shown on the georeferenced images. • The topography was surveyed using drone photogrammetry by Yoda Consulting Australia Pty Ltd between 29 July – 2 August 2019. An accuracy of +/- 2-4 m E-W/N-S can be expected, with elevation control not as reliable. The DC Levelled DEM Grid was referenced against the Space Shuttle Radar data (SRTM), which has a nominal ground pixel size of 30m.

ASX ANNOUNCEMENT

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Criteria	Commentary
Data spacing and distribution	• The Competent Person (for the Mineral Resource) believes that the spacing of the drilling on sections at approximately 50 - 150m spacing along with an accurate topographic photogrammetry survey with high resolution photos and surface GPS mapping, is sufficient for a low order Indicated resource estimate. • Since the bulk of the sampling used in the resource estimates, the RC drilling, is sampled at fixed 0.5 m intervals, there was no sample compositing.
Orientation of data in relation to geological structure	• The intersection angle of the drilling with respect to the mineralisation was variable, but generally at approximately 60-80 degrees, making most drill intersections longer than the true width of the mineralisation. The resource modelling software uses the data in 3D and so compensates for the wider apparent thicknesses.
Sample security	• All the samples submitted for chemical analysis were securely transported from the field to the laboratory.
Audits or reviews	• There have been no audits or reviews of the sampling techniques or data.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

<table>
<tr><th>Criteria</th><th>Commentary</th></tr>
<tr><td>Mineral tenement and land tenure status</td><td>• The resource lies entirely within Mining Lease M47/1583 (previously, Retention Licence R47/07) which is registered with Orion Equities Limited (but 100% beneficially owned by the Company), which is due to expire in 2041.</td></tr>
<tr><td>Exploration done by other parties</td><td>• No other parties have carried out significant iron ore exploration at Paulsens East.</td></tr>
<tr><td>Geology</td><td>• The iron mineralisation is a conglomerate within the Mount McGrath Formation composed of hematite clasts within a hematite matrix.</td></tr>
<tr><td>Drill hole Information</td><td><table><tr><th>Type</th><th>IDs</th><th>Number</th><th>Total Drilled (m)</th></tr><tr><td>RC (2006)</td><td>PERC001 to PERC008</td><td>8</td><td>813</td></tr><tr><td>RC (2008)</td><td>PERC009 to PERC064
Includes PERC029A & PERC063A</td><td>58</td><td>2,724</td></tr><tr><td>TOTAL</td><td></td><td>66</td><td>3,537</td></tr></table>• Information on the 2006 and 2008 drilling programmes, including the drill-hole locations and collar details, are included in Appendix A and C.</td></tr>
<tr><td>Data aggregation methods</td><td>• All intersections quoted in text are length weighted averages and all resource estimates are tonnage weighted averages
• No metal equivalents have been reported.</td></tr>
<tr><td>Relationship between mineralisation widths and intercept lengths</td><td>• The resource modelling was carried out in 3D and all apparent widths accounted for in the estimation method.
• Most of the drill holes were designed to intersect the mineralisation approximately orthogonally. The drill intersection width in most drill holes would be only slightly longer than the true width of the mineralisation. Where the azimuth of a hole or the dip of a hole is not orthogonal to the mineralisation the drill intersection width will be longer than the true width of the mineralisation.</td></tr>
<tr><td>Diagrams</td><td>• All the diagrams necessary to describe the project are included in the body of this announcement.</td></tr>
<tr><td>Balanced reporting</td><td>• The Competent Person (for the Mineral Resource) believes that the reporting of the Exploration Results in this document is balanced.</td></tr>
<tr><td>Other substantive exploration data</td><td>• No other exploration data other than local geology maps were considered in the resource estimate.</td></tr>
<tr><td>Further work</td><td>• Further in-fill drilling, metallurgical testwork and mining studies have been recommended.</td></tr>
</table>

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Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in Section 1, and where relevant in Section 2, also apply to this section)

Criteria	Commentary
Database integrity	• Data used as received but checked for Hole ID and sample interval errors by MineMap © software. Some RC sample assays in database were checked against laboratory spread sheets and no errors were found.
Site visits	• The Competent Person (for the Mineral Resource) visited the site on 17 August 2019 and inspected the mineralised outcrop at various points over the whole strike length of the deposit and instructed the field technician on where to take the GPS readings of the hematite outcrop.
Geological interpretation	• The mineralisation is a series of conglomerate beds with hematite clasts and matrix separated by thin shale and quartzite beds. • The interpretation of the mineralisation and modelling wireframes is based on surface mapping and drilling. • The hematite conglomerates are sedimentary.
Dimensions	• The outcropping mineralised conglomerate has a strike length of approximately 3 km and is open at depth.
Estimation and modelling techniques	• The resource modelling was done with MineMap © software by interpolating grades into a digital block model using an Inverse Distance Cubed (ID3) algorithm confined by wire framing of the >58% Fe mineralised zones with 100m search radii along and across strike and 100m up and down dip. • The Competent Person (for the Mineral Resource) considers that these modelling parameters are appropriate for an Indicated resource of the type and style of mineralisation being modelled. • It is assumed that the mineralised conglomerate beds can be satisfactorily mined in an open cut to a minimum of 1 m width and beneficiation, if required, will produce a profitable and marketable product. • The model cells of 5 m X 5 m 2 m are suitable for representing the style of mineralisation being modelled. • No variable correlations were considered. • The wireframes confining the resource model are based on drill intercept grades >58% and correlated with the outcropping ridge. • No grades were cut because the Fe grades had no high-grade outliers. • The resource model was checked and validated visually against the drilling using colour coded grades.
Moisture	• All tonnes and grades are on a dry basis.
Cut-off parameters	• The resource modelling was confined by wire framing of the >58% Fe mineralised zones. This grade represents an approximate economic cut-off and allows correlations of the mineralisation between cross sections.
Mining factors or assumptions	• No mining factors were considered for the mineral resource estimate although it was assumed that if the deposit is mined, it will be mined using the open pit mining methodology.
Metallurgical factors or assumptions	• Metallurgical tests were performed on representative samples of the mineralisation collected in 2019. • Metallurgical tests are on-going on a bulk sample collected in August 2020. • Further metallurgical testwork has been scheduled to determine if beneficiation by screening and/or gravity separation and/or optical recognition can economically produce a higher grade/value marketable product.
Environmental factors or assumptions	• No environmental factors were considered however the tenement has sufficient suitable area to accommodate a small mining and processing operation including provision for waste disposal. • There are no obvious especially environmentally sensitive areas in the vicinity of the deposit although the usual impact studies and government environmental laws and regulations will need to be complied with.
Bulk density	• There were no specific gravity measurements taken of the mineralisation for the mineral resource model. • A bulk density of 4.2 (based on the density of hematite mineral = 5.26 in Australian Field Geologists' Manual – Monograph 9 AusIMM) was used. This value is typical of high-grade hematite mineralisation.

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Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

Criteria	Commentary
	• Subsequent bulk density testing has confirmed a bulk density of 5.59 for the high-grade hematite (in situ), supporting the estimation for bulk density of 4.2 used in the Mineral Resource modelling.
Classification	• The resource was classified by the Competent Person (for the Mineral Resource) as Indicated based on the spacing of the drilling and quality of the data used in the estimation. • The Competent Person (for the Mineral Resource) believes this classification to be appropriate.
Audits or reviews	• No audits or reviews of the Mineral Resource Estimates have been made.
Discussion of relative accuracy/ confidence	• The drill hole spacing is too wide to provide sufficient confidence in the resource estimate for a higher-level resource category. The quality of the data is considered to be reasonable for a low order Indicated resource estimate. • All quoted estimates are global for the deposit. • No mine production has been recorded at the deposit.

Section 4 Estimation and Reporting of Ore Reserves

(Criteria listed in Section 1, and where relevant in Sections 2 and 3, also apply to this section)

Criteria	Commentary
Mineral Resource estimate for conversion to Ore Reserves	• The Paulsens East Mineral Resource as described in Section 3 formed the basis for the conversion to Ore Reserves. • The Mineral Resources are inclusive of the Ore Reserves.
Site visits	• The Competent Person for the Ore Reserves, Mr Harry Warries, has not visited the site. • Harry Warries is very familiar with the Pilbara region in general, having worked in the area and visited many iron ore projects in the same region and with Paulsens East being a greenfield project no site visit was deemed to be necessary.
Study status	• A Feasibility Study was completed by Strike Resources Limited in October 2020.
Cut-off parameters	• A cut-off grade of 55% Fe was applied, which will result in the production of a marketable product.
Mining factors or assumptions	• The basis of design for the Project is predicated on crushing and screening 1.5Mtpa of crusher feed. The average waste to ore strip ratio is approximately 3.0 : 1 and a maximum total material movement of up to 8Mtpa will be required. • Mining is undertaken by conventional open pit methods of drill and blast, followed by load and haul, utilising mining equipment comprising 110t diesel hydraulic excavators and 90t off-highway dump trucks as the main production fleet. However, initial mining will be completed by a "pioneering fleet" which will progress across the ridge to 'open' the mine faces/benches. This pioneering fleet consists of a 50t excavator and 50t articulated dump trucks. • Detailed pit design work was completed based on pit optimisations using Whittle Four-X optimisation software. Only Indicated Mineral Resources were used in the pit optimisation. • Pit slope parameters were based on a geotechnical assessment that was based on information contained within the resource drilling database, supplemented by additional data sourced from the GeoVIEW.WA portal, including historical exploration reports and geological mapping. Essentially, five separate domains were identified along the 3 km strike length of the deposit. Overall pit wall slope angles ranging from 26º to 45º were modelled. • Strict grade control procedures will be implemented based on blast hole sampling and mining will be selective, mining ore on 5m benches and 2.5m flitches. • Some mining dilution has been incorporated as part of the resource estimation process and a mining ore loss of 10% was assumed. • A minimum cutback mining width of 30m is adopted. • The mine plan includes no Inferred Resources. • The primary infrastructure required for the project is a variety of infrastructure installed to provide basic supplies of water, power, fuel, communications, buildings and access roads, including a crushing plant, offices and workshops and other mine site related infrastructure. • The Project would road haul the product from the mine site stockpiles to the Port Hedland Multiuser Utah Point port where it would be stockpiled before being transferred onto ships for export.

ASX ANNOUNCEMENT

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Criteria	Commentary
	• The Competent Person considers the proposed mining method to be appropriate, given the nature of the deposit's mineralisation and the scale of the proposed operations.
Metallurgical factors or assumptions	• Processing is by conventional primary jaw crusher followed by a secondary cone crusher and screening, producing a Lump and Fines product. • ALS Metallurgy Iron Ore Technical Centre (ALS IOTC) in Perth, Western Australia undertook metallurgical test work for the Project based on bulk composite samples collected from various surface locations across the entire length and width of the Paulsens East Iron Ore deposit. • The stage crush and drop tower test results indicate that 79% of crushed material is likely to be classified as 'Lump' material (> 6.3 mm < 32.5mm in size), and 21% as 'Fines' material (< 6.3 mm). • The testwork indicated that the Lump material is likely to be approximately 2% Fe higher in grade than that of the Fines material. • Assays of the material taken after the Drop Tower test confirmed that both the Lump and Fines materials were likely to be exceptionally low in deleterious elements such as phosphorous (~0.05%) and sulphur (~0.008%). • Subsequent analysis of samples taken as part of a Bulk Sample programme in August 2020 served to confirm the high-grade nature of the ore as being representative of the orebody as a whole. • Head Grade analyses of a 90:10 blend of high-grade hematite:waste from the August 2020 Bulk Sample confirmed that a 62% Lump product low in alumina and a 59% Fines product with a moderate level of alumina can be achieved from the Ore Reserve consistent with the assumptions used in the Feasibility Study.
Environmental	• A reconnaissance flora and vegetation survey and Level 1 fauna and fauna habitat assessment has been completed over the Project area and will be incorporated into the preparation of a Mining Proposal for submission to the DMIRS. • During the field work, evidence of Northern Quoll (Endangered EPBC Act and BC Act) was recorded on motion sensors and cameras. The Company will develop a strategy to minimise and impact the Project may have on the Quoll habitat. • No other significant environmental issues have been identified. • Total waste movement is expected to be approximately 19 Million tonnes over LOM. Waste will be dumped in two dump locations with the main waste dump to be located south east of the pit on the southern side of the ridge (Waste Dump 1) with a second waste dump located north east of the pit (Waste Dump 2). Waste material is predominantly indurated ferruginous siliceous sandstones, quartzite and massive basalt. No sulphide materials have been encountered in exploration drilling and there is very low potential for any acid forming materials to be present in the dumped waste material. • A diversion channel will be constructed to divert an existing creek system around Waste Dump 1.
Infrastructure	• The proposed infrastructure to be built includes low-grade and waste rock dumps, ROM pads, surface haul roads to processing plant, pumping infrastructure, workshops and fuel storage/supply facilities, technical and administration facilities, power station, mine accommodation camp facility, explosives storage facilities and associated mine infrastructure. • The ore haulage route to Port Hedland, approximately 600 km from the minesite, is mostly along an existing sealed highway. An approximately 18 km haulage road will be constructed from the mine site to the paved road. • The ore haulage fleet will consist of high-capacity road trains. The preferred haulage contractor has an existing maintenance facility for trucks in Port Hedland. • Utah Point is operated by the Pilbara Ports Authority (PPA). The PPA has confirmed stockpile and throughput capacity is currently available for the proposed production rate of 1.5Mtpa for the Project. • The facilities at Utah Point allow for direct access and dumping of ore from road trains into the ore hoppers (or bunkers) at the stockpile area, with no requirement for any intermediary stockpiles or double handling of ore. • The Company is currently in discussions with the PPA regarding the final commercial terms for the use of Utah Point.

ASX ANNOUNCEMENT

Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

Criteria	Commentary
	• All facility and port charges have been appropriately allowed for in the project financial model. • The workforce will be made up of a combination of mostly fly-in fly-out (FIFO) employees, contractors and management staff. The Company is currently negotiating to use a neighbouring mining camp (currently on care and maintenance) but as an alternative is planning a dedicated camp facility on site to provide accommodation, meals and recreation facilities for FIFO workers. • Workers will travel to site mostly via flights to Paraburdoo on commercial carriers, from where they will be transported by bus to site
Costs	• The majority of the capital cost estimates used in the Feasibility Study are based upon proposals and/or budget estimates from suitably experienced industry participants or estimates received from external consultants. • Mining operating costs (drilling, blasting, loading, hauling and ore processing to mine product stockpile) were prepared based on pricing estimates received from suitably qualified and experienced mining contractors. Mining operating costs were also reviewed by an independent consultant. • The main deleterious element to be considered for the Project is Alumina (Al_2O_3). A product price penalty of 7% of the base product price for the Fines product was applied in the financial modelling to account for levels of Alumina expected to occur in the Fines. • Iron Ore pricing was based on the Platts 62% Fe index (Benchmark Price) and an average Benchmark Price of US$100/dmt over the life of mine CFR China was adopted in the Feasibility Study. • A foreign exchange rate of US$ / A$ of 0.70 was adopted for the Feasibility Study. • A Western Australia government royalty of 7.5% is applicable, as well as third party royalties of between 2.5% and 3.0%, dependent on the iron ore price. • Transport costs were derived from proposals from contractors (haulage) and estimates received from shipping brokers (shipping).
Revenue factors	• Iron Ore pricing was based on the Platts 62% Fe index and an iron ore price of US$100/dmt, over the life of mine CFR China was adopted as the base case. • Based on metallurgical test work, a premium was applied to the Lump product, whilst a penalty was applied to the Fines product due mainly to relatively high levels of Alumina present in the ore which are expected to report mostly to the Fines product.
Market assessment	• There is a transparent quoted and strongly traded market for the sale of iron ore. The market for Western Australian iron ore is well established and liquid. • The iron ore price has performed strongly during 2020 due to strong economic stimulus in China and supply disruption from Brazil. • High grade iron ore is becoming a scarcer product as global ore reserves are depleted and more 58% Fe deposits are exploited. There is a reasonable expectation that the Paulsens East Lump and Fines products will be well sought after as high-grade iron product with relatively low to levels of impurities. • For the Feasibility Study, Strike has forecast the Benchmark Price to remain at its current level of approximately $115 per tonne during 2021, declining progressively to US$85 per tonne in 2024, equating to an average Benchmark iron ore price over the 4 year mine life of US$100 per tonne.
Economic	• The financial evaluation undertaken as part of the Study indicated a positive net present value (NPV) at an 8% discount rate. • A sensitivity analysis on the financial model highlights that the Project value is most sensitive to the following factors:- – Iron ore price – US$ / A$ exchange rate – Road haulage cost • A positive 10% change in the iron ore price results in an approximate 40% increase in NPV. Conversely, a 10% negative change in the iron ore price results in an approximate 40% decrease in NPV
Social	• A Native Title Agreement has been executed with the Traditional Owners of the land (PKKP). • Access Agreements have been negotiated and executed (or expect to be executed) with a pastoral leaseholder and other tenement holders who are otherwise impacted by the Company's proposed operations.

ASX ANNOUNCEMENT

Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

Criteria	Commentary
Other	• No material naturally occurring risks have been identified, other than those which are typically encountered in mining operations in this region of Western Australia. The area is subject to occasional significant rainfall events, particularly in summer months when the remains of cyclones can cross the area. Appropriate measures to manage stormwater during and immediately after these events are planned to be in place prior to commencement of mining operations. • No material contracts for sale of product are in place at this point in time. • Draft agreements are being reviewed/negotiated with Pilbara Ports Authority and other various potential contractors and suppliers. • A Memorandum of Understanding with Campbell Transport is in place for haulage services. • The Paulsens East Iron Ore Project is located entirely within a granted and current Western Australian mining lease (M47/1583) over which Strike has secure 100% beneficial interest. • A number of Miscellaneous Licences have been applied for to permit the development of an access road to the mine site from the paved Nanutarra Road, as well as for the development of a mining village. These Miscellaneous Licences are expected to be granted prior to commencement of mining operations. • A Mining Proposal for the Project is expected to be submitted to the DMIRS once relevant Miscellaneous Licences have been granted. • Other Government permits/approvals which will be sought include: - Native Vegetation Clearing Permit - Dangerous Goods Transport and Storage license(s) – for drill and blast activities and fuel storage. - Works Approvals for Mine site construction. - Beds and Banks approval for creek diversion. - Department of Water and Environmental Regulation (DWER) approvals, including a water and borefield extraction licence/permit. - Main Roads WA approvals, including for the construction of the haulage road that intersects with Nanutarra Road and road haulage (including truck configuration and axle loading). • There are reasonable grounds to expect that these and any future Government permits/approvals will be granted and maintained within the necessary time frames for successful implementation of the Project.
Classification	• Probable Ore Reserves were declared based on the Indicated Mineral Resources. • The Mineral Reserve estimate appropriately reflects the Competent Person's view of the deposit.
Audits or reviews	▪ No audits or reviews of Ore Reserve estimates have been undertaken.
Discussion of relative accuracy/ confidence	• The relative accuracy and confidence of the Ore Reserve estimate is inherent in the Ore Reserve Classification. ▪ Mining dilution and ore loss should be re-evaluated once production data becomes available.

ASX ANNOUNCEMENT

Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

APPENDIX C

DRILL COLLAR DETAILS

HOLE ID	East MGA94_Z50	North MGA94_Z50	RL	DEPTH	Azimuth	Dip	Start Date	End Date	Drill Company
PERC001	430,952	7,504,968	254	82	174	-60	6/12/2006	6/12/2006	Wallis
PERC002	431,382	7,504,939	241	64	167	-60	7/12/2006	7/12/2006	Wallis
PERC003	432,043	7,504,777	242	120	204	-63	7/12/2006	8/12/2006	Wallis
PERC004	432,322	7,504,674	238	148	202	-60	8/12/2006	8/12/2006	Wallis
PERC005	432,771	7,504,357	233	147	212	-60	9/12/2006	9/12/2006	Wallis
PERC006	432,901	7,504,228	250	100	221	-55	9/12/2006	9/12/2006	Wallis
PERC007	433,143	7,504,045	246	94	236	-55	10/12/2006	11/12/2006	Wallis
PERC008	434,149	7,502,753	229	58	160	-60	11/12/2006	11/12/2006	Wallis
PERC009	433,193	7,503,982	249	36	239	-45	31/05/2008	1/06/2008	Rock
PERC010	433,105	7,504,038	256	54	227	-29	1/06/2008	1/06/2008	Rock
PERC011	433,019	7,504,081	250	54	210	-25	2/06/2008	3/06/2008	Rock
PERC012	432,925	7,504,167	250	34.5	248	-23	3/06/2008	3/06/2008	Rock
PERC013	432,885	7,504,213	240	42.5	215	-17	4/06/2008	5/06/2008	Rock
PERC014	432,885	7,504,213	240	30.5	275	-40	5/06/2008	5/06/2008	Rock
PERC015	432,818	7,504,263	244	45.5	238	-19.5	6/06/2008	6/06/2008	Rock
PERC016	432,743	7,504,313	255	48.5	218	-15.5	6/06/2008	6/06/2008	Rock
PERC017	432,691	7,504,343	247	48.5	218	-23	11/06/2008	11/06/2008	Rock
PERC018	432,499	7,504,514	258	48.5	222	-20	11/06/2008	11/06/2008	Rock
PERC019	432,488	7,504,513	256	54.5	228	-40	12/06/2008	12/06/2008	Rock
PERC020	432,349	7,504,576	263	54.5	210	-24	13/06/2008	13/06/2008	Rock
PERC021	431,931	7,504,794	257	54.5	202	-20	14/06/2008	14/06/2008	Rock
PERC022	431,931	7,504,797	256	46.5	202	-40	14/06/2008	15/06/2008	Rock
PERC023	431,728	7,504,878	254	54.5	191	-25	16/06/2008	17/06/2008	Rock
PERC024	431,725	7,504,880	252	54.5	191	-40	17/06/2008	17/06/2008	Rock
PERC025	431,457	7,504,956	255	54.5	165	-25	19/06/2008	19/06/2008	Rock
PERC026	431,295	7,504,948	255	54.5	169	-25	19/06/2008	19/06/2008	Rock
PERC027	431,791	7,504,835	265	54.5	194	-25	23/06/2008	23/06/2008	Rock
PERC028	431,368	7,504,917	263	54.5	160	-25	24/06/2008	24/06/2008	Rock
PERC029	431,374	7,504,915	263	24.5	160	-40	24/06/2008	24/06/2008	Rock
PERC029A	431,374	7,504,915	263	54.5	160	-40	25/06/2008	25/06/2008	Rock
PERC030	431,846	7,504,816	272	54.5	219	-25	25/06/2008	25/06/2008	Rock
PERC031	430,955	7,504,964	240	54.5	142	-25	26/06/2008	26/06/2008	Rock
PERC032	430,861	7,504,942	249	42.5	166	-25	26/06/2008	26/06/2008	Rock
PERC033	430,781	7,504,939	263	48.5	174	-25	26/06/2008	26/06/2008	Rock
PERC034	430,707	7,504,942	260	54.5	170	-25	27/06/2008	27/06/2008	Rock
PERC035	430,630	7,504,931	258	54.5	168	-25	27/06/2008	27/06/2008	Rock
PERC036	431,228	7,504,936	257	54.5	178	-25	27/06/2008	27/06/2008	Rock
PERC037	431,654	7,504,883	265	45	187	-25	28/06/2008	28/06/2008	Rock
PERC038	431,585	7,504,902	258	54.5	176	-25	28/06/2008	28/06/2008	Rock
PERC039	431,523	7,504,918	258	47.5	191	-25	28/06/2008	28/06/2008	Rock
PERC040	431,075	7,504,945	257	54.5	181	-25	29/06/2008	29/06/2008	Rock
PERC041	431,131	7,504,940	256	48.5	183	-25	29/06/2008	29/06/2008	Rock
PERC042	432,036	7,504,739	255	54.5	190	-25	29/06/2008	29/06/2008	Rock
PERC043	432,122	7,504,649	255	46	198	-25	30/06/2008	30/06/2008	Rock
PERC044	432,124	7,504,650	254	35.5	198	-40	30/06/2008	30/06/2008	Rock
PERC045	432,186	7,504,620	257	42.5	201	-25	30/06/2008	30/06/2008	Rock
PERC046	432,284	7,504,580	261	51	190	-25	30/06/2008	30/06/2008	Rock
PERC047	432,380	7,504,524	269	54.5	209	-25	7/01/2008	7/01/2008	Rock
PERC048	432,535	7,504,457	262	54.5	213	-25	7/01/2008	7/01/2008	Rock
PERC049	433,197	7,503,941	233	24.5	350	-25	7/02/2008	7/02/2008	Rock
PERC050	433,190	7,503,848	249	34	190	-25	7/02/2008	7/02/2008	Rock
PERC051	433,130	7,503,952	230	48.5	24	-25	7/04/2008	7/05/2008	Rock
PERC052	433,018	7,504,029	244	38.5	40	-25	7/05/2008	7/05/2008	Rock
PERC053	432,900	7,504,126	256	38.5	40	-25	7/05/2008	7/05/2008	Rock
PERC054	432,803	7,504,206	265	39.5	25	-25	7/05/2008	7/06/2008	Rock
PERC055	432,687	7,504,296	271	27	18	-25	7/06/2008	7/06/2008	Rock
PERC056	432,614	7,504,327	276	54.5	27	-25	7/06/2008	7/07/2008	Rock
PERC057	432,438	7,504,428	282	54.5	15	-25	7/07/2008	7/07/2008	Rock
PERC058	432,279	7,504,474	285	54.5	18	-25	7/07/2008	7/07/2008	Rock
PERC059	432,102	7,504,576	262	54.5	35	-25	7/08/2008	7/08/2008	Rock
PERC060	431,360	7,504,806	287	54.5	350	-25	7/08/2008	7/08/2008	Rock
PERC061	433,312	7,503,931	235	54	196	-60	9/07/2008	9/07/2008	Rock
PERC062	433,297	7,503,881	235	54	194	-60	9/07/2008	9/07/2008	Rock
PERC063	433,245	7,503,964	244	38	195	-45	10/07/2008	10/07/2008	Rock
PERC063A	433,267	7,503,779	237	6	245	-60	10/07/2008	10/07/2008	Rock
PERC064	433,262	7,503,918	240	39	205	-45	10/07/2008	10/07/2008	Rock

ASX ANNOUNCEMENT

Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

APPENDIX D

METALLURGICAL TESTWORK RESULTS

Table 18 below shows a Summary of the Head Grade Analyses (October 2020) on Lump and Fines products constituting a 90:10 blend of High Grade Hematite : Waste ore, from a 3,000 kilogramme Bulk Sample collected from a Test Pit on the Paulsens East deposit at the eastern edge of the outcropping hematite ridge.

90:10 DILUTION - LUMP SAMPLES (AS BLENDED) - HEAD ASSAYS						
LUMP SAMPLE ID	Wt. Distn. (%)	Fe Grade (%)	SiO_2 Grade (%)	Al_2O_3 Grade (%)	P Grade (%)	S Grade (%)
HIGH GRADE COMPOSITE	90.0	65.3	2.85	1.54	0.094	0.007
FERRUGINOUS SCHIST	7.0	22.7	45.20	11.30	0.063	0.016
CHERTY HEMATITE	3.0	38.0	43.99	1.50	0.048	0.005
HEAD ASSAY		**62.4**	**6.04**	**1.73**	**0.088**	**0.006**
90:10 DILUTION - FINES SAMPLES (AS BLENDED) - HEAD ASSAYS						
LUMP SAMPLE ID	Wt. Distn. (%)	Fe Grade (%)	SiO_2 Grade (%)	Al_2O_3 Grade (%)	P Grade (%)	S Grade (%)
HIGH GRADE COMPOSITE	90.0	63.3	4.26	2.36	0.132	0.011
FERRUGINOUS SCHIST	7.0	22.2	43.20	13.75	0.078	0.018
CHERTY HEMATITE	3.0	27.4	57.19	2.36	0.062	0.006
HEAD ASSAY		**59.2**	**8.49**	**3.21**	**0.123**	**0.010**

Table 18: ALS IOTC Head Grade Analyses – Lump:Fines based on 90:10 blend of High Grade Hematite : Waste ore (October 2020)

Table 19 below shows a Summary of the Metallurgical Testwork results (September 2019) on a bulk composite sample of approximately 250 kilogrammes recently collected from various surface locations across the entire length and width of the Paulsens East deposit on the hematite ridge.

TESTWORK RESULTS SUMMARY

Job Number:	A20317
Project	Strike Resources
Ore Type:	Iron Ore
Date:	20/09/2019

Testwork	Sample			Crushing Work Index (kWh/t)			
	ID	Number of Specimen	SG (kg/L)	Max	Min	StdDev	Average
Bond Impact Crushing Work Index	Composite#1	20	4.80	27.4	6.5	6.2	15.3

Testwork	Sample	Bond Abrasion Index	
		Index Classification	Abrasion Index (Ai)
Bond Abrasion Index	Composite#1	Highly Abrasive	1.0003

Testwork	Sample		Mass Distribution		Assay Summary			
	ID	Product	(kg)	(%)	Fe (%)	SiO2 (%)	Al2O3 (%)	LOI-1000 (%)
Dropping	Composite#1	Lump	176.20	79.2	66.0	3.09	1.31	0.82
		Fines	46.40	20.8	64.0	4.90	1.86	1.23

Testwork	Sample	Index	Tumble Abrasion Index		
			Test A	Test B	Average
Tumble Abrasion Index	Composite#1 ADL	Tumble Index (Ti)	95.6	95.9	95.8
		Abrasion Index (Ai)	2.6	2.6	2.6

Table 19: ALS IOTC Metallurgical Testwork - Summary Results (September 2019)

COMPANY PROJECTS

Strike Resources Limited (ASX:SRK) (**Strike**) is an ASX listed resource company which is developing the Paulsens East Iron Ore Project in Western Australia. Strike also owns the high grade Apurimac Magnetite Iron Ore Project in Peru and is also developing a number of battery minerals related projects around the world, including the highly prospective Solaroz Lithium Brine Project in Argentina and the Burke Graphite Project in Queensland.

Paulsens East Iron Ore Project (Pilbara, Western Australia) (Strike – 100%)

The Paulsens East Iron Ore Project (**Paulsens East**) is located in the Pilbara region of Western Australia, ~10 kilometres from the Paulsens Gold Mine (owned by Northern Star Resources Limited (ASX:NST)), ~200 kilometres west of Paraburdoo, ~233 kilometres by road from the Port of Onslow and ~600 kilometres by road from Port Hedland.

With an increase in iron ore prices, in June 2019, Strike recommenced previous work (conducted between 2006 – 2008) to examine the potential for undertaking a Direct Shipping Ore (DSO) mining operation using contract mining, crushing and transportation by truck to port then ship to China.[1]

Project Development Achievements

On 18 July 2019, Strike reported a significant Maiden JORC **Inferred Mineral Resource** for Paulsens East of **9.1 Million tonnes at 63.4 % Fe**, 5.6% SiO_2, 3.2% Al_2O_3 and 0.08% P.[2] The Inferred Mineral Resource estimate was based upon data derived from two drilling campaigns undertaken by Strike (comprising a total of 66 reverse circulation (**RC**) holes for 3,537 metres drilled) together with an extensive rock chip sampling programme.

On 4 September 2019, Strike reported a significant upgrade from Inferred to JORC **Indicated Mineral Resource** of **9.6 million tonnes at 61.1 % Fe**, 6.0% SiO_2, 3.6% Al_2O_3 and 0.08% P (at a cut-off grade of 58% Fe).[3] This upgrade was as a result of a programme of surveying and sampling, which was undertaken to increase the confidence in the iron ore mineralisation and to enable a detailed mine plan and economic model to be developed.

A key feature of the Paulsens East Mineral Resource is an approximately 3 kilometre-long ridge of high-grade outcropping hematite conglomerate which extends up to 60 metres above the surrounding terrain. Of the JORC Indicated Mineral Resource referred to above, approximately 3 million tonnes of 61% Fe hematite material (with 5.9% SiO_2 and 3.6% Al_2O_3) is estimated to occur above the base of the ridge (as defined by drill hole collars) with minimal overburden.

There is potential to extend the high grade iron ore mineralisation based on small hematite conglomerate outcrops along the surface and a drill intersection located 1.6 kilometres away at the south-eastern corner of the tenement previously identified by Strike[4] and more recently taken surface rock-chip samples grading 64.4% - 66.2% Fe identified at multiple locations in the area.[5] This exploration target is conceptual in nature, there has been insufficient exploration to estimate a JORC Mineral Resource in respect of the same and it is uncertain if further exploration will result in the estimation of a JORC Mineral Resource.

1 Refer Strike's ASX Announcement dated 19 June 2019: Strike's Iron Ore Assets

2 Refer Strike's ASX Announcement dated 15 July 2019: Maiden JORC Resource of 9.1 Million Tonnes at 63.4% Fe - Paulsens East Iron Ore Project in the Pilbara

3 Refer Strike's ASX Announcement dated 4 September 2019: Significant Upgrade of JORC Mineral Resource into Indicated Category at Paulsens East Iron Ore Project

4 Refer Strike's ASX Announcements dated 4 December 2019: High Grade Results Located 1.6km from 9.6Mt Resource and 5 December 2019: Drilling and Surface Sampling Results at Paulsens East Iron Ore Project

5 Refer Strike's ASX Announcements dated 15 July 2020: High-Grade Rock Chip Samples Confirm Resource Upside Potential at Paulsens East Iron Ore Project

COMPANY PROJECTS

On 10 October 2019, Strike reported the results of metallurgical test work undertaken on a bulk composite sample of approximately 250 kilogrammes collected from various surface locations across the entire length and width of the Paulsens East deposit.[6] The results were highly encouraging, indicating the potential for a very high lump:fines ratio of 79:21, where the 'lump' material (> 6mm < 30mm in size) has low deleterious elements, low degradation during transport and other positive metallurgical properties. The indicated very high lump:fines ratio is regarded as highly positive for the project as lump material typically attracts a price premium over equivalent 'fines' material of the same grade. The test work also indicates that the lump material is likely to be approximately 2% Fe higher in grade than that of the fines material, which will also potentially attract a further price premium for the lump material.

On 28 November 2019, Strike released the results of a Scoping Study[7] for a 1.5Mtpa production schedule of direct shipping ore (**DSO**) over a minimum four-year life of mine (**LOM**). The Scoping Study was based on an open-cut mine, with ore crushed and screened to produce DSO Lump and Fines products to be trucked to Onslow predominantly by sealed road, where it will be stockpiled prior to being loaded directly from the wharf at the Onslow Marine Supply Base at Beadon Creek for transhipment into ocean going vessels (**OGV's**) for export to customers.

On 9 April 2020, Strike released the results of a Revised Scoping Study based upon the Utah Point Multi-User Bulk Handling facility (**Utah Point**) in Port Hedland as the alternative export port, to simplify transport logistics by removing the need for transhipment barges and the 'double handling' of ore and with the higher trucking costs largely offset by the removal of transhipment and handling costs together with lower shipment costs to China from larger tonnage ships that can berth at Utah Point.[8]

On 14 August 2020, Strike entered into a Native Title Mining Agreement (**Native Title Agreement**) and State Deed (for the grant of a mining lease) (**State Deed**) with the PKKP Aboriginal Corporation RNTBC (**PKKPAC**). The PKKPAC holds native title on trust for the benefit of the Puutu Kunti Kurrama and Pinikura People (**PKKP**) Traditional Owners.[9] The Native Title Agreement provides an agreed framework for Strike to undertake its mining activities at Paulsens East in a way that minimises any impacts on Aboriginal Cultural Heritage. The agreement has a strong focus on protection of Aboriginal heritage and includes effective safeguards for the care and protection of the lands and rights of the PKKP peoples. Strike has also agreed to provide a package of financial and business development related benefits for the PKKP, including an annual payment based on the value of iron ore sales, an annual training and development allowance for PKKP members together with opportunities for PKKP members to contract for the provision of certain support operations related to the Project.

On 4 September 2020, Strike received the grant of a Mining Lease (M47/1583) for an initial term of 21 years.[10]

In August 2020, Strike successfully completed a test pit and collected ~3 tonnes of bulk samples to provide material (reflective of the final iron ore product) for offtake discussions and marketing and for further metallurgical testing and beneficiation testwork to optimise the plant design for mine crushing and the screening circuit.[11] The test pit was excavated close to the eastern edge of the three kilometre long outcropping hematite ridge and clearly exposed the multiple bands of high-grade hematite iron ore, which extend to depth and ~three kilometres east to west along strike. Head Grade analyses of a 90:10 blend of high-grade hematite:waste ore by ALS Metallurgy Iron Ore Technical Centre (**ALS IOTC**) confirmed that a 62% Lump product low in alumina and a 59% Fines product with a moderate level of alumina can be achieved.

In addition, sampling from surface to a depth of 1.5 metres approximately 100 metres north of the hematite ridge indicated the presence of loose scree dominated by high-grade hematite. Screening and assay results from this detrital material showed a highly encouraging product grade of 60% Fe, 6.4% SiO_2 and 3.4% Al_2O_3 with a mass recovery of 83% on crushing to -32mm and simple wet screening at +1mm size.

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6 Refer Strike's ASX Announcement dated 10 October 2019: Outstanding Metallurgical Testwork Results at Paulsens East Iron Ore Deposit Indicate 79% Lump Yield with Low Impurities

7 Refer Strike's ASX Announcement dated 28 November 2019: Excellent Scoping Study Results for Paulsens East Iron Ore Project

8 Refer Strike's ASX Announcements dated 9 April 2020: Revised Scoping Study for Utah Point, Port Hedland Supports Excellent Project Economics for Paulsens East Iron Ore Project and 25 March 2020: Utah Point, Port Hedland Considered as Preferred Port Option for Paulsens East Iron Ore Project

9 Refer Strike's ASX Announcement dated 17 August 2020: Native Title Agreement Paves Way for Iron Ore Development

10 Refer Strike's ASX Announcement dated 7 September 2020: Grant of Mining Lease for Paulsens East Iron Ore Project

11 Refer Strike's ASX Announcement dated 14 October 2020: Discovery of High Grade Iron Rich Detritals at Surface at Paulsens East

COMPANY PROJECTS

Detrital iron ore deposits are formed by weathering and erosion of outcropping iron mineralisation, with such eroded material often being found at the base of outcropping ridges of mineralised rock (as at Paulsens East) presenting itself as pebbles and fine gravel mixed up with soil and alluvium. The technique for mining and upgrading detrital iron ore typically includes simple excavation (e.g. using a bulldozer and front end loader) and minor crushing to the required top size together with relatively inexpensive dry or wet screening. Because the detrital material is already broken and reduced in size, strip ratios are exceptionally low and no drilling or blasting would typically be required. Thus, potential exists for significant savings in the cost of mining surface detrital materials, compared to mining normal bedrock deposits.

In October 2020, Strike completed a sampling programme to test the potential extent and quality of the detrital material at Paulsens East. 50 pits were excavated (varying in depth from 0.25 metre and up to 3 metres deep in places, with the depth typically increasing further away from the base of the hematite ridge) over an area totalling 8.1 hectares where surface detrital material was visible.[12] Samples have been sent for metallurgical test work and analysis to determine the Fe grade, impurities and the best manner for the detrital material to be upgraded to a DSO product.

On 30 October 2020, Strike announced the completion of the Feasibility Study on Paulsens East, which confirmed strong project economics for a 1.5Mtpa production rate over an initial 4 year LOM with DSO (lump and fines) product trucked to Port Hedland for export.[13]

As part of the completion of the Feasibility Study, part of the JORC Indicated Mineral Resource has been converted to a **maiden JORC Probable Ore Reserve** of **6.2 million tonnes at 59.9% Fe**, 7.43% SiO_2, 3.77% Al_2O_3 and 0.086% P (at a cut-off grade of 55% Fe).

A full copy of Strike's ASX announcement on the Feasibility Study and maiden JORC Probable Ore Reserve is included on pages 2 – 50 of this Annual Report.

Activities Proposed for Paulsens East

The following Paulsens East related activities and work programmes are planned/underway:

- Completion of metallurgical testing and beneficiation testwork on three-tonne test pit bulk sample collected in August 2020.
- Completion of analysis and testwork on hematite rich detrital samples collected from 50 shallow (0.25 – 3 metre) pits excavated along a 1.5km strike length on the northern side of the hematite ridge in October 2020.
- The conclusion of all remaining access agreements to pave the way for the grant of Miscellaneous Licences required for mining operations.
- The finalisation and submission of the Mining Proposal (for approval to undertake mining operations on the Mining Lease) to the Western Australian Department of Mines, Industry Regulation and Safety (**DMIRS**).
- Undertake residual Heritage Surveys required and secure all required clearances from the PKKP, for proposed mining operations.
- Advancing contract negotiations with potential/preferred providers in respect of mine site construction, haulage and access roads construction, drill and blast, mining and crushing services, fuel supply and on-site fuel facility installation, telecommunications installation, camp facilities and other related infrastructure and services in support thereof.
- Continued engagement with the preferred haulage contractor.

12 Refer Strike's ASX Announcement dated 26 October 2020: Iron Detrital Sampling Programme Completed at Paulsens East

13 Refer Strike's ASX Announcement dated 30 October 2020: Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns - the Company confirms that all material assumptions underpinning the production targets and forecast financial information derived from the production targets in this announcement continue to apply and have not materially change

COMPANY PROJECTS

- Continued engagement with the Pilbara Ports Authority (**PPA**) to utilise the Utah Point Multi-User Bulk Handling facility at Port Hedland.
- Advancing offtake agreements.
- Advancing all applications for permits, licences and other regulatory approvals required for proposed mining operations (ie. DMIRS, Department of Water and Environmental Regulation (**DWER**), Main Roads WA).
- Development of appropriate systems and processes for Health and Safety, Environmental Management, Heritage Management, Risk Management, Contractor Management and Compliance.

Recent ASX Announcements

For further reference, refer to Strike's recent ASX Announcements on Paulsens East:

- 30 October 2020: Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns
- 26 October 2020: Iron Detrital Sampling Programme Completed at Paulsens East
- 14 October 2020: Discovery of High Grade Iron Rich Detritals at Surface at Paulsens East
- 7 September 2020: Grant of Mining Lease for Paulsens East Iron Ore Project
- 2 September 2020: Test Pit and Bulk Samples to Advance Offtake Agreements Completed at Paulsens East
- 17 August 2020: Native Title Agreement Paves Way for Iron Ore Development
- 22 July 2020: Native Title Agreement Progress to Final Stage
- 15 July 2020: High-Grade Rock Chip Samples Confirm Resource Upside Potential at Paulsens East Iron Ore Project

COMPANY PROJECTS

Apurimac Iron Ore Project (Peru) (Strike – 100%)

Strike's Apurimac Iron Ore Project in Peru is recognised as one of the highest grade, large scale magnetite projects in the world with the potential to support the establishment of a significant iron ore operation. Over A$50 Million has been expended by Strike since 2005 on acquisition, exploration, studies and administration costs relating to its Peru assets.

Figure 1: Strike Apurimac Iron Ore Project, showing route of proposed Andahuaylas Railway

Prior Pre-Feasibility Studies

A Pre-Feasibility Study completed in 2008[14] and updated in 2010[15] on the Apurimac Project indicated clear potential for development of a world class iron ore project, with competitive capital costs and very low operating costs:

- The 2008 Pre-Feasibility Study undertaken by Snowden Mining Industry Consultants and SKM utilised a proposed slurry pipeline configuration but considered a range of infrastructure options including a railway. The concentrate pipeline was the preferred transport solution (under the study) as the additional capital cost of building a railway compared to a slurry pipeline outweighed the operational and other benefits of a railway. For further details, refer to Strike's ASX Announcement dated 23 July 2008: Prefeasibility Results Confirm World Class Prospects in Peru.
- Further infrastructure studies were undertaken by Ausenco Sandwell and SRK Consulting in 2010, including a more detailed technical and costing study on building and operating a dedicated railway. The purpose of these studies was to further compare the economics of the slurry pipeline versus railway infrastructure solutions at various production levels. For further details, refer to Strike's ASX Announcement dated 23 November 2010: Apurimac Project Update and Strike's December 2010 Quarterly Report.

14 Refer Strike's ASX Announcement dated 23 July 2008: Prefeasibility Results Confirm World Class Prospects in Peru

15 Refer Strike's ASX Announcement dated 23 November 2010: Apurimac Project Update and Strike's December 2010 Quarterly Report

COMPANY PROJECTS

Andahuaylas Railway Study

In early 2018, the Peru Government signalled its intention to undertake a formal study to build a multi-user railway from the inland city of Andahuaylas in southern Peru, to the mineral export Port of San Juan de Marcona on the west coast of Peru (the **Andahuaylas Railway**).[16]

In October 2018, the Ministry of Transport and Communications in Peru (**MOTC**) awarded a tender to an international consortium of engineering companies (Consorcio Ferrocarril Del Sur, the **Southern Railway Consortium**) to complete a study on the construction of the Andahuaylas Railway.[17]

Strike understands that the primary motivation behind the MOTC Andahuaylas Railway initiative is to provide economic stimulation to the relatively poorer regions of Ica, Arequipa, Ayacucho and Apurimac. The Apurimac Region in particular is positioned well inland and has historically suffered from lack of good transport infrastructure connecting it to the coastal areas and the Peru capital, Lima.

Strike's Apurimac Project is located only 20km from the city of Andahuaylas. The proposed Andahuaylas Railway (approximately 570km in length) would provide a direct link from the Apurimac Project to an established mineral export port, significantly improving development options for Apurimac, which would be one of the biggest users of the railway.

Included in Strike's Pre-Feasibility Studies on Apurimac (referred to above) was a comprehensive study undertaken by international engineering companies into the technical and commercial aspects of building a railway from Andahuaylas to San Juan de Marcona. A detailed route alignment was mapped by Strike, together with capital and operating cost estimates (in the order of +- 20%) relating to:

- track infrastructure;
- equipment, including locomotives, ore wagons, maintenance of way machines, vehicles etc;
- maintenance and operating facilities, including repair shops, tools and equipment, railway offices, communications and train control equipment, bunkhouses and online buildings; and
- railway system manpower.

The Andahuaylas Railway route proposed by the MOTC (refer Figure 1) almost exactly mirrors the railway route considered by Strike in its own Pre-Feasibility Studies on Apurimac (referred to above).

The scale of Strike's Apurimac Project, if it proceeds through the Andahuaylas Railway, is likely to provide for very significant economic benefits to the Apurimac Province in terms of both direct investment and job creation. Other mineral projects in the Apurimac Region are also likely to directly benefit from the Andahuaylas Railway (refer Figure 2).

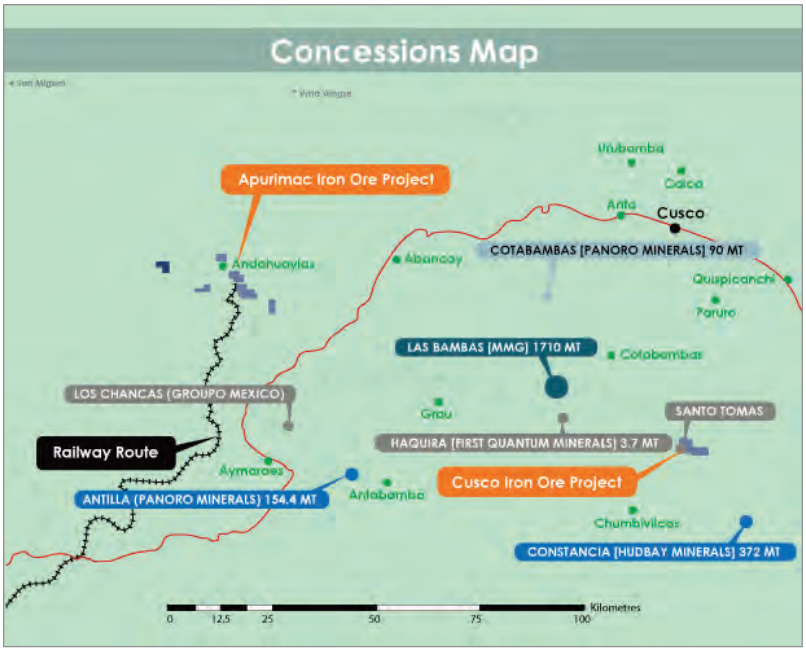

Figure 2: Mineral Projects in the Apurimac Regions

16 Refer Strike's ASX Announcement dated 8 February 2018: Peru Government Plans Railway Linking Strike's Apurimac Iron Ore Project to Port

17 Refer Strike's ASX Announcement dated 24 October 2018: Peru Government Awards $13 Million Tender for Andahuaylas Railway Study Linking Strike's Apurimac Iron Ore Project to Port

COMPANY PROJECTS

A railway would also allow for capital and processing costs at the mine to be substantially reduced, given the considerably simplified process to produce lump and fines products from Strike's high-grade ore compared to producing a slurry concentrate.

In April 2019, Strike executed a Cooperation and Confidentiality Agreement with the Southern Railway Consortium [18]. Given the scale of economic and social benefits which the Andahuaylas Railway will bring to the Apurimac Region (and Peru as a country), Strike has agreed to share its own railway study with the Southern Railway Consortium, provide input and advice and otherwise cooperate with the consortium in whatever way it can to expedite the completion of its feasibility study.

In August 2019, the Managing Director attended a review meeting in Peru with representatives from the Southern Railway Consortium and other major mining companies operating in or close to the Apurimac region. At this meeting it was confirmed that the consortium had selected the preferred route for the Andahuaylas Railway, which aligns with the route previously identified by Strike in its own studies. This route leads directly to the existing Airport at Andahuaylas, which is located only several hundred metres from Strike's main Opaban I deposit at Apurimac (refer Figure 3).

Figure 3: Outcropping Iron ore at the Opaban 1 ore body (with Andahuaylas Airport in the background)

The selection of the preferred Andahuaylas Railway route is significant for Strike, since if the railway goes ahead as planned using this route it will deliver the ideal transport infrastructure solution to advance the Apurimac Project, with the railway line envisaged to start directly at Strike's Apurimac Project and terminating at a multi-user export port on the coast of Peru.

Due to the impact of the COVID-19 pandemic, Strike understands that the Southern Railway Consortium's Andahuaylas Railway Study has been delayed beyond its original published timetable (of mid-2020).

18 Refer Strike's ASX Announcement dated 18 April 2019: Strike Enters into Cooperation Agreement with Peru Railway Consortium

COMPANY PROJECTS

JORC Mineral Resources

A **JORC (2012) Indicated and Inferred Mineral Resource** has been defined at the main Opaban 1 and Opaban 3 concessions of **269Mt of iron ore at 57.3% Fe** (142 Mt Indicated Resource at 57.84% Fe and 127 Mt Inferred Resource at 56.7% Fe).[19]

The exceptionally high-grade +57% Fe magnetite iron at Apurimac is almost twice as high as the grades of magnetite deposits developed in Australia. The Apurimac ore bodies present as continuous broad zones of mineralisation with predominantly high grade, coarse grained magnetite providing comparatively high mass recoveries (>60%) at coarse grind size (>500 microns).

Favourable topography (refer Figure 4) indicates the potential for a low mining strip ratio (between 1.2 – 1.8) and the coarse-grained nature of the ore provides significant processing energy savings as only coarse grinding is necessary to liberate the magnetite.

Metallurgical testwork on reverse circulation chip samples from the Opaban 1 ore body has returned excellent product grades with low impurities, at coarse crushing with particle sizes of 80% passing 125 and 250 microns:

Table 1: Testwork results showing potential for high grade, low impurity product from Opaban 1 ore

	%
Fe	68.02 to 68.28
P	0.01 to 0.02
SiO_2	1.51 to 1.77
Al_2O_3	0.30 to 0.35

Within the Apurimac JORC Mineral Resource, there has also been identified the potential for low impurity Direct Shipping Ore (DSO) material of approximately 67.9 Mt at 61.5% Fe with low impurities (refer Table 2), which could be mined from surface and shallow near surface mineralisation.

Table 2: Opaban 1 DSO characteristics

	%
Fe	61.5
P	0.03
S	0.1
Al_2O_3	1.7
LOI	1.0

In addition to the current JORC Mineral Resource, there is significant exploration potential given the deposits are open at depth and along strike with very promising drill results including 154m @ 62% Fe and extensive, undrilled gravity and magnetic anomalies.

19 Refer Strike's ASX Announcement dated 19 January 2015: Apurimac Mineral Resources Updated to JORC 2012 Standard

COMPANY PROJECTS

Figure 4: Opaban I deposit has favourable topography for low strip-ratio, open cut mining

Small-Scale Production Potential

Strike has examined ways in which it can potentially bring a small scale mining and trucking operation into production utilising very high grade surface and near surface mineralisation that is present across the Opaban 1 and Opaban 3 deposits.

As referred to above, within the current JORC Mineral Resource of 269 Mt at 57.3% Fe there has been identified the potential for DSO material of approximately 67.9 Mt at 61.5% Fe (with low impurities) to be mined from surface and shallow near surface mineralisation.

In December 2013, Strike commenced a pilot operation, where approximately 8,000 tonnes of ore was mined from surface outcrops from its concessions by local artisanal miners, using an excavator.

Figure 5: Excavation of high-grade iron ore from Opaban 3, 2013

COMPANY PROJECTS

Figure 6: Stockpile created from artisanal mining at Opaban 3 deposit, 2013

Once mined, the ore was transported to a third-party crushing plant near the coastal town of Pisco in Southern Peru. After crushing, the ore was sold to a local steel plant for use in their blast furnace to produce steel for the domestic market.

The quality of iron ore product delivered to the plant was consistently superior than the minimum characteristics specified by the plant (refer Table 3).

Table 3: Peru steel plant minimum specifications for delivered iron ore

	%
Fe	> 64
P	< 0.08
S	< 0.08
SiO_2	< 4.0

Strike gained valuable experience in the mining and transport of iron ore from its concessions during this pilot programme and believes that, given the current and expected iron ore price in the medium term, the pilot programme can potentially be expanded to produce a small scale but high grade iron ore mining operation in a relatively short period, for export of iron ore to China.

Such an operation would need to be undertaken in compliance with Peruvian legislation permitting small groups of local 'artisanal miners' (that are in the process of being formalised under applicable regulations) to mine up to 350 tonnes per day (or ~125,000 tonnes per annum) from specific portions of a mining concession. This legislation allows for significantly reduced timetables and simplified processes for obtaining environmental and other permitting.

Based upon the pilot production previously undertaken and a review of the DSO material, Strike would target initial production of high-grade DSO with low impurities:

Table 4: Target characteristics of DSO material from Opaban 3

	%
Fe	64.35
P	0.07
S	0.07
SiO_2	2.85
LOI	0.56
Al_2O_3	0.91

Given Strike's concessions contain multiple locations of outcropping ore, it is possible that multiple areas could be mined simultaneously by different groups of local artisanal miners under Strike's direction, thus giving Strike the potential to sell several hundred thousand tonnes of DSO per year to Chinese (and potentially other) buyers.

Strike has had discussions with the local community and artisanal miners, together with potential equipment suppliers and transport operators and continues to examine the practicalities and commercial viability of commencing such an operation in the near term.

COMPANY PROJECTS

Strike notes that the Peruvian Government has restricted the ability of mining companies to undertake exploration and other activities due to the COVID-19 pandemic and Strike believes this will have an impact on any advancement of the Apurimac Project in the short-term.

Solaroz Lithium Project (Argentina) (Strike – 90%)

The Solaroz Lithium Brine Project (**Solaroz**) comprises 8 (eight) exploitation concessions totalling 12,000 hectares (**Solaroz Concessions**) located mostly adjacent to and principally surrounded by concessions held by ASX-listed Orocobre Limited (ASX:ORE) and TSX-listed Lithium Americas Corporation (TSX:LAC), within South America's 'Lithium Triangle' in North-West Argentina.

Solaroz is located in the same Salar de Olaroz Basin as and directly adjacent to the producing Salar de Olaroz Lithium Brine Project operated by Orocobre and its JV partner, Tokyo Stock Exchange listed Toyota Tsusho Corporation (TYO:8015) (refer Figure 7).

The location of Solaroz is considered by Strike to be highly strategic and prospective for containing commercial quantities and concentrations of lithium-rich brine, since Strike believes that the aquifer which supplies the lithium-rich brine being extracted by Orocobre is likely to extend under Strike's Solaroz Concessions. This will be tested by geophysical work and drilling in due course with a view to fast tracking production of lithium carbonate dependent upon these works being successfully concluded.

The Solaroz Concessions are located in the Jujuy Province in northern Argentina, approximately 230 kilometres north-west of the capital city of Jujuy and lie at an altitude of approximately 3,900 metres and are accessed by good quality road infrastructure. The location is supported by favourable conditions in terms of both the operating environment and local infrastructure. Very limited rainfall combined with dry, windy conditions create the ideal environment for the brine-evaporation process. The area is also serviced by a gas pipeline which intersects the Solaroz Concessions, high voltage electricity, and paved highways. Three major seaports, Buenos Aires in Argentina, Antofagasta and Iquique in Chile, are serviced by international carriers and are easily accessible by road and/or rail.

The Salar de Olaroz is one of a number of land locked salt lakes located high up in the Argentinian Puna Region. The Salar de Olaroz Basin is bounded by a pair of north-south reverse faults that thrust Andes Paleozoic sediment west to east as a result of the Pacific Plate colliding with the South American Plate. This results in the west side of the basin being continually pushed higher which replenishes the sediment fill within the basin.

Argentina holds the world's biggest lithium resources (as brine deposits) and is currently the world's third largest producer of lithium, after Australia and Chile. One of the key attractions of lithium brine projects in Argentina is their low cost of production compared to hard rock lithium projects – Argentinian (and Chilean) lithium brine projects are well recognised as being the lowest on the lithium carbonate production cost curve. The principle reason for the low operating cost is that lithium rich brine, once pumped to the surface (typically from aquifers at up to several hundred metres depth) is then transferred to large evaporation ponds, which rely on free energy from the sun and local atmospheric conditions to concentrate the brine. There are generally no environmentally damaging tailings or toxic by-products.

Strike proposes to follow the well-established and proven production methodology for converting lithium-rich brines into lithium carbonate in a similar manner to existing Argentinian based lithium brine producers.

In July 2019, Strike completed the preparation of an Environmental Impact Assessment (**EIA**) Report for exploration work at Solaroz.[20] The EIA Report includes results from collecting and monitoring baseline environmental data and a detailed proposed fieldwork programme covering 2 years of proposed exploration activity. Following a period of consultation with local community groups, the EIA Report was submitted to the Jujuy Mining Authority (the provincial authority responsible for approving exploration and mining activities at Solaroz) for review.

20 Refer Strike's ASX Announcement dated 19 July 2019: Completion of Environmental Impact Assessment Report for Solaroz Lithium Project, Argentina

COMPANY PROJECTS

Strike understands that review and approval of the EIA Report has been delayed as a consequence of COVID-19 issues in Argentina. The Argentine authorities have also restricted the ability of mining companies to undertake exploration activities due to COVID-19. Strike continues to monitor the situation in Argentina and will advise shareholders of developments as they occur.

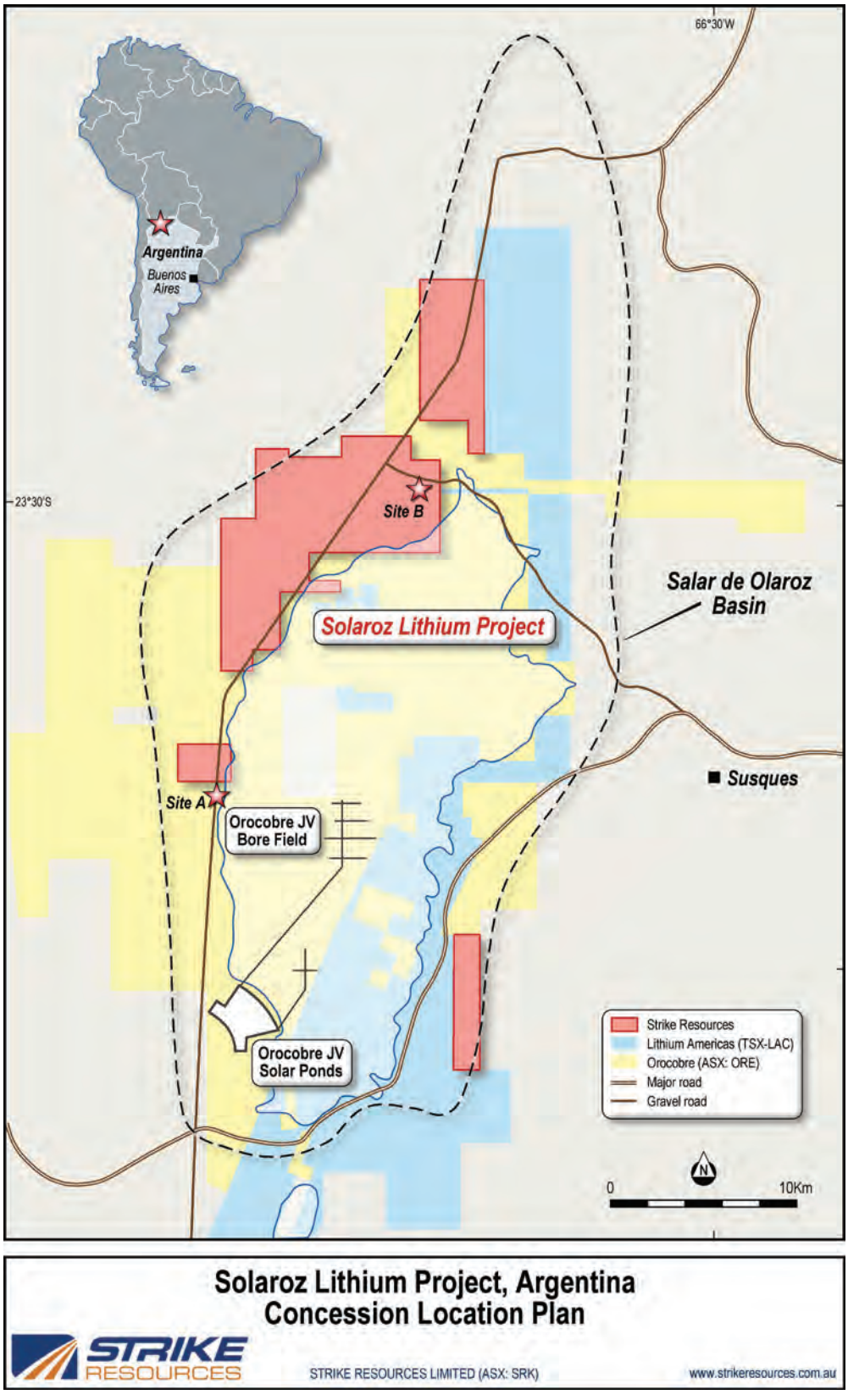

Figure 7: Solaroz Project – Location of Concessions

COMPANY PROJECTS

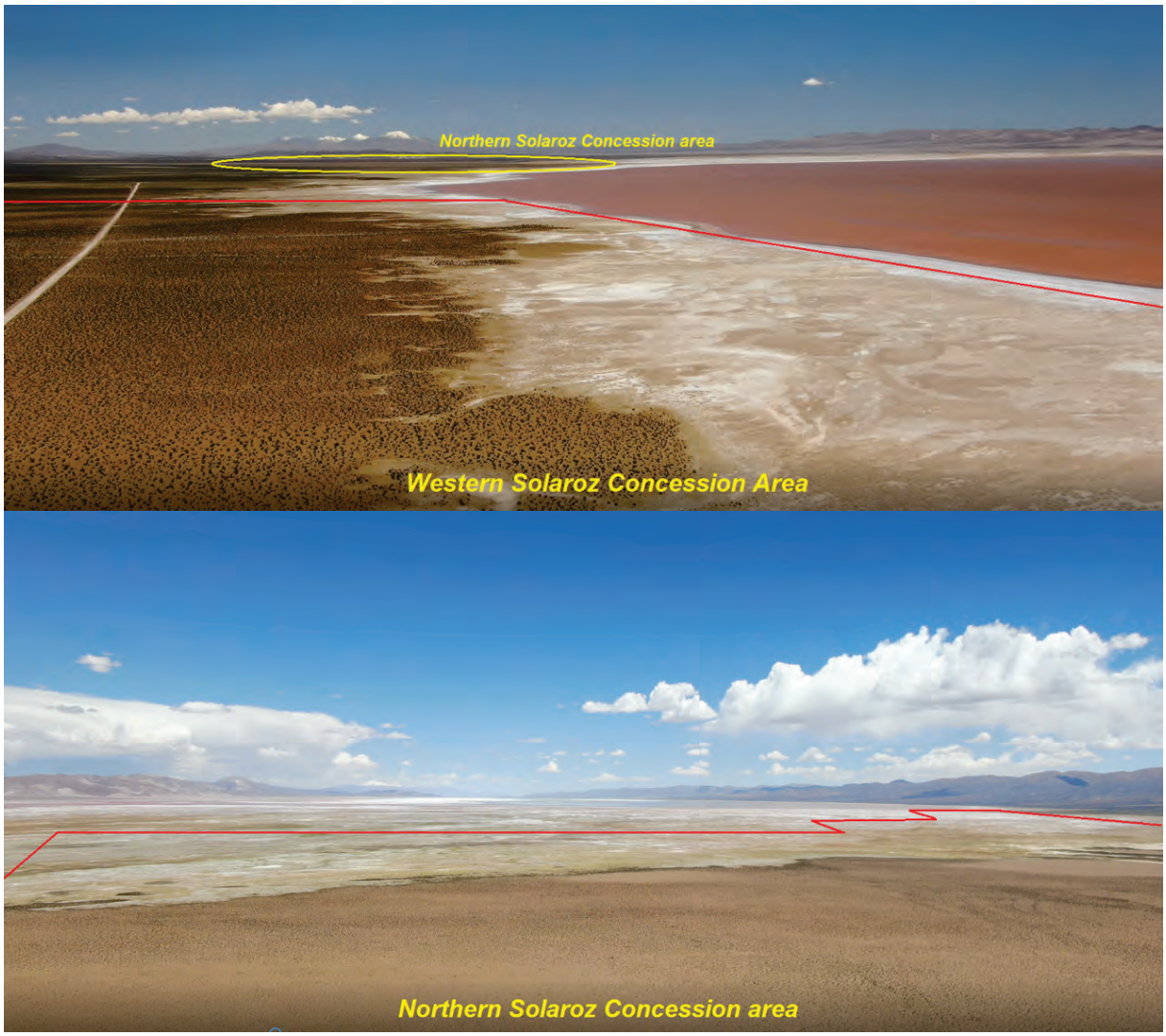

Figure 8: Photographs of Solaroz concession area taken from 'Site A' (top) facing North and 'Site B' (bottom) facing South (Sites as identified in Figure 7: Solaroz Project – Location of Concessions)

The Solaroz Concessions lie over the same Salar de Olaroz Basin from which Orocobre is extracting and processing lithium rich brine for sale as lithium carbonate since 2015. The Solaroz Concessions follow and overlap into the visible white halite salt layer of the 'Salar' (salt lake) and extend as substantial flat areas with 1 - 2 metres of elevation to the visible halite area, providing the ideal location and topography for the construction of evaporation ponds (refer Figure 8).

Strike's interpretation of the basin architecture is that the aquifer which supplies the lithium-rich brine being extracted by Orocobre (and targeted by other exploration and development companies in the area) extends under the Solaroz Concessions (refer Figure 9).

Strike's exploration target is based on the interpretation that the alluvial deposits upon which the Solaroz Concessions are located (at the North-West corner of the Salar) have been deposited relatively recently and lie directly above the productive deep sand unit of the lithium rich aquifer from which Orocobre is extracting its brine (refer "Deep Sand Unit", shown in yellow in Figure 9). This exploration target is conceptual in nature, there has been insufficient exploration to estimate a JORC Mineral Resource in respect of the same and it is uncertain if further exploration will result in the estimation of a JORC Mineral Resource.

COMPANY PROJECTS

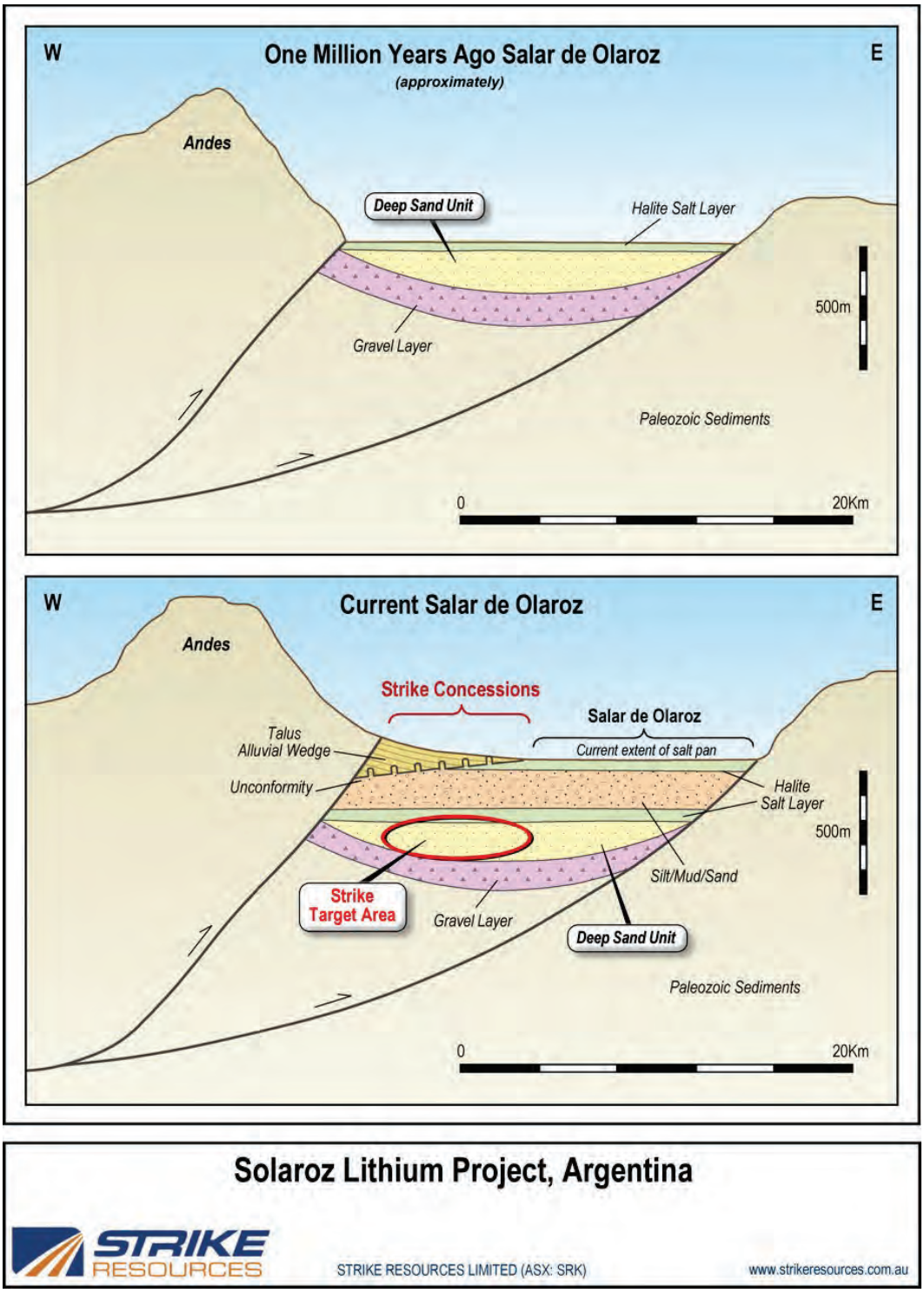

Figure 9: Geological cross sections depicting evolution of Olaroz Salar Basin and Strike's primary target zone for lithium mineralisation

This exploration target is conceptual in nature, there has been insufficient exploration to estimate a JORC Mineral Resource in respect of the same and it is uncertain if further exploration will result in the estimation of a JORC Mineral Resource.

COMPANY PROJECTS

Strike's geological interpretation indicates that the majority of the Solaroz Concessions are likely to lie directly over the productive lithium rich aquifer. Previously published geophysical studies undertaken by Orocobre[21] indicate that the sub-surface brine hosting aquifers appear to extend well outside the boundaries of the visible salt area and to depth and adds evidence supporting the likelihood of lithium rich brine hosted beneath the Solaroz Concessions.

Other exploration and development companies (for example, Advantage Lithium Corp. (TSXV:AAL); Millennial Lithium Corp. (TSXV:ML); Lake Resources N.L. (ASX:LKE) and Galan Lithium Limited (ASX:GLN) have also confirmed through geophysics and drilling that lithium-rich brine hosting aquifers in Argentina tend to extend well outside boundaries of today's visible salt pans.

Burke Graphite Project (Queensland, Australia) (Strike – ~70%)

The Burke Graphite Project is located in the Cloncurry region in North Central Queensland, where there is access to well-developed transport infrastructure to an airport at Mt Isa (~122km) and a port in Townsville (~783km).

Figure 10: Burke Graphite Project Tenement Location in North Central Queensland

21 Reference: Olaroz Technical Report dated 13 May 2011: Salar De Olaroz Lithium-Potash Project, Jujuy Province, Argentina

COMPANY PROJECTS

A Mineral Resource Estimate (**MRE**) for the Burke Project has defined a maiden Inferred Mineral Resource of[22]:

- **6.3 million tonnes @ 16.0% Total Graphitic Carbon (TGC**) for **1,000,000 tonnes** of contained graphite;
- Within the mineralisation envelope there is included higher grade material of **2.3 million tonnes @ 20.6% TGC** (with a TGC cut-off grade of 18%) for **464,000 tonnes** of contained graphite which will be investigated further.

In addition to the high-grade nature of the deposit, the Burke Graphite Project:

- Comprises natural graphite that has been demonstrated to be able to be processed by standard flotation technology to international benchmark product categories. The flotation tests conducted by Independent Metallurgical Operations Pty Ltd (**IMO**) have confirmed that a concentrate of purity **in excess of 95% and up to 99% TGC** can be produced using a standard flotation process;
- Contains graphite from which Graphene Nano Platelets (**GNP**) have been successfully extracted direct from the Burke Graphite deposit via Electrochemical Exfoliation (**ECE**). The ECE process is relatively low cost and environmentally friendly compared to other processes, yet it can produce very high purity Graphene products. The ECE process is however not applicable to the vast majority of worldwide graphite deposits as it requires a TGC of over 20% and accordingly the Burke Deposit has potentially significant processing advantages over other graphite deposits;
- Is located in the relatively safe and mining friendly jurisdiction of Queensland, Australia with well-developed transport infrastructure and logistics nearby; and
- Is potentially amenable to low cost open-pit mining.

High Grade Intersections from Drilling

A maiden drilling campaign was undertaken by Strike between 24 April 2017 and 14 May 2017 to test the graphite mineralisation in the key Burke tenement, EPM 25443[23]. Total metres drilled were 735.2m (618m in 9 RC holes and 117.2m in one diamond core hole) spread across four cross-sections over a strike length of 500m.

Drilling confirmed the continuity of high grade (>10%) graphite mineralisation over 500m along strike in the NE-SW direction and confirmed the presence of extensive zones of very high-grade graphite mineralisation, commencing at surface and extending to at least 100m in depth (refer Figure 11). Intersections encountered include:

- Diamond Core Hole BGDD001 : 99.8 Metres @ 21.1% TGC from 9 metres depth; and
- RC Hole BGRC001 : 43 Metres @ 18.87% TGC from 21 metres depth.

22 Refer Grade Tonnage Data in Table 2 of CSA Global's Burke Graphite Project MRE Technical Summary dated 9 November 2017 (attached as Annexure A of Strike's ASX Announcement dated 13 November 2017: Maiden Mineral Resource Estimate Confirms Burke Project as One of the World's Highest Grade Natural Graphite Deposits)

23 Refer Strike's ASX Announcements dated and 13 June 2017: Extended Intersections of High-Grade Graphite Encountered at Burke Graphite Project and 21 June 2017: Further High-Grade Intersection Encountered at Burke Graphite Project

COMPANY PROJECTS

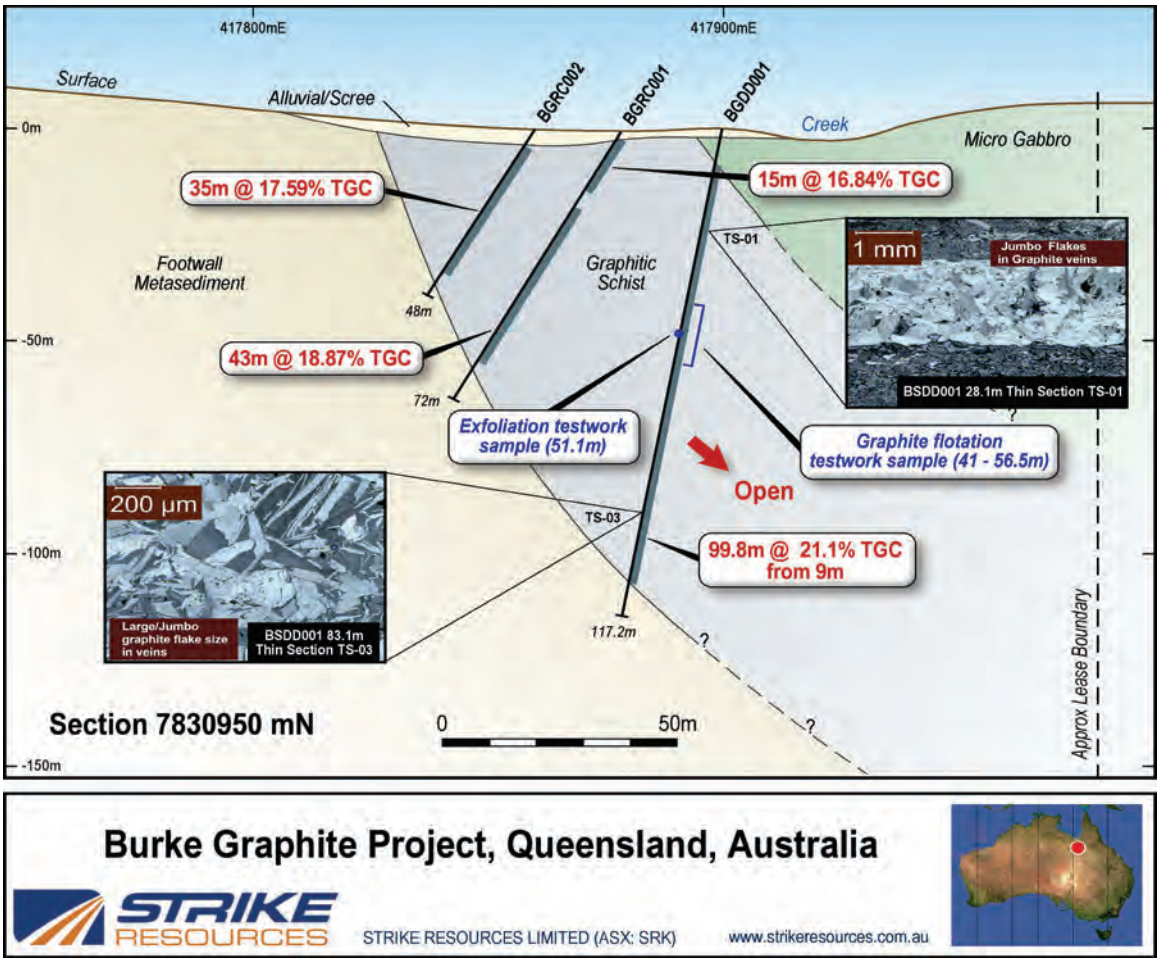

Figure 11: Burke Tenement Drilling Cross Section 7830950mN

Ground EM Surveys

A ground Electro Magnetic (**EM**) survey was completed in June 2018, covering the south-eastern corner of Burke tenement EPM 25443 (drilled by Strike in 2017) [24] and the Corella tenement EPM 25696 (South) (located ~20 km south of EPM 25443) [25].

The EM survey identified the Corella Prospect as a significant target area for additional high-grade mineralisation as well as identifying new zones of increased conductivity adjacent to previously drilled graphite mineralisation at the Burke Prospect.

The Corella Prospect (north east corner of EPM 25696 (South)) EM survey was carried out over outcropping and sub-cropping Geological Survey of Queensland mapped Graphitic Schists - the “Milo beds” - within the Corella Formation. Graphite grading 5 -10% TGC is widespread throughout the outcropping Milo beds and the EM survey was carried out to identify higher-grade areas of mineralisation and identify future drill targets. The survey highlighted an area of approximately 1000m x 500m (refer Figure 12) within which conductive features similar to those corresponding to high-grade graphite occurring at the Burke EPM 2543 tenement were identified.

24 Refer Strike’s ASX Announcements dated 13 June 2017: Extended Intersections of High-Grade Graphite Encountered at Burke Graphite Project and 21 June 2017: Further High-Grade Intersection Encountered at Burke Graphite Project

25 Refer Strike’s ASX Announcement dated 26 June 2018: Burke Graphite Project – New Target Area Identified From Ground Electro-Magnetic Surveys

COMPANY PROJECTS

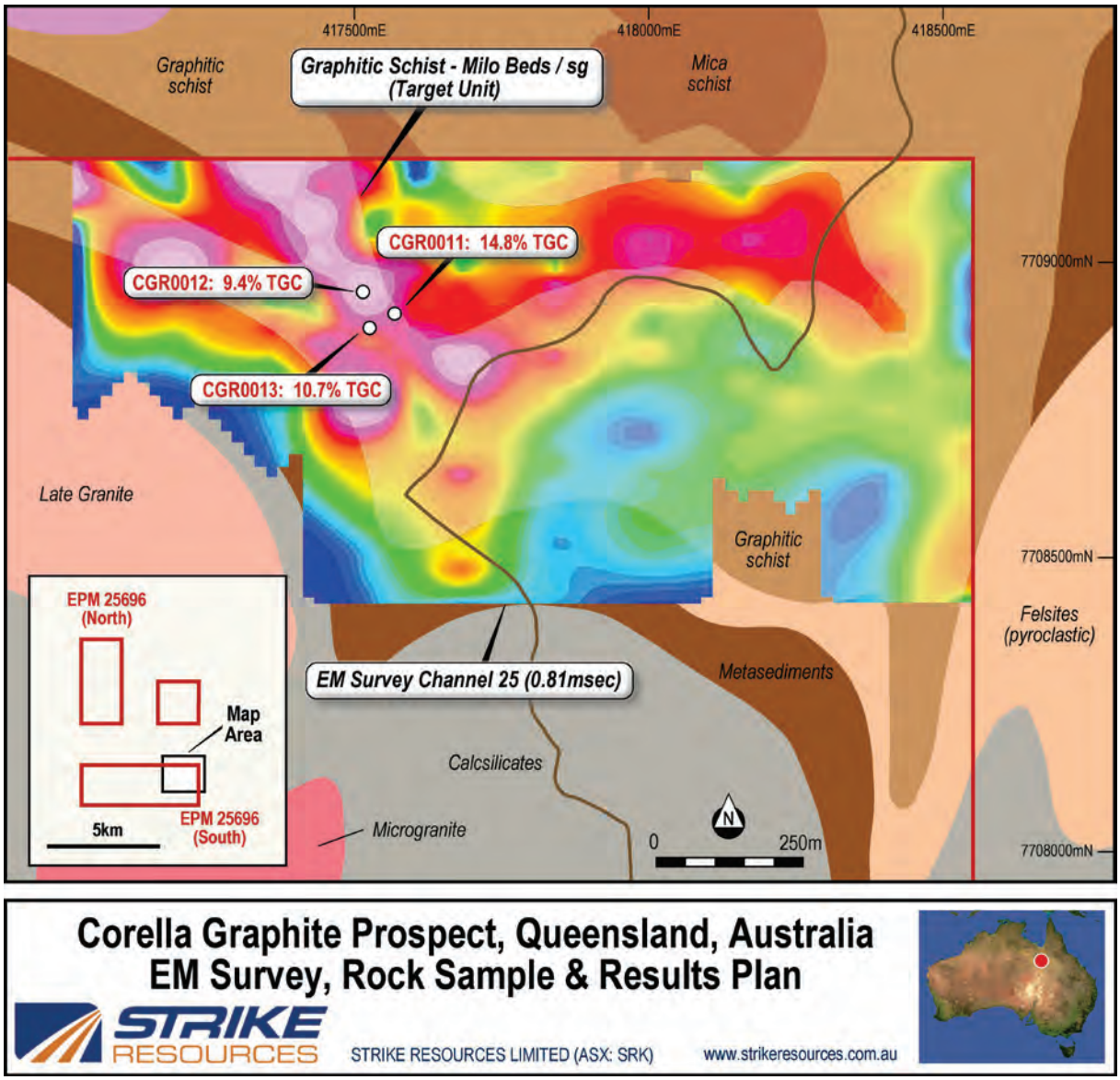

Figure 12: EM Survey - Corella Prospect, Burke Graphite Project

The conductive features identified at the Corella Prospect appear to be shallow to flat-lying and occur in areas of outcropping and sub-cropping graphite that have rock chips (from previous sampling by Strike) of up to 14.85% TGC[26].

In addition to identifying the new potential at Corella, the EM survey identified minor structural offsets, together with new zones of increased conductivity at the previously drilled Burke Prospect.

26 Refer Strike's ASX announcement dated 21 April 2017: Jumbo Flake Graphite Confirmed at Burke Graphite Project, Queensland

COMPANY PROJECTS

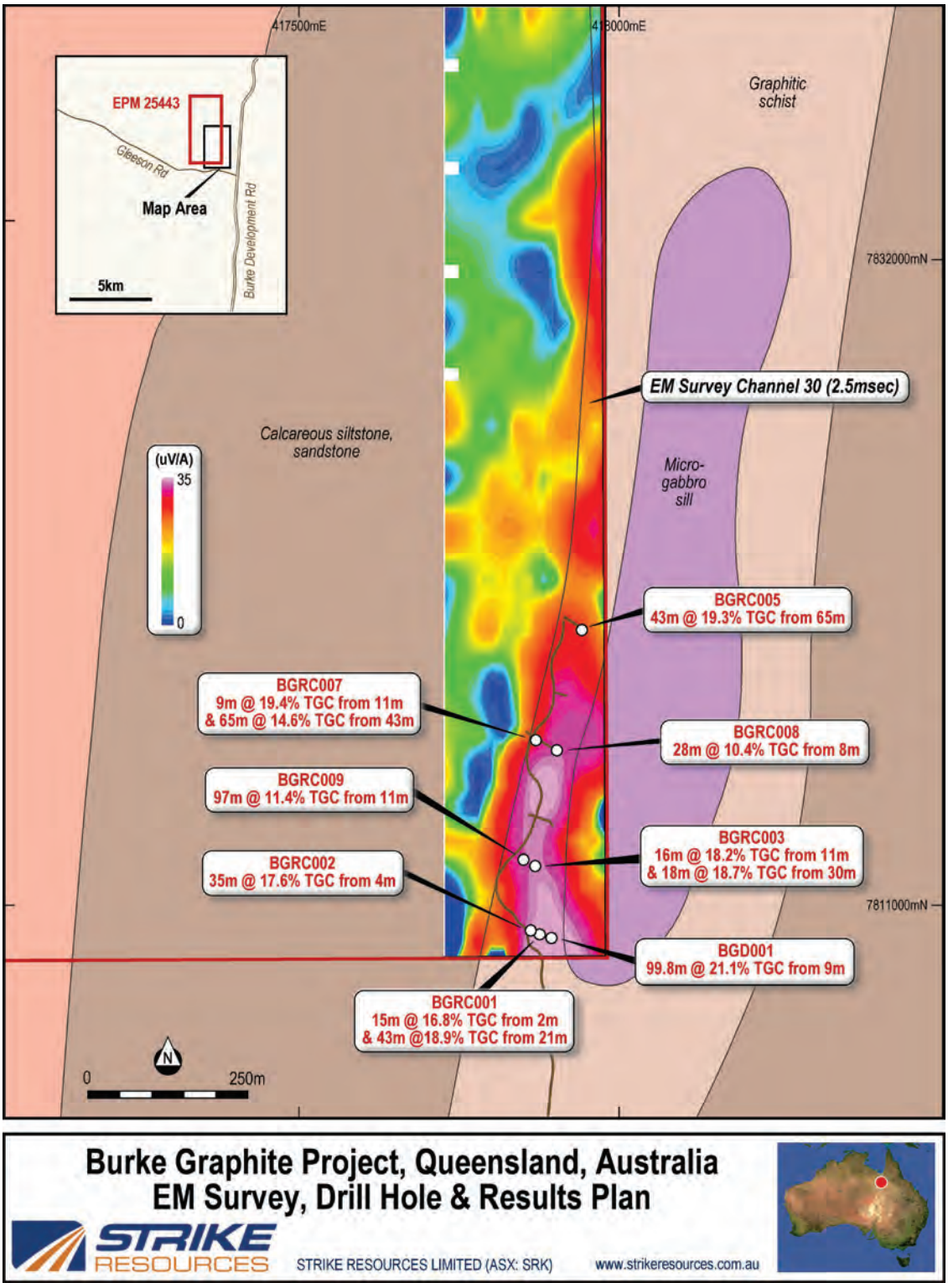

Figure 13: EM Survey - Burke Prospect, Burke Graphite Project

The EM survey over the south-eastern corner of Burke EPM 2543 was carried out over outcropping and sub-cropping Geological Survey of Queensland mapped Graphitic Schists of the Corella Formation. The survey highlighted the high-grade graphite identified in Strike's maiden drilling programme and identified minor structural offsets, together with new zones of increased conductivity (refer Figure 13). In addition, the survey verified the width and dip of the drill intersected high-grade graphite.

DIRECTORS' REPORT

The Directors present their report on Strike Resources Limited ABN 94 088 488 724 (**Company** or **SRK**) and its controlled entities (the **Consolidated Entity** or **Strike**) for the financial year ended 30 June 2020 (**Balance Date**).

SRK is a company limited by shares that was incorporated in Western Australia and has been listed on the Australian Securities Exchange (**ASX**) since 7 March 2000 (ASX Code: SRK).

The Company has prepared a consolidated financial report incorporating the entities that it controlled during the financial year, being wholly owned subsidiaries.

PRINCIPAL ACTIVITIES

Strike Resources Limited is an ASX listed resource company which is developing the Paulsens East Iron Ore Project in Western Australia. Strike also owns the high grade Apurimac Magnetite Iron Ore Project in Peru and is also developing a number of battery minerals related projects around the world, including the highly prospective Solaroz Lithium Brine Project in Argentina and the Burke Graphite Project in Queensland.

Strike's principal activities during the financial year were:

- the evaluation and development of its Paulsens East Iron Ore Project in Western Australia;
- the advancement of environmental approvals for an exploration programme at its Solaroz Lithium-Brine Project in Argentina;
- the evaluation of its Apurimac Iron Ore Project in Peru; and
- the evaluation of its Burke Graphite Project in Queensland.

OPERATING RESULTS

Consolidated	June 2020 $	June 2019 $
Total revenue	74,016	306,461
Total expenses	(1,475,729)	(2,181,554)
Loss before tax	(1,401,713)	(1,875,093)
Income tax expense	-	-
Loss after tax	(1,401,713)	(1,875,093)

CASH FLOWS

Consolidated	June 2020 $	June 2019 $
Net cash flow from operating activities	(1,623,313)	(1,728,417)
Net cash flow from investing activities	1,063,496	568,164
Net cash flow from financing activities	2,609,968	-
Net change in cash held	2,050,151	(1,160,253)
Cash held at year end	3,241,161	1,289,411

In addition to its cash reserves, Strike held an investment portfolio of $0.164 million comprising securities in ASX listed resource stocks (30 June 2019: $1.34 million).

DIRECTORS' REPORT

FINANCIAL POSITION

Consolidated	June 2020 $	June 2019 $
Cash	3,241,161	1,289,411
Financial assets at fair value through profit or loss	164,083	1,340,686
Exploration and evaluation expenditure	1,016,713	348,956
Receivables	57,494	166,391
Other assets	9,991	7,502
Liabilities	(254,373)	(117,992)
Net assets	**4,235,069**	**3,034,954**
Issued capital	151,049,893	148,439,925
Reserves	15,065,961	15,074,101
Accumulated losses	(161,880,785)	(160,479,072)
Total equity	**4,235,069**	**3,034,954**

REVIEW OF OPERATIONS

Paulsens-East Iron Ore Project (Western Australia)

The Paulsens East Iron Ore Project is located approximately 140 kilometres west of Tom Price, 8 kilometres from the Paulsens Gold Mine, ~233 kilometres by road (of which ~210 kilometres is good quality paved road) from the Port of Onslow and ~590 kilometres by road from Port Hedland. Paulsens East consists of hematite iron ore mineralisation occurring as a ridge rising to approximately 60 metres above the valley floor and extending for approximately 3,000 metres West to East.

With an increase in iron ore prices, in June 2019, Strike recommenced previous work (conducted between 2006 – 2008) to examine the potential for undertaking a Direct Shipping Ore (**DSO**) mining operation using contract mining, crushing and transportation by truck to port then ship to China.[1]

On 18 July 2019, Strike reported a significant Maiden JORC Inferred Mineral Resource for Paulsens East.[2]

On 4 September 2019, Strike reported a significant upgrade of the Paulsens East resource from an Inferred to an Indicated JORC Mineral Resource category.[3]

On 28 November 2019, Strike released the results of a Scoping Study based upon ore being trucked from the mine to Onslow predominantly by sealed road, where it will be stockpiled prior to being loaded directly from the wharf at Beadon Creek for transhipment into ocean going vessels for export to customers.[4]

On 9 April 2020, Strike released the results of a Revised Scoping Study based upon the Utah Point Multi-User Bulk Handling facility (**Utah Point**) in Port Hedland as the export port.[5]

1 Refer Strike's ASX Announcement dated 19 June 2019: Strike's Iron Ore Assets

2 Refer Strike's ASX Announcement dated 15 July 2019: Maiden JORC Resource of 9.1 Million Tonnes at 63.4% Fe - Paulsens East Iron Ore Project in the Pilbara

3 Refer Strike's ASX Announcement dated 4 September 2019: Significant Upgrade of JORC Mineral Resource into Indicated Category at Paulsens East Iron Ore Project

4 Refer Strike's ASX Announcement dated 28 November 2019: Excellent Scoping Study Results for Paulsens East Iron Ore Project

5 Refer Strike's ASX Announcements dated 9 April 2020: Revised Scoping Study for Utah Point, Port Hedland Supports Excellent Project Economics for Paulsens East Iron Ore Project and 25 March 2020: Utah Point, Port Hedland Considered as Preferred Port Option for Paulsens East Iron Ore Project

DIRECTORS' REPORT

On 14 August 2020, Strike entered into a Native Title Mining Agreement (**Native Title Agreement**) and State Deed (for the grant of a mining lease) (**State Deed**) with the PKKP Aboriginal Corporation RNTBC (**PKKPAC**). The PKKPAC holds native title on trust for the benefit of the Puutu Kunti Kurrama and Pinikura People (**PKKP**) Traditional Owners.[6]

On 4 September 2020, Strike received the grant of a Mining Lease (M47/1583) for an initial term of 21 years.[7]

For further details, please refer to Strike's announcements on the Paulsens East Iron Ore Project:

- 7 September 2020: Grant of Mining Lease for Paulsens East Iron Ore Project
- 2 September 2020: Test Pit and Bulk Samples to Advance Offtake Agreements Completed at Paulsens East
- 17 August 2020: Native Title Agreement Paves Way for Iron Ore Development
- 22 July 2020: Native Title Agreement Progress to Final Stage
- 15 July 2020: High-Grade Rock Chip Samples Confirm Resource Upside Potential at Paulsens East Iron Ore Project
- 22 June 2020: Engenium to Complete Paulsens East Feasibility Study
- 29 April 2020: MOU Executed for Iron Ore Haulage Services with Campbell Transport for Paulsens East Iron Ore Project
- 9 April 2020: Revised Scoping Study for Utah Point, Port Hedland Supports Excellent Project Economics for Paulsens East Iron Ore Project
- 3 April 2020: Final Heritage Surveys Now Completed for Paulsens East Iron Ore Project
- 25 March 2020: Utah Point, Port Hedland Considered as Preferred Port Option for Paulsens East Iron Ore Project
- 12 February 2020: Substantial Progress Towards Development of Paulsens East Iron Ore Project
- 5 December 2019: Drilling and Surface Sampling Results at Paulsens East Iron Ore Project
- 4 December 2019: High Grade Results Located 1.6km from 9.6Mt Resource
- 28 November 2019: Excellent Scoping Study Results for Paulsens East Iron Ore Project
- 19 November 2019: Beadon Creek Onslow Selected as Preferred Port for Paulsens East
- 24 October 2019: Strike Strengthens Management Team for Paulsens East Iron Ore Project with Key Appointments
- 10 October 2019: Outstanding Metallurgical Testwork Results at Paulsens East Iron Ore Deposit Indicate 79% Lump Yield with Low Impurities
- 4 September 2019: Significant Upgrade of JORC Mineral Resource into Indicated Category at Paulsens East Iron Ore Project
- 15 July 2019: Maiden JORC Resource of 9.1 Million Tonnes at 63.4% Fe – Paulsens East Iron Ore Project in the Pilbara
- 1 August 2019: Strong Progress at the Paulsens East Iron Ore Project
- 19 June 2019: Strike's Iron Ore Assets

6 Refer Strike's ASX Announcement dated 17 August 2020: Native Title Agreement Paves Way for Iron Ore Development

7 Refer Strike's ASX Announcement dated 7 September 2020: Grant of Mining Lease for Paulsens East Iron Ore Project

DIRECTORS' REPORT

Solaroz Lithium Project (Argentina)

Strike holds a 90% interest in the highly prospective Solaroz Lithium Brine Project (**Solaroz**) within South America's 'Lithium Triangle' in North-West Argentina.[8]

Solaroz comprises 8 exploitation concessions totalling 12,000 hectares located in Jujuy Province in northern Argentina and is located in the same Salar de Olaroz Basin as the producing Salar de Olaroz Lithium Brine Project operated by Orocobre Limited (ASX:ORE) (and its JV partner, Tokyo Stock Exchange listed Toyota Tsusho Corporation (TYO:8015)) and concessions held by Lithium Americas Corporation (TSX:LAC).

In July 2019, Strike completed the preparation of an Environmental Impact Assessment (**EIA**) Report for exploration work at Solaroz.[9] The EIA Report includes results from collecting and monitoring baseline environmental data and a detailed proposed fieldwork programme covering 2 years of proposed exploration activity. Following a period of consultation with local community groups, the EIA Report was submitted to the Jujuy Mining Authority (the provincial authority responsible for approving exploration and mining activities at Solaroz) for review.

Strike understands that the review and approval of its EIA Report by the Jujuy Mining Authority has been delayed by COVID-19 pandemic related issues in Argentina. The Argentine authorities have also restricted the ability of mining companies to undertake exploration activities due to the COVID-19 pandemic. Both of these matters will impact upon Strike advancing this project in the short-term.

The terms of acquisition are also summarised in Note 22(g) (Contingencies - Deferred Payments Relating to Acquisition of Solaroz Lithium Project (Argentina)) of the accompany financial statements.

For further details, please refer to Strike's announcements on the Solaroz Lithium Brine Project:

- 19 July 2019: Completion of Environmental Impact Assessment Report for Solaroz Lithium Project, Argentina
- 17 April 2019: Strike Commences Solaroz Lithium Brine Project Work Programme in Argentina
- 13 March 2019: Strike Secures Solaroz Lithium Brine Project in Argentina's Lithium Triangle, a copy of which is attached to this Half Year Report

Apurimac Iron Ore Project (Peru)

Strike's Apurimac Iron Ore Project in Peru is recognised as one of the highest grade, large scale magnetite projects in the world with the potential to support the establishment of a significant iron ore operation.[10] Over A$50 million has been invested by Strike since 2005 on acquisition, exploration, study and operational costs relating to its Peru assets, including a Pre-Feasibility Study completed in 2008[11] and updated in 2010[12] on the Apurimac Project.

The Ministry of Transport and Communications in Peru (**MOTC**) has awarded a tender to an international consortium of engineering companies (Consorcio Ferrocarril Del Sur, the **Southern Railway Consortium**)[13] to complete a study on the construction of a multi-user railway from the inland city of Andahuaylas in southern Peru, to the mineral export Port of San Juan de Marcona on the west coast of Peru (the **Andahuaylas Railway**).[14]

8 Refer Strike's ASX Announcement dated 13 March 2019: Strike Secures Solaroz Lithium Brine Project in Argentina's Lithium Triangle

9 Refer Strike's ASX Announcement dated 19 July 2019: Completion of Environmental Impact Assessment Report for Solaroz Lithium Project, Argentina

10 Refer Strike's ASX Announcement 20 January 2015: Apurimac Mineral Resources Updated to JORC 2012 Standard

11 Refer Strike's ASX Announcement dated 23 July 2008: Prefeasibility Results Confirm World Class Prospects in Peru

12 Refer Strike's ASX Announcement dated 23 November 2010: Apurimac Project Update and Strike's December 2010 Quarterly Report

13 Refer Strike's ASX Announcement dated 24 October 2018: Peru Government Awards $13 Million Tender for Andahuaylas Railway Study Linking Strike's Apurimac Iron Ore Project to Port

14 Refer Strike's ASX Announcement dated 8 February 2018: Peru Government Plans Railway Linking Strike's Apurimac Iron Ore Project to Port

DIRECTORS' REPORT

Strike's Apurimac Project is located only 20km from the city of Andahuaylas. The proposed Andahuaylas Railway (approximately 570km in length) would provide a direct link from Strike's Project to an established mineral export port, significantly improving the Apurimac Project's development prospects.

In April 2019, Strike executed a Cooperation and Confidentiality Agreement with the Southern Railway Consortium to share its own railway study[12], provide input and advice and otherwise cooperate with the consortium in whatever way it can to expedite the completion of its feasibility study.[15]

In August 2019, Strike's Managing Director attended a review meeting in Peru with representatives from the Southern Railway Consortium and other major mining companies operating in or close to the Apurimac region. At this meeting it was confirmed that the consortium had selected the preferred route for the Andahuaylas Railway, which aligns with the route previously identified by Strike in its own studies.[16]

Due to the impact of the COVID-19 pandemic, Strike understands that the Southern Railway Consortium's Andahuaylas Railway Study will be delayed beyond its original published timetable (of mid-2020). In addition, Strike notes that the Peruvian Government has also restricted the ability of mining companies to undertake exploration activities due to the COVID-19 pandemic and Strike believes this will have an impact on any advancement of this project in the short-term.

Burke Graphite Project (Queensland)

Strike's Burke Graphite Project[17] (in which Strike holds a ~70% interest[18]) is located in the Cloncurry region in North Central Queensland, where there is access to well-developed transport infrastructure to an airport at Mt Isa (~122km) and a port in Townsville (~783km).

In November 2017, Strike defined a maiden Inferred Mineral Resource estimate for the Burke Project with the grades placing the Burke deposit as one of the highest-grade deposits of graphite in the world held by an Australian listed company.[19]

In June 2018, Strike announced the completion of a ground Electro Magnetic (**EM**) survey covering the south-eastern corner of Burke tenement EPM 25443 (North) (drilled by Strike in 2017[20]) and the Corella tenement EPM 25696 (South) (located ~20 km south of EPM 25443), which identified the Corella Prospect as a significant target area for additional high grade mineralisation as well as identifying new zones of increased conductivity adjacent to previously drilled graphite mineralisation at the Burke Prospect.[21]

No material activity was undertaken on this project during the financial year - the COVID-19 pandemic will have an impact on any advancement of this project in the short-term.

For further details, please refer to Strike's announcements on the Burke Graphite Project:

- 26 June 2018: Burke Graphite Project – New Target Area Identified From Ground Electro-Magnetic Surveys
- 13 November 2017: Maiden Mineral Resource Estimate Confirms Burke Project as One of the World's Highest Grade Natural Graphite Deposits
- 16 October 2017: Test-work confirms the potential suitability of Burke graphite for Lithium-ion battery usage and Graphene production

15 Refer Strike's ASX Announcement dated 18 April 2019: Strike Enters into Cooperation Agreement with Peru Railway Consortium

16 Refer also Strike's ASX Announcement dated 5 December 2019: Railway Project Gathers Momentum in Peru – Positive Outlook for Strike's Apurimac Iron Ore Project

17 Refer Strike's ASX Announcement dated 9 November 2016: Strike Secures Graphite Project in Queensland

18 In July 2017, Strike completed its earn-in obligations to acquire a 60% interest in the Burke Graphite Project tenements. All subsequent expenditure on the project are shared in proportion to the owners' interests (with an industry standard dilution to apply if a party elects not to contribute their share).

19 Refer Strike's ASX Announcement dated 13 November 2017: Maiden Mineral Resource Estimate Confirms Burke Project as One of the World's Highest Grade Natural Graphite Deposits).

20 Refer Strike's ASX announcements dated 13 June 2017: Extended Intersections of High-Grade Graphite Encountered at Burke Graphite Project and 21 June 2017: Further High-Grade Intersection Encountered at Burke Graphite Project

21 Refer Strike's ASX Announcement dated 26 June 2018: Burke Graphite Project – New Target Area Identified From Ground Electro-Magnetic Surveys

DIRECTORS' REPORT

- 21 June 2017: Further High-Grade Intersection Encountered at Burke Graphite Project
- 13 June 2017: Extended Intersections of High-Grade Graphite Encountered at Burke Graphite Project
- 21 April 2017: Jumbo Flake Graphite Confirmed at Burke Graphite Project, Queensland

Quarterly Reports

Further information on the Consolidated Entity's activities and operations during the financial year are also contained in Strike's Quarterly Activities and Cash Flow Reports lodged on ASX dated:

- 31 July 2020: Quarterly Activities and Cash Flow Reports for June 2020;
- 30 April 2020: Quarterly Activities and Cash Flow Reports for March 2020;
- 31 January 2020: Quarterly Activities and Cash Flow Reports for December 2019; and
- 31 October 2019: Quarterly Activities and Cash Flow Reports for September 2019.

DIVIDENDS

No dividends have been paid or declared during the financial year.

SECURITIES ON ISSUE

The Company has 207,134,268 fully paid ordinary shares on issue as at 30 June 2020 and currently (30 June 2019: 145,334,268). All such shares are listed on ASX. The Company has no other securities on issue.

CAPITAL RAISINGS

On 18 July 2019, the Company raised $0.981 million through a placement of 21,800,000 shares at 4.5 cents per share to professional and sophisticated investors.[22] This issue was ratified and approved by shareholders at a general meeting[23] held on 6 September 2019[24].

On 5 June 2020, the Company raised $1.8 million through a placement of 40,000,000 shares at 4.5 cents per share to professional and sophisticated investors.[25] This issue was ratified and approved by shareholders at a general meeting[26] held on 2 September 2020[27], thus refreshing the Company's 15% placement capacity under the ASX Listing Rules.

The funds raised from these placements (net of expenses associated with their issue) are being applied towards the costs of advancement of exploration, evaluation and development of the Company's Paulsens East Iron Ore Project and other resource projects and for general working capital purposes.

At the 2 September 2020 General Meeting, shareholders also approved a resolution giving the Directors the flexibility and timeliness to issue up to 60 million new shares to wholesale (ie. sophisticated or professional) investors (subject to a minimum price[28]) during a 3 month period after the date of the General Meeting, without using up the Company's 15% placement capacity and without the need to seek prior shareholder approval.

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22 Refer Strike's ASX Announcements dated 19 July 2019: Appendix 3B – New Issue and Application for Quotation – 21.8M and 15 July 2019: Maiden JORC Resource of 9.1 Million Tonnes at 63.4% Fe - Paulsens East Iron Ore Project in the Pilbara

23 Refer Strike's ASX Announcement dated 5 August 2019: Notice of General Meeting and Explanatory Statement

24 Refer Strike's ASX Announcement dated 6 September 2019: Results of General Meeting

25 Refer Strike's ASX Announcements dated 5 June 2020: Appendix 21 – Application for Quotation of 40M Shares, 1 June 2020: Proposed Issue of Securities – SRK and 1 June 2020: Completion of $1.8 Million Capital Raising

26 Refer Strike's ASX Announcement dated 30 July 2020: Notice of General Meeting, Explanatory Statement and Proxy Form

27 Refer Strike's ASX Announcement dated 2 September 2020: Results of General Meeting

28 That is at least 80% of the volume weighted average market price (as defined in the ASX Listing Rules) of Strike shares over the 5 days on which sales were recorded prior to the date of issue

DIRECTORS' REPORT

Any share issue (and the issue price related thereto) will be determined by the Directors at their absolute discretion at the relevant time.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The Directors note that the COVID-19 pandemic has had an effect on the Consolidated Entity's operations, particularly in Argentina (impacting the Solaroz Lithium-Brine Project) and Peru (impacting the Apurimac Magnetite Iron Ore Project and Cusco Magnetite Iron Ore Project) with a lesser effect in Queensland (impacting the Burke Graphite Project), including but not limited to the consequences of Government imposed (international and national/local) travel restrictions and lockdowns/shutdowns. There have been no other significant changes in the state of affairs of the Consolidated Entity save as otherwise disclosed in this Directors' Report or the financial statements and notes thereto.

FUTURE DEVELOPMENTS

The Consolidated Entity will continue to:

- advance the evaluation and development of its Paulsens East Iron Ore Project in Western Australia;
- advance the exploration and evaluation of its Solaroz Lithium-Brine Project in Argentina;
- advance its other resource projects through exploration, evaluation and development (as appropriate, as the case may be); and
- potentially investigate and pursue other prospective projects in the resources sector.

The likely outcomes of these activities depend on a range of technical and economic factors and also industry, geographic and other strategy specific issues (including the impacts of the COVID-19 pandemic). In the opinion of the Directors, it is not possible or appropriate to make a prediction on the results of these activities, the future course of markets or the forecast of the likely results of the Consolidated Entity's activities.

ENVIRONMENTAL REGULATION

The Consolidated Entity holds mineral tenements/concession licences issued by the relevant mining and environmental protection authorities of the various countries in which it operates (from time to time). In the course of its mineral exploration, evaluation and development activities, the Consolidated Entity adheres to licence conditions and environmental regulations imposed upon it by various authorities (as applicable). The Consolidated Entity has complied with all licence conditions and environmental requirements (as applicable) during the financial year and up to the date of this report. There have been no known material breaches of the Consolidated Entity's licence conditions and environmental regulations during the financial year and up to the date of this report.

DIRECTORS' REPORT

BOARD OF DIRECTORS

Farooq Khan	**Chairman**
Appointed	18 December 2015; Director since 1 October 2015
Qualifications	BJuris, LLB (*Western Australia*)
Experience	Mr Khan is a qualified lawyer having previously practised principally in the field of corporate law. Mr Khan has extensive experience in the securities industry, capital markets and the executive management of ASX-listed companies. In particular, Mr Khan has guided the establishment and growth of a number of public listed companies in the investment, mining and financial services sector. He has considerable experience in the fields of capital raisings, mergers and acquisitions and investments.
Special responsibilities	Member of the Audit Committee Member of the Remuneration and Nomination Committee
Relevant Interests in shares and options	1,813,231 shares (held jointly)[29] (30 June 2020: 530,010 shares (held directly))
Other current directorships in listed entities	Executive Chairman of: Orion Equities Limited (ASX:OEQ) (since 23 October 2006) Bentley Capital Limited (ASX:BEL) (since 2 December 2003) Executive Chairman and Managing Director of: Queste Communications Ltd (ASX:QUE) (since 10 March 1998)
Former directorships in other listed entities in past 3 years	Alternate Director of Keybridge Capital Limited (ASX:KBC) (26 June to 18 July 2019)

William Johnson	**Managing Director**
Appointed	25 March 2013; Director since 14 July 2006
Qualifications	MA (*Oxon*), MBA
Experience	William Johnson holds a Masters Degree in Engineering Science from Oxford University, England and an MBA from Victoria University, New Zealand. His 30-year business career spans multiple industries and countries, with executive/CEO experience in mineral exploration and investment (Australia, Peru, Chile, Saudi Arabia, Oman, North Africa and Indonesia), telecommunications infrastructure investment (New Zealand, India, Thailand and Malaysia) and information technology and Internet ventures (New Zealand, Philippines and Australia). Mr Johnson is a highly experienced public company director and has considerable depth of experience in corporate governance, business strategy and operations, investment analysis, finance and execution.
Special responsibilities	None
Relevant Interests in shares and options	349,273 shares (directly)[30]
Other current directorships in listed entities	Executive Director of Bentley Capital Limited (ASX:BEL) (since 1 January 2016; Director since March 2009) Non-Executive Director of Molopo Energy Limited (ASX:MPO) (since 31 May 2018)
Former directorships in other listed entities in past 3 years	Keybridge Capital Limited (ASX:KBC) (29 July 2016 to 17 April 2020) Yowie Group Ltd (ASX:YOW) (10 April 2018 to 8 October 2018)

29 Refer Strike's ASX Announcement dated 28 August 2020: Appendix 3Y – Change of Director's Interest Notice – F Khan

30 Refer Strike's ASX Announcement dated 20 May 2019: Change of Director's Interest Notice - William Johnson

DIRECTORS' REPORT

Malcolm Richmond	**Non-Executive Director**
Appointed	Director since 25 October 2006
Qualifications	BSc Hons (Metallurgy) and B. Comm. Merit (Econs) (*New South Wales*)
Experience	Mr 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. Mr 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. Mr 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 Audit Committee Member of the Remuneration and Nomination Committee
Relevant Interests in shares and options	Nil
Other current directorships in listed entities	Non-Executive Director of Argonaut Resources NL (ASX:ARE) (since 14 March 2012)
Former directorships in other listed entities in past 3 years	Nil

Matthew Hammond	**Non-Executive Director**
Appointed	25 September 2009
Qualifications	BA (Hons) (*Bristol*)
Experience	Mr Hammond is Group Managing Director and CFO of Mail.ru, a leading European Internet communication and entertainment services group, which is listed on the London Stock Exchange. Prior to that he was Group Strategist for Metalloinvest Holdings, where he had broad-ranging responsibilities for part of the non-core asset portfolio and advised the Metalloinvest Board on strategic acquisitions and investments. He began his career at Credit Suisse and was Sector Head in Equity Research and in Private Bank Ultra High Net Worth Client Advisory advising on portfolio allocation, strategic M&A and individual investments. As a Technology Analyst at Credit Suisse, he was ranked #1 in the Extell and Institutional Investor surveys 8 times.
Special responsibilities	Chairman of the Remuneration and Nomination Committees Member of the Audit Committee
Relevant Interests in shares and options	Nil
Other current directorships in listed entities	Managing Director and Chief Financial Officer of Mail.Ru Group Limited (LSE:MAIL) (since April 2011; Director since May 2010; CFO since June 2013);
Former directorships in other listed entities in past 3 years	Non-Executive Director of Realm Therapeutics plc (formerly PuriCore plc) (LSE:RLM) (May 2010 to 17 November 2017)

DIRECTORS' REPORT

Victor Ho	**Director and Company Secretary**
Appointed	Director since 24 January 2014; Company Secretary since 30 September 2015
Qualifications	BCom, LLB (*Western Australia*), CTA
Experience	Victor Ho has been in Executive roles with a number of ASX-listed companies across the investments, resources and technology sectors over the past 20 years. Mr Ho is a Chartered Tax Adviser (CTA) and previously had 9 years' experience in the taxation profession with the Australian Tax Office (ATO) and in a specialist tax law firm. Mr Ho has been actively involved in the investment management of listed investment companies (as an Executive Director and/or a member of the Investment Committee), the structuring and execution of a number of corporate, M&A and international joint venture (in South America, Indonesia and the Middle East) transactions, capital raisings and capital management initiatives and has extensive experience in public company administration, corporations' law and ASX compliance and investor/shareholder relations.
Special responsibilities	Secretary of Audit Committee and Remuneration and Nomination Committee
Relevant Interests in shares and options	Nil
Other positions held in listed entities	Executive Director (also Company Secretary) of: Orion Equities Limited (ASX:OEQ) (Secretary since 2 August 2000 and Director since 4 July 2003) Queste Communications Ltd (ASX:QUE) (Secretary since 30 August 2000 and Director since 3 April 2013) Company Secretary of Bentley Capital Limited (ASX:BEL) (since 5 February 2004)
Former position in other listed entities in past 3 years	Company Secretary of Keybridge Capital Limited (ASX:KBC) (13 October 2016 to 13 October 2019)

DIRECTORS' MEETINGS

The following table sets out the numbers of meetings of the Company's Directors held during the financial year (including Directors' circulatory resolutions), and the numbers of meetings attended by each Director of the Company:

	Board Meetings		Audit Committee		Remuneration Committee	
Name of Director	**Attended**	**Max. Possible Meetings**	**Attended**	**Max. Possible Meetings**	**Attended**	**Max. Possible Meetings**
Farooq Khan	7	7	2	2	-	-
William Johnson	7	7	-	-	-	-
Malcolm Richmond	6	7	1	2	-	-
Matthew Hammond	5	7	1	2	-	-
Victor Ho[(a)]	7	7	2	2	-	-

Notes:

(a) Mr Ho attended Audit Committee meetings as Secretary of the Audit Committee

Audit Committee

The Audit Committee was established in March 2010 and currently comprises Malcolm Richmond (as Chairman), Farooq Khan and Matthew Hammond.

The Audit Committee has a formal charter to prescribe its objectives, duties and responsibilities, access and authority, composition, membership requirements of the Committee and other administrative matters. Its function includes reviewing and approving the audited annual and reviewed half-yearly financial reports, ensuring a risk management framework is in place, reviewing and monitoring compliance issues, reviewing reports from management and matters related to the external auditor.

A copy of the Audit Committee Charter may be downloaded from the Company's website: http://strikeresources.com.au/corporate/corporate-governance/.

DIRECTORS' REPORT

Remuneration and Nomination Committee

The Remuneration and Nomination Committee was established in August 2010 and currently comprises Matthew Hammond (as Chairman), Farooq Khan and Malcolm Richmond.

The Remuneration and Nomination Committee has a formal charter to prescribe its purpose, key responsibilities, composition, membership requirements, powers and other administrative matters. The Committee has a:

- Remuneration function - with key responsibilities to make recommendations to the Board on policy governing the remuneration benefits of the Managing Director and Executive Directors, including equity-based remuneration and assist the Managing Director to determine the remuneration benefits of senior management and advise on those determinations; and a
- Nomination function - with key responsibilities to make recommendations to the Board as to various Board matters including the necessary and desirable qualifications, experience and competencies of Directors and the extent to which these are reflected in the Board, the appointment of the Chairman and Managing Director, the development and review of Board succession plans and addressing Board diversity.

A copy of the Remuneration and Nomination Committee Charter may be downloaded from the Company's website: http://strikeresources.com.au/corporate/corporate-governance/.

REMUNERATION REPORT

This Remuneration Report details the nature and amount of remuneration for each Director and Company Executive (being a company secretary or senior manager) (**Key Management Personnel)** of the Company.

The information provided under headings (1) to (8) below has been audited for compliance with section 300A of the *Corporations Act 2001 (Cth)* as required under section 308(3C).

(1) Key Management Personnel disclosed in this report

Name	Current Position	Tenure
Farooq Khan	Chairman	Chairman since 18 December 2015; Director since 1 October 2015
William Johnson	Managing Director	Managing Director since 25 March 2013; Director since July 2006
Victor Ho	Director and Company Secretary	Director since 24 January 2014; Company Secretary since 30 September 2015
Malcolm Richmond	Non-Executive Director	Director since 25 October 2006; Previously, Chairman between 3 February 2011 and 18 December 2015
Matthew Hammond	Non-Executive Director	Since 25 September 2009

(2) Remuneration Policy

The Board (with guidance from the Remuneration and Nomination Committee) determines the remuneration structure of all Key Management Personnel having regard to the Consolidated Entity's strategic objectives, scale and scope of operations and other relevant factors, including experience and qualifications, length of service, market practice (including available data concerning remuneration paid by other listed companies in particular companies of comparable size and nature within the resources sector in which the Consolidated Entity operates), the duties and accountability of Key Management Personnel and the objective of maintaining a balanced Board which has appropriate expertise and experience, at a reasonable cost to the Company.

The Remuneration and Nomination Committee: A purpose of the Committee is 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. In carrying out this 'remuneration function', the Committee's key responsibilities are to:

- make recommendations to the Board on the specific benefits to be provided to the Managing Director within the policy
- conduct an annual review of Non-Executive Directors' fees and determining whether the limit on the Non-Executive Directors' fee pool remains appropriate, and
- assist the Managing Director to determine the remuneration (including equity-based remuneration) of 'Senior Management' (being executive direct reports to the Managing Director and other senior employees) and advise on those determinations.

A copy of the Remuneration and Nomination Committee Charter may be downloaded from the Company's website: http://strikeresources.com.au/corporate/corporate-governance/.

Corporate Governance Principles: The Company's Corporate Governance Statement (**CGS**) also addresses matters pertaining to the Board, Senior Management and Remuneration.

The latest version of the CGS may be downloaded from the Company's website: http://strikeresources.com.au/corporate/corporate-governance/.

REMUNERATION REPORT

Fixed Cash Short-term Employment Benefits: The Key Management Personnel of the Company are paid a fixed amount per annum plus applicable employer superannuation contributions. The Non-Executive Directors of the Company are paid a maximum aggregate base remuneration of $550,000[31] per annum inclusive of employer superannuation contributions where applicable, to be divided as the Board determines appropriate.

The Board has determined the following fixed cash remuneration for current Key Management Personnel as follows (as at 30 June 2020):

(a) Mr Farooq Khan (Chairman) - a base fee of $80,000 per annum plus employer superannuation contributions;

(b) Mr William Johnson (Managing Director) - a base fee of $208,000 per annum plus employer superannuation contributions;

(c) Mr Victor Ho (Director and Company Secretary) - a base fee of $95,000 (comprising $45,000 Director's fees and $50,000 Company Secretarial fees) per annum plus employer superannuation contributions;

(d) Mr Malcolm Richmond (Non-Executive Director) - a base fee of $15,000 per annum plus employer superannuation contributions; and

(e) Mr Matthew Hammond (Non-Executive Director) - a base fee of $15,000 per annum.

Special Exertions and Reimbursements: Pursuant to the Company's Constitution, each Director is also entitled to receive:

- Payment for reimbursement of all travelling, hotel and other expenses reasonably incurred by a Director for the purpose of attending meetings of the Board or otherwise in and about the business of the Company; and
- In respect of Non-Executive Directors, payment for the performance of extra services or the making of special exertions for the benefit of the Company (at the request of and with the concurrence of the Board).

Short-Term Benefits: The Managing Director has the opportunity to earn an annual short-term incentive (**STI**) cash amount if predefined key performance indicators (**KPI's**) are achieved. The STI/KPI's are reviewed annually (where applicable). There were no STI KPI's set for the Managing Director in respect of the past 2018/19 financial year or the 2019/20 financial year.

Long-Term Benefits: Other than early termination benefits disclosed in 'Employment Agreements' below, Key Management Personnel have no right to termination payments save for payment of accrued unused annual and long service leave (where applicable) (other than Non-Executive Directors).

Equity-Based Benefits: The Company has not provided equity based benefits (e.g. grant of shares or options) to Key Management Personnel during the financial year. The Company has previously granted unlisted options to Key Management Personnel (refer 'Options Held By Key Management Personnel' below). There were no shares issued as a result of the exercise of options previously issued to Key Management Personnel during the financial year.

Employee Share Option Plan: The Company has an Employee Share Option Plan (the **ESOP**) which was last approved by shareholders at the 2008 Annual General Meeting held on 6 November 2008[32]. The ESOP was developed to assist in the recruitment, reward, retention and motivation of employees (and potentially Executive Directors). Under the ESOP, the Board will nominate personnel to participate and will offer options to subscribe for shares in the Company to those personnel. A summary of the terms of ESOP is set out in Annexure B to the Company's Notice of Annual General Meeting and Explanatory Statement dated 8 October 2008[33]. The Company has not granted any options to Key Management Personnel during the financial year.

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31 As approved by shareholders at the Annual General Meeting held on 25 November 2009; refer Strike's Notice of Annual General Meeting released on ASX on 27 October 2009 and Strike's ASX Announcement dated 25 November 2009: Results of Annual General Meeting

32 Refer Strike's ASX Announcement dated 6 November 2008: Results of Annual General Meeting

33 Refer Strike's ASX Announcement dated 8 October 2008: Notice of 2008 AGM and Explanatory Statement and Proxy Form

REMUNERATION REPORT

Post-Employment Benefits: The Company does not presently provide retirement benefits to Key Management Personnel. The Company notes that shareholder approval is required where a Company proposes to make a "termination payment" (for example, a payment in lieu of notice, a payment for a post-employment restraint and payments made as a result of the automatic or accelerated vesting of share based payments) in excess of one year's "base salary" (defined as the average base salary over the previous 3 years) to a director or any person who holds a managerial or executive office.

Performance-Related Benefits and Financial Performance of Company: Save for any applicable STI(s) in place for the Managing Director or any applicable equity-benefits that may be provided to Key Management Personnel, the current remuneration of Key Management Personnel is fixed, is not dependent on the satisfaction of a performance condition and is unrelated to the Company's performance.

In considering the Company's performance and its effects on shareholder wealth, Directors have had regard to the data set out below for the latest financial year and the previous four financial years.

	2020	2019	2018	2017	2016
Profit/(Loss) Before Income Tax	(1,401,713)	(1,875,093)	(681,614)	(1,147,929)	(628,670)
Basic Earnings/(Loss) per share (cents)	(0.83)	(1.22)	(0.47)	(0.79)	(0.43)
Dividends Paid (total)	-	-	-	-	-
Dividends Paid (per share)	-	-	-	-	-
Capital Returns Paid (total)	-	-	-	-	-
Capital Returns Paid (per share)	-	-	-	-	-
VWAP Share Price on ASX for financial year ($)	0.051	0.074	0.066	0.053	0.050
Closing Bid Share Price on ASX at 30 June ($)	0.045	0.045	0.053	0.042	0.040

(3) Details of Remuneration of Key Management Personnel

Details of the nature and amount of each element of remuneration of each Key Management Personnel paid or payable by the Company during the financial year are as follows:

2020		Short-term Benefits		Post-Employment Benefits	Other Long-term Benefits	Equity-Based	
Key Management Personnel	Performance - related %	Cash salary and fees $	Non-cash benefit $	Superannuation $	Long service leave $	Shares & options $	Total $
Directors:							
William Johnson	-	208,000	-	19,760	-	-	227,760
Farooq Khan	-	80,000	-	7,600	-	-	87,600
Malcolm Richmond	-	36,250	-	3,444	-	-	39,694
Victor Ho	-	45,000	-	4,275	-	-	49,275
Matthew Hammond	-	36,250	-	-	-	-	36,250
Company Secretary:							
Victor Ho	-	50,000	-	4,750	-	-	54,750

2019		Short-term Benefits		Post-Employment Benefits	Other Long-term Benefits	Equity-Based	
Key Management Personnel	Performance - related %	Cash salary and fees $	Annual Leave $	Superannuation $	Long service leave $	Shares & options $	Total $
Directors:							
William Johnson	-	208,000	-	19,760	-	-	227,760
Farooq Khan	-	80,000	-	7,600	-	-	87,600
Malcolm Richmond	-	45,000	-	4,275	-	-	49,275
Victor Ho	-	45,000	-	4,275	-	-	49,275
Matthew Hammond	-	45,000	-	-	-	-	45,000
Company Secretary:							
Victor Ho	-	50,000	-	4,750	-	-	54,750

REMUNERATION REPORT

(4) Employment Agreements

Details of the material terms of employment agreements entered by the Company with Key Management Personnel are as follows:

Key Management Personnel and Position Held	Relevant Date(s)	Current Base Salary/Fees per annum	Other Current Terms
William Johnson (Managing Director)	22 April 2013 (date of employment agreement) 11 March 2013 (commencement date) 1 May 2015 (date of effect of current remuneration)	$208,000 plus employer superannuation contributions (currently 9.5% of base salary)	• Standard annual leave (20 days) and personal/sick leave (10 days paid) entitlements plus entitlement to long service leave of 60 days after 7 years of service with an additional 5 days after each year of service thereafter. • One month's notice of termination by the Company or employee. Immediate termination without notice if employee commits any serious act of misconduct. • Permitted to be a Non-Executive Director of no more than 2 public companies provided that it does not compromise ability to devote the care and attention to the Company's affairs required by the position. • Entitlement to cash short-term incentive (**STI**) payments in respect of up to 30% of annual base salary, as set by the Board (having regard to advice from the Remuneration and Nomination Committee) – no STI was defined in respect of the 2018/2019 financial year and as at the date of this report.

(5) Other Benefits Provided to Key Management Personnel

No Key Management Personnel has during or since the end of the financial year, received or become entitled to receive a benefit, other than a remuneration benefit as disclosed above, by reason of a contract made by the Company or a related entity with the Director or with a firm of which he is a member, or with a Company in which he has a substantial interest.

(6) Engagement of Remuneration Consultants

The Company has not engaged any remuneration consultants to provide remuneration recommendations in relation to Key Management Personnel during the year. The Board has established a policy for engaging external Key Management Personnel remuneration consultants which includes, inter alia, that the Non-Executive Directors on the Remuneration Committee be responsible for approving all engagements of and executing contracts to engage remuneration consultants and for receiving remuneration recommendations from remuneration consultants regarding Key Management Personnel. Furthermore, the Company has a policy that remuneration advice provided by remuneration consultants be quarantined from Management where applicable.

(7) Shares held by Key Management Personnel

The number of ordinary shares in the Company held by Key Management Personnel is set below:

Key Management Personnel	Balance at 30 June 2019	Received as part of remuneration	Net Other Change	Balance at 30 June 2020
Farooq Khan	750,803	-	-	750,803
William Johnson	349,273	-	-	349,273
Victor Ho	-	-	-	-
Malcolm Richmond	-	-	-	-
Matthew Hammond	-	-	-	-

Note:

The disclosures of shareholdings above are in accordance with the accounting standards which require disclosure of shares held directly, indirectly or beneficially by each key management person, a close member of the family of that person, or an entity over which either of these persons have, directly or indirectly, control, joint control or significant influence (as defined under Accounting Standard AASB 124 Related Party Disclosures)

REMUNERATION REPORT

(8) Voting and Comments on the Remuneration Report at the 2019 AGM

At the Company's most recent (2019) AGM, a resolution to adopt the prior year (2019) Remuneration Report was put to a vote and passed unanimously on a show of hands with the proxies received also indicating majority (96.8%) support in favour of adopting the Remuneration Report.[34] No comments were made on the Remuneration Report at the 2019 AGM.

This concludes the audited Remuneration Report.

34 Refer Strike's ASX Announcement dated 28 November 2019: Results of 2019 Annual General Meeting

DIRECTORS' REPORT

DIRECTORS' AND OFFICERS' INSURANCE

The Company insures Directors and Officers against liability they may incur in respect of any wrongful acts or omissions made by them in such capacity (to the extent permitted by the *Corporations Act 2001 (Cth)*) (**D&O Policy**). Details of the amount of the premium paid in respect of the insurance policies are not disclosed as such disclosure is prohibited under the terms of the contract.

DIRECTORS' AND OFFICERS' DEEDS

In addition to the rights of indemnity provided under the Company's Constitution (to the extent permitted by the *Corporations Act 2001 (Cth)*), the Company has also entered into a deed with each of the Directors and the Company Secretary (**Officer**) to regulate certain matters between the Company and each Officer, both during the time the Officer holds office and after the Officer ceases to be an officer of the Company, including the following matters:

- The Company's obligation to indemnify an Officer for liabilities or legal costs incurred as an officer of the Company (to the extent permitted by the *Corporations Act 2001 (Cth)*); and
- Subject to the terms of the deed and the *Corporations Act 2001 (Cth)*, the Company may advance monies to the Officer to meet any costs or expenses of the Officer incurred in circumstances relating to the indemnities provided under the deed and prior to the outcome of any legal proceedings brought against the Officer.

LEGAL PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of a court to bring proceedings on behalf of the Company or 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 any part of such proceedings. The Company was not a party to any such proceedings during and since the financial year.

AUDITORS

Details of the amounts paid or payable to the Auditors for audit and non-audit services provided during the financial year are set out below:

Auditor	Audit & Review Fees $	Non-Audit Services $	Total $
Rothsay Auditing	14,000	-	14,000

Rothsay Auditing did not provide any non-audit services during the financial year.

Rothsay Auditing continues in office in accordance with Section 327 of the *Corporations Act 2001 (Cth)*.

AUDITOR'S INDEPENDENCE DECLARATION

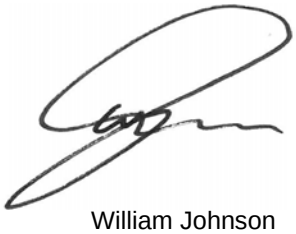
A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001 (Cth)* forms part of this Directors Report and is set out on page 88. This relates to the Auditor's Report, where the Auditors state that they have issued an independence declaration.

DIRECTORS' REPORT

EVENTS SUBSEQUENT TO BALANCE DATE

The Directors are not aware of any matters or circumstances at the date of this Directors' Report, other than those referred to in this Directors' Report or the financial statements or notes thereto (in particular Note 23), that have significantly affected or may significantly affect the operations, the results of operations or the state of affairs of the Company in subsequent financial years.

Signed for and on behalf of the Directors in accordance with a resolution of the Board,



Farooq Khan
Chairman

William Johnson
Managing Director

18 September 2020

ROTHSAY
Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005
P.O. Box 8716, Perth Business Centre WA 6849
Phone (08) 9486 7094 www.rothsayresources.com.au

The Directors
Strike Resources Limited
Level 2
31 Ventnor Avenue
West Perth WA 6005

Dear Directors

In accordance with Section 307C of the *Corporations Act 2001* (the "Act") I hereby declare that to the best of my knowledge and belief there have been:

(i) no contraventions of the auditor independence requirements of the Act in relation to the audit of the 30 June 2020 financial statements; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

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

Daniel Dalla CA (Lead auditor)
Partner
Rothsay Auditing

Dated 18 September 2020

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 30 June 2020

	Note	2020	2019
REVENUE	2	**$**	**$**
Interest revenue		11,412	35,281
Other			
Dividend revenue		12,288	101,112
Other income		50,316	159,151
Foreign exchange gain		-	10,917
TOTAL REVENUE AND INCOME		**74,016**	**306,461**
EXPENSES	**3**		
Exploration and evaluation expenses		(194,441)	(953,112)
Net loss on financial assets at fair value through profit or loss		(133,395)	(21,362)
Personnel expenses		(499,886)	(524,647)
Corporate expenses		(304,768)	(426,574)
Occupancy expenses		(83,234)	(60,546)
Finance expenses		(3,200)	(8,969)
Foreign exchange loss		(90,261)	-
Administration expenses		(166,544)	(186,344)
LOSS BEFORE INCOME TAX		**(1,401,713)**	**(1,875,093)**
Income tax expense	**5**	-	-
LOSS FOR THE YEAR		**(1,401,713)**	**(1,875,093)**
OTHER COMPREHENSIVE INCOME			
Other Comprehensive Income, Net of Tax			
Exchange differences on translation of foreign operations		(8,140)	77,344
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(1,409,853)**	**(1,797,749)**
LOSS PER SHARE FOR LOSS ATTRIBUTABLE TO THE ORDINARY EQUITY HOLDERS OF THE COMPANY:			
Basic and diluted loss per share (cents)	**6**	(0.83)	(1.24)

The accompanying notes form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2020

	Note	2020	2019
		$	$
CURRENT ASSETS			
Cash and cash equivalents	**7**	3,241,161	1,289,411
Financial assets at fair value through profit or loss	**8**	164,083	1,340,686
Receivables	**11**	57,494	166,391
Other current assets		5,833	4,000
TOTAL CURRENT ASSETS		**3,468,571**	**2,800,488**
NON-CURRENT ASSETS			
Exploration and evaluation expenditure	**12**	1,016,713	348,956
Property, plant and equipment		4,158	3,502
TOTAL NON-CURRENT ASSETS		**1,020,871**	**352,458**
TOTAL ASSETS		**4,489,442**	**3,152,946**
CURRENT LIABILITIES			
Payables	**13**	244,412	112,307
Provisions		9,961	5,685
TOTAL CURRENT LIABILITIES		**254,373**	**117,992**
TOTAL LIABILITIES		**254,373**	**117,992**
NET ASSETS		**4,235,069**	**3,034,954**
EQUITY			
Issued capital	**14**	151,049,893	148,439,925
Reserves	**15**	15,065,961	15,074,101
Accumulated losses		(161,880,785)	(160,479,072)
TOTAL EQUITY		**4,235,069**	**3,034,954**

The accompanying notes form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2020

		Issued capital	Currency translation reserve	Share-based payments reserve	Accumulated losses	Total
		$	$	$	$	$
BALANCE AT 1 JUL 2018		**148,439,925**	**1,763,731**	**13,233,026**	**(158,603,979)**	**4,832,703**
Loss for the year		-	-	-	(1,875,093)	(1,875,093)
Other comprehensive income		-	77,344	-	-	77,344
Total comprehensive loss for the year		**-**	**77,344**	**-**	**(1,875,093)**	**(1,797,749)**
BALANCE AT 30 JUN 2019		**148,439,925**	**1,841,075**	**13,233,026**	**(160,479,072)**	**3,034,954**
BALANCE AT 1 JUL 2019		**148,439,925**	**1,841,075**	**13,233,026**	**(160,479,072)**	**3,034,954**
Loss for the year		-	-	-	(1,401,713)	(1,401,713)
Other comprehensive income		-	(8,140)	-	-	(8,140)
				-	-	-
Total comprehensive loss for the year		**-**	**(8,140)**	**-**	**(1,401,713)**	**(1,409,853)**
Transactions with owners in their capacity as owners:						
Issue of shares	**14**	2,781,000	-	-	-	2,781,000
Cost of issued shares	**14**	(171,032)	-	-	-	(171,032)
BALANCE AT 30 JUN 2019		**151,049,893**	**1,832,935**	**13,233,026**	**(161,880,785)**	**4,235,069**

The accompanying notes form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 30 June 2020

		2020	2019
		$	$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(811,431)	(1,166,933)
Payments for exploration and evaluation		(862,198)	(561,484)
Other receipts - ATO		50,000	-
Other income received		316	-
NET CASH USED IN OPERATING ACTIVITIES	**7(a)**	**(1,623,313)**	**(1,728,417)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		11,412	35,281
Dividends received		12,288	101,112
Payment for share investments		(279,362)	(3,536,739)
Proceeds from realisation of share investments		1,322,569	3,971,840
Payment for purchases of plant and equipment		(3,411)	(3,330)
NET CASH USED IN INVESTING ACTIVITIES		**1,063,496**	**568,164**
CASH FLOWS FROM FINANCING ACTIVITIES			
Issue of shares	**14**	2,781,000	-
Cost of issuing shares	**14**	(171,032)	-
NET CASH PROVIDED BY FINANCING ACTIVITIES		**2,609,968**	**-**
NET INCREASE/ (DECREASE) IN CASH HELD		**2,050,151**	**(1,160,253)**
Cash and cash equivalents at beginning of financial year		1,289,411	2,361,403
Effect of exchange rate changes on cash held		(98,401)	88,261
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	**7**	**3,241,161**	**1,289,411**

The accompanying notes form part of these consolidated financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the financial year ended 30 June 2020

1. ABOUT THIS FINANCIAL REPORT

1.1 Background

This financial report covers the consolidated financial statement of the consolidated entity consisting of Strike Resources Limited (ASX:SRK) (the **Company** or **SRK**), its subsidiaries and investments in associates (the **Consolidated Entity** or **Strike**). The financial report is presented in the Australian currency.

Strike Resources Limited is a company limited by shares incorporated in Australia and whose shares are publicly traded on the Australian Securities Exchange (**ASX**).

These financial statements have been prepared on a streamlined basis where key information is grouped together for ease of understanding and readability. The notes include information which is required to understand the financial statements and is material and relevant to the operations, financial position and performance of the Consolidated Entity.

Information is considered material and relevant if, for example:

(a) the amount in question is significant because of its size or nature;

(b) it is important for understanding the results of the Consolidated Entity;

(c) it helps to explain the impact of significant changes in the Consolidated Entity's business; or

(d) it relates to an aspect of the Consolidated Entity's operations that may be important to its future performance.

The notes to the financial statements are organised into the following sections:

(a) **Key Performance**: Provides a breakdown of the key individual line items in the statement of comprehensive income that is most relevant to understanding performance and shareholder returns for the year:

Notes
- 2 Revenue
- 3 Expenses
- 4 Segment information
- 5 Income tax expense
- 6 Loss per share

(b) **Financial Risk Management**: Provides information about the Consolidated Entity's exposure and management of various financial risks and explains how these affect the Consolidated Entity's financial position and performance:

Notes
- 7 Cash and cash equivalents
- 8 Financial assets at fair value through profit or loss
- 9 Financial risk management
- 10 Fair value measurement of financial instruments

(c) **Other Assets and Liabilities**: Provides information on other balance sheet assets and liabilities that do not materially affect performance or give rise to material financial risk:

Notes
- 11 Receivables
- 12 Exploration and evaluation expenditure
- 13 Payables

(d) **Capital Structure:** This section outlines how the Consolidated Entity manages its capital structure and related financing costs (where applicable), as well as capital adequacy and reserves. It also provides details on the dividends paid by the Company:

Notes
- 14 Issued capital
- 15 Reserve
- 16 Capital risk management

(e) **Consolidated Entity Structure**: Provides details and disclosures relating to the parent entity of the Consolidated Entity, controlled entities, investments in associates and any acquisitions and/or disposals of businesses in the year. Disclosure on related parties is also provided in the section:

Notes
- 17 Parent entity information
- 18 Investment in controlled entities
- 19 Related party transactions

(f) **Other:** Provides information on items which require disclosure to comply with Australian Accounting Standards and other regulatory pronouncements however, are not considered significant in understanding the financial performance or position of the Consolidated Entity:

Notes
- 20 Auditors' remuneration
- 21 Commitments
- 22 Contingencies
- 23 Events occurring after the reporting period

Significant and other accounting policies that summarise the measurement basis used and presentation policies and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

1.2 Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australia Accounting Interpretations and the *Corporations Act 2001 (Cth)*. The Company is a for-profit entity for the purpose of preparing the financial statements.

Compliance with International Financial Reporting Standards (IFRS)

The consolidated financial statements of the Consolidated Entity comply with International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the financial year ended 30 June 2020

Reporting Basis and Financial Statement Presentation

The financial report has been prepared on a going concern basis and is based on historical costs modified by the revaluation of financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The principal accounting policies adopted in the preparation of these financial statements have been consistently applied to all the years presented, unless otherwise stated.

1.3 Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of the Company as at 30 June 2020 and the results of its subsidiaries for the year then ended. The Company and its subsidiaries are referred to in this financial report as Strike or the Consolidated Entity.

All inter-company balances and transactions between entities in the Consolidated Entity, including any unrealised profits or losses, have been eliminated on consolidation.

1.4 Comparative Figures

Where required by the Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial period**.**

1.5 Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST. Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

1.6 Impairment of Assets

At each reporting date, the Consolidated Entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the profit or loss. Impairment testing is performed annually for goodwill and intangible assets with indefinite lives. Where it is not possible to estimate the recoverable amount of an individual asset, the Consolidated Entity estimates the recoverable amount of the cash-generating unit to which the asset belongs

1.7 Leases

At the lease commencement, the Consolidated Entity recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Consolidated Entity believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Consolidated Entity's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Consolidated Entity's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Consolidated Entity has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Consolidated Entity recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

1.8 New, revised or amending Accounting Standards and Interpretations adopted

The Consolidated Entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not mandatory have not been early adopted. These are not expected to have a material impact on the Consolidated Entity's financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2020

2. REVENUE

The Consolidated Entity's operating loss before income tax includes the following items of revenue:	2020 $	2019 $
Revenue		
Interest revenue	11,412	35,281
	11,412	35,281
Other		
Dividend revenue	12,288	101,112
Other income	50,316	159,151
Foreign exchange gain	-	10,917
	74,016	**306,461**

Accounting policy
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Consolidated Entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Sale of financial assets, goods and other assets

Revenue from the sale of financial assets, goods or other assets is recognised when the Consolidated Entity has passed control of the financial assets, goods or other assets to the buyer.

(ii) Interest revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

(iii) Dividend revenue

Dividend revenue is recognised when the right to receive a dividend has been established. The Consolidated Entity brings dividend revenue to account on the applicable ex-dividend entitlement date.

(iv) Other revenues

Other revenues are recognised on a accruals basis.

3. EXPENSES

The Consolidated Entity's operating loss before income tax includes the following items of expenses:	2020 $	2019 $
Net loss on financial assets at fair value through profit or loss	133,395	21,362
Exploration and evaluation expenses		
Impairment loss	188,485	686,683
Other exploration and evaluation expenses	5,956	266,429
Personnel expenses		
Salaries, fees and employee benefits	499,886	524,647
Occupancy expenses	83,234	60,546
Finance expenses	3,200	8,969

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2020

3. EXPENSES (continued)	2020	2019
	$	$
Corporate expenses		
Professional fees	129,272	262,436
ASX and CHESS fees	40,872	27,053
ASIC fees	6,800	6,295
Accounting, taxation and related administration	103,641	106,310
Audit	14,000	14,000
Share registry	5,988	6,207
Other corporate expenses	4,195	4,273
Foreign exchange loss	90,261	-
Administration expenses		
Insurance	19,112	16,897
Office administration	50,578	53,816
Travel, accommodation and incidentals	24,215	49,922
Depreciation	2,755	2,075
Other administration expenses	69,884	63,634
	1,475,729	**2,181,554**

Accounting policy

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

4. SEGMENT INFORMATION

The 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 and has considered the business and geographical perspectives of the operating results and determined that the Consolidated Entity operates only in Australia, Peru and Argentina.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2020

4. SEGMENT INFORMATION (continued)

	Argentina	Peru	Australia	Total
2020	**$**	**$**	**$**	**$**
Revenue	-	-	11,412	11,412
Other	-	-	62,604	62,604
Total segment revenues	-	**-**	**74,016**	**74,016**
Net loss on financial assets at fair value through profit or loss	-	**-**	133,395	133,395
Exploration and evaluation expenses	-	1,444	192,997	194,441
Personnel expenses	-	-	499,886	499,886
Corporate expenses	-	123,603	181,165	304,768
Finance expenses	-	1,104	2,096	3,200
Depreciation expense	-	-	2,755	2,755
Other expenses	-	136,053	201,231	337,284
Total segment loss	**-**	**(262,204)**	**(1,139,509)**	**(1,401,713)**
Adjusted EBITDA	**-**	**(262,204)**	**(1,142,264)**	**(1,404,468)**
Total segment assets	**343,857**	**48,194**	**4,097,391**	**4,489,442**
Total segment liabilities	**-**	**102,273**	**152,100**	**254,373**
2019				
Revenue	-	-	35,281	35,281
Other	-	14,174	257,006	271,180
Total segment revenues	-	**14,174**	**292,287**	**306,461**
Net loss on financial assets at fair value through profit or loss	-	**-**	21,362	21,362
Exploration and evaluation expenses	-	257,969	695,143	953,112
Personnel expenses	-	-	524,647	524,647
Corporate expenses	-	240,780	239,610	480,390
Finance expenses	-	7,016	1,953	8,969
Depreciation expense	-	-	2,075	2,075
Other expenses	-	35,105	155,894	190,999
Total segment loss	-	**(526,696)**	**(1,348,397)**	**(1,875,093)**
Adjusted EBITDA	-	**(526,696)**	**(1,346,313)**	**(1,873,009)**
Total segment assets	**340,389**	**73,788**	**2,738,769**	**3,152,946**
Total segment liabilities	**-**	**84,387**	**33,605**	**117,992**

Accounting policy

The 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 and has considered the business and geographical perspectives of the operating results and determined that the Consolidated Entity operates only in Australia, Peru and Argentina.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2020

5. INCOME TAX EXPENSE

		2020	2019
(a)	**The components of tax expense comprise:**	**$**	**$**
	Current tax	-	-
	Deferred tax	-	-
		-	-
(b)	**The prima facie tax on operating loss before income tax is reconciled to the income tax as follows:**		
	Prima facie tax payable on operating loss before income tax at 27.5% (2019: 27.5%)	(385,471)	(515,650)
	Adjust tax effect of:		
	Non-deductible expenses	7,948	23,363
	Movement in unrecognised temporary differences	(746,747)	(515,088)
	Current year tax losses not recognised	1,124,270	1,007,375
	Income tax attributable to entity	-	-
(c)	**Unrecognised deferred tax balances**		
	Unrecognised deferred tax asset - revenue losses	8,772,764	8,278,713
	Unrecognised deferred tax asset - other	4,238,211	4,238,211
		13,010,975	**12,516,924**

Critical accounting judgement and estimate

Deferred tax assets have not been recognised as, in the Directors' opinion, it is not probable that future taxable profit will be available against which the Consolidated Entity can utilise the benefits. The utilisation of revenue and capital tax losses are subject to compliance with taxation legislation.

Accounting policy

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2020

5. INCOME TAX EXPENSE (continued)

Accounting policy (continued)
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.

6. LOSS PER SHARE

	2020	2019
	cents	cents
Basic and diluted loss per share	(0.83)	(1.24)
The following represents the loss and weighted average number of shares used in the EPS calculations:		
Net loss after income tax	(1,409,853)	(1,797,749)
	Shares	Shares
Weighted average number of ordinary shares	169,072,520	145,334,268

Accounting policy
Basic earnings/loss per share is determined by dividing the operating result after income tax by the weighted average number of ordinary shares on issue during the financial period.

Diluted earnings/loss per share adjusts the figures used in the determination of basic earnings/loss per share by taking into account amounts unpaid on ordinary shares and any reduction in earnings/loss per share that will probably arise from the exercise of options outstanding during the financial period.

7. CASH AND CASH EQUIVALENTS

	2020	2019
	$	$
Cash at bank	3,191,068	1,264,411
Term deposits	50,093	25,000
	3,241,161	**1,289,411**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2020

7. CASH AND CASH EQUIVALENTS (continued)

	2020	2019
(a) Reconciliation of operating loss after income tax to net cash used in operating activities	**$**	**$**
Loss after income tax	**(1,401,713)**	**(1,875,093)**
Add non-cash items:		
Depreciation	2,755	2,075
Write off of office equipment	-	659
Impairment of exploration and evaluation expenses	188,485	686,683
Unrealised movement in financial assets	80,112	301,802
Adjustment for movement in foreign exchange	90,262	(10,917)
Changes in assets and liabilities:		
Receivables	85,197	(138,941)
Other current assets	(1,833)	17,066
Financial assets at fair value through profit or loss	53,283	(280,441)
Exploration and evaluation expenditure	(856,243)	(454,206)
Payables	132,106	23,151
Provisions	4,276	(255)
	(1,623,313)	**(1,728,417)**

Accounting policy
Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts (if any) are shown within short-term borrowings in current liabilities on the Statement of Financial Position.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2020	2019
	$	**$**
Listed securities at fair value	164,083	1,340,686

Accounting policy
Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition, financial assets at fair value through profit and loss acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 9 (Financial Instruments) will recognise its realised and unrealised gains and losses arising from changes in the fair value of these assets in the Statement of Profit or Loss and Other Comprehensive Income in the period in which they arise.

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 balance sheet date which is the current bid price.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2020

9. FINANCIAL RISK MANAGEMENT

The Consolidated Entity's financial instruments consist of deposits with banks, receivables and payables. The Consolidated Entity's financial instruments are subject to market (which includes interest rate and foreign exchange risk), credit and liquidity risks.

The Board 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. The effectiveness of the system is continually reviewed by management and at least annually by the Board.

The financial receivables and payables of the Consolidated Entity in the table below are due or payable within 30 days. The Consolidated Entity holds the following financial assets and liabilities:

	Note	2020 $	2019 $
Cash and cash equivalents	**7**	3,241,161	1,289,411
Financial assets at fair value through profit or loss	**8**	164,083	1,340,686
Receivables	**11**	57,494	166,391
		3,462,738	**2,796,488**
Payables	**13**	(244,412)	(112,307)
Net financial assets		**3,218,326**	**2,684,181**

(a) Market risk

Market risk is the risk that the fair value and/or future cash flows from a financial instrument will fluctuate as a result of changes in market factors. Market risk comprises of price risk from fluctuations in the fair value of equities, foreign exchange risk from fluctuations in foreign currencies and interest rate risk from fluctuations in market interest rates.

(i) 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 Statement of Financial Position at fair value through profit or loss. The Consolidated Entity is exposed to commodity price risk in respect of its investments indirectly via market risk and equity securities price risk.

The value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument, its issuer or factors affecting all instruments in the market. The Consolidated Entity will be subject to market risk to the extent that it invests its capital in securities that are not risk free. This is reflected in the market price of these securities which can and will fluctuate. The Consolidated Entity does not manage this risk through entering into derivative contracts, futures, options or swaps.

Equity price risk is minimised through ensuring that investment activities are undertaken in accordance with Board established mandate limits and investment strategies.

The Consolidated Entity has performed a sensitivity analysis on its exposure to equity securities price risk for listed and unlisted financial assets at fair value through profit or loss. The analysis demonstrates the effect on the current year results and equity which could result from a change in these risks. The ASX/S&P 200 Accumulation Index was utilised as the benchmark for the investment portfolio.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2020

9. FINANCIAL RISK MANAGEMENT (continued)

(i) Price risk (continued)

	Impact on post-tax profit		Impact on equity	
	2020	**2019**	**2020**	**2019**
	$	**$**	**$**	**$**
Increase 5%	8,204	67,034	8,204	67,034
Decrease 5%	(8,204)	(67,034)	(8,204)	(67,034)

(ii) 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 and Peruvian Nuevo Soles.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Consolidated 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 US dollars at the reporting date are as follows:

	2020	**2019**
	USD	**USD**
Cash and cash equivalents	33,288	39,695
Payables	(70,641)	(34,007)
Net financial assets/(liabilities)	(37,353)	5,688

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% against the foreign currencies detailed above.

	Impact on post-tax profit		Impact on equity	
	2020	**2019**	**2020**	**2019**
	$	**$**	**$**	**$**
Increase 10%	(3,735)	569	(3,735)	569
Decrease 10%	3,735	(569)	3,735	(569)

(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 instruments. The weighted average interest rate of the cash at bank for the year for the table below is 0.35% (2019: 1.93%).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2020

9. FINANCIAL RISK MANAGEMENT (continued)

(ii) Interest rate risk (continued)

	2020	2019
	$	$
Cash at bank	3,191,068	1,264,411
Term deposit	50,093	25,000
	3,241,161	**1,289,411**

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates based on observation of current market conditions. The calculations are based on a change in the average market interest rate and the financial instruments that are sensitive to changes in interest rates.

	Impact on post-tax profit		Impact on equity	
	2020	2019	2020	2019
	$	$	$	$
Increase by 25bps	8,103	3,224	8,103	3,224
Decrease by 25bps	(8,103)	(3,224)	(8,103)	(3,224)

(b) Liquidity risk

Liquidity risk is the risk that the Consolidated Entity will encounter difficulty in meeting obligations associated with financial liabilities. The Consolidated Entity has no borrowings. The Consolidated Entity's non-cash investments can be realised to meet trade and other payables arising in the normal course of business. The financial liabilities disclosed in the above table have a maturity obligation of not more than 30 days.

(c) 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. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, including outstanding receivables and committed transactions. Concentrations of credit risk are minimised primarily by the management carrying out all market transactions through recognised and creditworthy brokers and the monitoring of receivable balances. The Consolidated Entity's business activities do not necessitate the requirement for collateral as a means of mitigating the risk of financial loss from defaults.

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. The maximum exposure to credit risk at reporting date is the carrying amount of the financial assets as summarised below:

	2020	2019
Cash and cash equivalents	$	$
AA-	3,192,021	1,232,048
No external credit rating available	48,194	56,105
	3,240,215	**1,288,153**
Receivables (due within 30 days)		
No external credit rating available	**57,494**	**166,391**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2020

10. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value hierarchy

AASB 13 (Fair Value Measurement) requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

(i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

(ii) Level 2: 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); and

(iii) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial assets at fair value through profit or loss:	Level 1 $	Level 2 $	Level 3 $	Total $
Listed securities at fair value				
2020	164,083	-	-	**164,083**
2019	1,340,686	-	-	**1,340,686**

There have been no transfers between the levels of the fair value hierarchy during the financial year.

(a) Valuation techniques

The fair value of the listed securities traded in active markets is based on closing bid prices at the end of the reporting period. These investments are included in Level 1.

The fair value of any assets that are not traded in an active market are determined using certain valuation techniques. The valuation techniques maximise the use of observable market data where it is available, or independent valuation 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.

(b) Fair values of other financial assets and liabilities

	Note	2020 $	2019 $
Cash and cash equivalents	**7**	3,241,161	1,289,411
Receivables	**11**	57,494	166,391
		3,298,655	1,455,802
Payables	**13**	(244,412)	(112,307)
		3,054,243	1,343,495

Due to their short-term nature, the carrying amounts of cash, current receivables and current payables is assumed to approximate their fair value.

11. RECEIVABLES

	2020 $	2019 $
Receivable from sale of listed securities	-	135,252
Other receivables	57,494	31,139
	57,494	**166,391**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2020

11. RECEIVABLES (continued)

Risk exposure

The Consolidated Entity's exposure to credit and interest rate risks is discussed in Note 9.

Accounting policy

AASB 9 (Financial Instruments) introduces a new expected credit loss (ECL) impairment model that requires the Consolidated Entity to adopt an ECL position across the Consolidated Entity's financial assets at 1 July 2018. The Consolidated Entity's receivables balance comprises deposits, GST refunds from the Australian Tax Office and distributions from managed trusts.

At each reporting date, the Consolidated Entity reviews the carrying value of its financial assets based on the ECL model under AASB 9, which proposes three approaches in assessing impairment:
(i) the simplified approach (which will be applied to most trade receivables) which requires the recognition of lifetime ECLs by considering forward-looking assumptions and information regarding expected future conditions affecting historical customer default rates;
(ii) the general approach (which will be applied to most loans and debt securities) whereby ECL is recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, the Consolidated Entity will provide for credit losses that result from default events that are possible within the next 12 months. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance will arise for credit losses expected over the remaining life of exposure, irrespective of the timing of the default; and
(iii) For purchased or originated credit-impaired receivables, the fair value at initial recognition already takes into account lifetime expected losses. At each reporting date, the Consolidated Entity updates its estimated cash flows and adjusts the loss allowance accordingly.

The loss allowances for financial assets are based on the assumptions about risk of default and expected loss rates. The Consolidated Entity uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Consolidated Entity's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. The Consolidated Entity has not recognised any additional impairment to its current receivables or non-current receivables as a result of the application of AASB 9. This is due to the fact that the Consolidated Entity does not consider that there are any further ECL to the current carrying values of its current receivables or its non-current receivables.

12. EXPLORATION AND EVALUATION EXPENDITURE	**2020**	**2019**
	$	**$**
Opening balance	348,956	581,433
Exploration and evaluation costs	856,242	454,206
Impairment loss	(188,485)	(686,683)
Closing balance	**1,016,713**	**348,956**

Critical accounting estimates and judgements

The Consolidated Entity has assessed the carrying amount of the exploration and evaluation in accordance with AASB 6 (Exploration for and Evaluation of Mineral Resources). The ultimate recoverability of deferred exploration and evaluation expenditure is dependent on the successful development or sale of the relevant area of interest.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2020

12. EXPLORATION AND EVALUATION EXPENDITURE (continued)

Accounting policy
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.

13. PAYABLES

	2020	2019
	$	$
Trade payables	217,894	89,417
Other creditors and accruals	26,518	22,890
	244,412	**112,307**

Accounting policy
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.

14. ISSUED CAPITAL

	2020	2019
	$	$
207,134,268 (2019: 145,334,268) fully paid ordinary shares	**151,049,893**	**148,439,925**

Movement in fully paid ordinary shares	**Date of issue**	**Number of shares**	**$**
At 1 Jul 2019		145,334,268	148,439,925
Issue of shares at 4.5 cents	18-Jul-19	21,800,000	981,000
Cost of share issue			(58,861)
Issue of shares at 4.5 cents	5-Jun-20	40,000,000	1,800,000
Cost of share issue			(112,171)
At 30 Jun 2020		**207,134,268**	**151,049,893**

Accounting policy
Ordinary shares are classified as equity. Fully paid ordinary shares carry one vote per share and the right to dividends.

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 not included in the cost of the acquisition as part of the purchase consideration.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2020

15. RESERVE	2020	2019
	$	$
Share-based payments reserve	13,233,026	13,233,026
Foreign currency translation reserve	1,832,935	1,841,075
	15,065,961	**15,074,101**

(a) Share-based payments reserve

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.

(b) Foreign currency translation reserve

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

Accounting policy

Foreign currency translation reserve

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:

(i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

(ii) income and expenses for Consolidated Statement of Profit or Loss and Other 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

(iii) 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.

16. CAPITAL RISK MANAGEMENT

The Company's objectives when managing its capital are to safeguard its 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 a capital structure balancing the interests of all shareholders.

The Board will consider capital management initiatives as is appropriate and in the best interests of the Company and shareholders from time to time, including undertaking capital raisings, share buy-backs, capital reductions and selling assets to reduce debt.

The Consolidated Entity has no external borrowings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2020

17. PARENT ENTITY INFORMATION

The following information provided relates to the Company, Strike Resources Limited, as at 30 June 2020.

	2020	2019
Statement of profit or loss and other comprehensive income	**$**	**$**
Loss for the year	(912,682)	(811,151)
Other comprehensive income	-	-
Total comprehensive income for the year	**(912,682)**	**(811,151)**
Statement of financial position		
Current assets		
Cash and cash equivalents	3,192,295	1,233,306
Financial assets at fair value through profit or loss	162,283	1,334,422
Other	63,038	152,708
Non current assets	3,793,871	2,675,269
Total assets	**7,211,487**	**5,395,705**
Current liabilities	152,100	33,605
Total liabilities	**152,100**	**33,605**
Net assets	**7,059,387**	**5,362,100**
Issued capital	151,049,893	148,439,924
Options reserve	13,233,025	13,233,025
Accumulated losses	(157,223,531)	(156,310,849)
Equity	**7,059,387**	**5,362,100**

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

18. INVESTMENT IN CONTROLLED ENTITIES

		Ownership interest	
Investment in controlled entities	**Incorporated**	**2020**	**2019**
Strike Finance Pty Ltd	Australia	100%	100%
Strike Australian Operations Pty Ltd	Australia	100%	100%
Strike Operations Pty Ltd	Australia	100%	100%
Strike Resources Peru S.A.C.	Peru	100%	100%
Apurimac Ferrum S.A.C.	Peru	100%	100%
Ferrum Trading S.A.C	Peru	100%	100%
Hananta S.A.	Argentina	90%	90%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2020

18. INVESTMENT IN CONTROLLED ENTITIES (continued)

Accounting policy
Subsidiaries are all entities (including structured entities) over which the Consolidated Entity has control. The Consolidated Entity controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Consolidated Entity.

Intercompany transactions, balances and unrealised gains on transactions in the Consolidated Entity 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 Consolidated Entity.

19. RELATED PARTY TRANSACTIONS

(a) Transactions with key management personnel

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Consolidated Entity's KMP for the year ended 30 June 2020. The total remuneration paid to KMP of the Consolidated Entity during the year is as follows:

	2020	2019
Directors	**$**	**$**
Short-term employee benefits	405,500	423,000
Post-employment benefits	35,079	35,910
Other KMP		
Short-term employee benefits	50,000	50,000
Post-employment benefits	4,750	4,750
	495,329	**513,660**

(b) Transactions with other related parties

No other related party transactions have been identified other than those disclosed above.

20. AUDITORS' REMUNERATION

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

	2020	2019
Audit and review of financial statements	**$**	**$**
Rothsay Auditing	14,000	14,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the financial year ended 30 June 2020

21. COMMITMENTS

(a) Lease Commitments

On 28 February 2020 the Consolidated Entity entered into a non-cancellable operating lease agreement for (shared) office premises. The lease is for a period of 37 months term expiring on 31 March 2023. The Consolidated Entity may give notice to terminate the lease (without penalty) prior to the second anniversary date. The office accommodation is shared with other companies, who have agreed to share payment of the lease costs (including outgoings).

Exceptions to lease accounting

The Consolidated Entity has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Consolidated Entity recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(b) Mining Tenements/Concessions – Annual Fees and Expenditure Commitments

(i) **Australian Tenements**

The Consolidated Entity is required to pay annual lease rentals to the State Government and meet minimum annual expenditure commitments (subject to successful applications for exemption in relation thereto) in order to maintain rights of tenure over its granted Australian mining tenements. The total amount of these commitments will depend upon the number and area of granted mining tenements held/retained and whether and to what extent the Consolidated Entity has been successful in obtaining exemption(s) from meeting annual expenditure commitments.

(ii) **Peruvian Mineral Concessions**

The Consolidated Entity is required to pay annual licence fees to the Peruvian Government in respect of its granted Peruvian mineral concessions. The total amount of this commitment will depend upon the number and area of concessions held/retained and the length of time of each concession held.

22. CONTINGENCIES

(a) Directors' Deeds

The Consolidated Entity has entered into deeds of indemnity with 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.

(b) Paulsens East Tenement - Royalty

The Consolidated Entity has a liability to pay Orion Equities Limited (ASX:OEQ) a royalty of 2% of gross revenues (exclusive of GST) from any commercial exploitation of any minerals from the Paulsens East (Iron Ore) Project tenement (currently a Retention Licence RL 47/7 pending conversion to a Mining Lease ML 47/1583) in Western Australia. This royalty entitlement stems from the Consolidated Entity's acquisition of a portfolio of tenements (including the Paulsens East tenement) from Orion in September 2005. For further background details, refer also to Strike's ASX Announcements dated 20 September 2005: Acquisition of Uranium Tenements and 11 August 2008: Acquisition of Outstanding Interests in Berau Coal and Paulsens East Iron Ore Projects.

(c) Australian Native Title

The Consolidated Entity's tenements in Australia are (or may in the future be) subject to native title rights of the traditional owners under the *Native Title Act 1993 (Cth)*. Save as disclosed in Note 23, it is not possible to quantify the impact that native title may have on the operations of the Consolidated Entity in relation to these tenements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the financial year ended 30 June 2020

22. CONTINGENCIES (continued)

(d) Government Royalties

The Consolidated Entity is liable to pay royalties to Government on production obtained from its mineral tenements/concessions.

(e) Deferred Payments from Settlement Agreement Relating to Apurimac Ferrum SAC

Pursuant to a settlement agreement dated 30 December 2012 whereby the Consolidated Entity acquired the (50%) balance of equity interest in Apurimac Ferrum SAC (**AF**) (the holder of the Apurimac and Cusco Projects) from D&C Pesca SAC, the Consolidated Entity has a series of deferred payment obligations as outlined below.

The Consolidated Entity has payment obligations if certain milestones are achieved as follows:

(i) **Resource Milestone Payment:** US$2 million on the delineation of at least 500 Mt of JORC Mineral Resources at an average grade of at least 55% Fe with at least 275 Mt of contained iron having an average grade of at least 52.5% Fe, on the Apurimac Project mineral concessions.

(ii) **Approvals Milestone Payment**: Up to US$3 million on AF receiving all formal government environmental and community approvals for the construction and operation of an iron ore mine and required infrastructure with a design capacity of at least 10Mtpa of iron ore product, relating to the Apurimac Project mineral concessions.

(iii) **Construction Milestone Payment**: Up to US$5 million on formal approval of the AF Board to commence construction of an iron ore project or the commencement of bulk earthworks for an iron ore mine or processing plant, in either case with a design capacity of at least 10Mtpa of iron ore product, relating to the Apurimac Project mineral concessions.

The Consolidated Entity has royalty payment obligations as follows:

(i) 1.5% of the net profits from sales of iron ore mined and iron ore products produced from the Apurimac and Cusco Project mineral concessions.

(ii) 2% of the proceeds of sales of other metals (on a net smelter return basis) mined from the Apurimac and Cusco Project mineral concessions.

Due to the inherent uncertainty surrounding the achievement and timing of the above milestones/royalty triggers, the Consolidated Entity regards these future payment obligations as contingencies.

For further background details, refer also to Strike's ASX Announcement dated 31 December 2012: Strike Moves to 100% Ownership of AF.

(f) Legal Disputes Over Peru Mineral Concessions

The Consolidated Entity has successfully defended against a number of legal actions and claims made by several Peruvian parties (that have had a contractual relationship with AF) relating to the Consolidated Entity's mineral concessions in Peru. Whilst there still remain some outstanding claims and appeals, the Consolidated Entity believes that they will all eventually be dismissed, consistent with previous decisions by the relevant Peruvian authorities.

For further background details, refer also to Strike's ASX Announcement dated 1 May 2014: Strike Wins Millenium Arbitration Case in Peru.

(g) Deferred Payments Relating to Acquisition of Solaroz Lithium Project (Argentina)

In March 2019, the Consolidated Entity entered into an agreement to acquire a 90% shareholding in Hananta S.A. (incorporated in Argentina) (**Hananta**). Hananta has, in turn, entered into an Option and Purchase Agreement (**Agreement**) with the registered legal and beneficial owner (**Owner**) of applications for exploitation concessions (totalling 12,000 ha) currently being processed before the Administrative Mining Court of the Province of Jujuy (**Mining Properties**) which comprise the Solaroz Lithium Brine Project (**Solaroz**) located in northern Argentina.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the financial year ended 30 June 2020

22. CONTINGENCIES (continued)

(g) Deferred Payments Relating to Acquisition of Solaroz Lithium Project (Argentina) (continued)

Under the Agreement, Hananta will make a series of payments in cash and (at the election of the Consolidated Entity, shares) over 4 years totaling US$6,590,000 to the Owner according to the schedule below:

Hananta's Payments to the Owner	Cash US$	Cash or Shares US$	Total US$
On execution of the Agreement (paid in April 2019)	140,000	-	140,000
6 months after the approval of the Environmental Impact Assessment (**EIA**) Report	120,000	-	120,000
12 months after EIA approval	330,000	-	330,000
18 months after EIA approval	880,000	750,000	1,630,000
30 months after EIA approval	1,180,000	1,000,000	2,180,000
42 months after EIA approval	1,190,000	1.000.000	2,190,000
Total	**3,840,000**	**2,750,000**	**6,590,000**

At the completion of the payments to the Owner, registered title to the Mining Properties will be transferred to Hananta. The Consolidated Entity can elect to terminate Hananta's Agreement with the Owner at any time, with no penalty. Strike will fund 100% of the development costs for Solaroz (including the abovementioned payments to the Owner) to the completion of a bankable feasibility study, with such funding to be provided as loans to Hananta, to be repaid to the Consolidated Entity as a priority prior to any distributions to shareholders. Thereafter, Hanaq Argentina S.A. (**Hanaq**) (as the other 10% shareholder in Hananta) will contribute pro-rata or dilute. Hanaq can at any time elect to convert its holding in Hananta to a 1% Net Smelter Royalty.

In light of the above circumstances, the Consolidated Entity regards these future payment obligations as contingencies.

Further details are also contained in Strike's ASX announcement dated 13 March 2019: Strike Secures Solaroz Lithium Brine Project in Argentina's Lithium Triangle.

23. EVENTS OCCURRING AFTER THE REPORTING PERIOD

(a) Native Title Mining Agreement

On 14 August 2020, the Consolidated Entity entered into a Native Title Mining Agreement (**Native Title Agreement**) with the PKKP Aboriginal Corporation RNTBC (**PKKPAC**). The PKKPAC holds native title on trust for the benefit of the Puutu Kunti Kurrama and Pinikura People (**PKKP**), the traditional owners of the land on which the Consolidated Entity's Paulsens East Iron Ore Project is located in the West Pilbara region of Western Australia. The Native Title Agreement provides an agreed framework for Strike to undertake its mining activities (that minimises the impact on Aboriginal Cultural Heritage with safeguards for the care and protection of the lands and rights of the PKKP) and includes a package of financial and business development related benefits for the PKKP, including upfront and milestone payments, a production payment based on the value of iron ore sales (of between 0.5% to 1%, subject to the price of iron ore sales achieved), an annual training and development allowance and opportunities for PKKP members to contract for the provision of certain support operations related to the Paulsens East Iron Ore Project. The PKKPAC also consented to the grant of the Project's Mining Lease and ancillary Miscellaneous Licences (which are required to support mining operations). Refer Strike's ASX Announcement dated 17 August 2020: Native Title Agreement Paves Way for Iron Ore Development.

(b) Grant of Mining Lease

On 4 September 2020, the Mining Lease (M47/1583) for the Paulsens East Iron Ore Project was formally granted by the Western Australian Department of Mines, Industry Regulation and Safety for an initial term of 21 years. Refer Strike's ASX Announcement dated 7 September 2020: Grant of Mining Lease for Paulsens East Iron Ore Project.

No other matter or circumstance has arisen since the end of the financial year that significantly affected, or may significantly affect, the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial periods.

DIRECTORS' DECLARATION

The Directors of the Company declare that:

(1) The financial statements, comprising the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Equity, and accompanying notes as set out on pages 89 to 112 are in accordance with the *Corporations Act 2001 (Cth)* and:

   (a) comply with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting; and

   (b) give a true and fair view of the Consolidated Entity's financial position as at 30 June 2020 and of their performance for the year ended on that date;

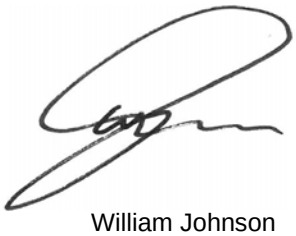
(2) In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

(3) The Directors have been given the declarations required by section 295A of the *Corporations Act 2001 (Cth)* by the Managing Director (the person who, in the opinion of the Directors, performs the Chief Executive Officer function) and Company Secretary (the person who, in the opinion of the Directors, performs the Chief Financial Officer function); and

(4) The Company has included in the notes to the Financial Statements an explicit and unreserved statement of compliance with the International Financial Reporting Standards.

This declaration is made in accordance with a resolution of the Directors made pursuant to section 295(5) of the *Corporations Act 2001 (Cth)*.

Farooq Khan
Chairman



William Johnson
Managing Director

18 September 2020

ROTHSAY
Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005
P.O. Box 8716, Perth Business Centre WA 6849
Phone (08) 9486 7094 www.rothsayresources.com.au

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

STRIKE RESOURCES LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Strike Resources Limited ("the Company") and its controlled entities ("the Group") which comprises the consolidated statement of financial position as at 30 June 2020, 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 on that date and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration of the Company.

In our opinion the financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year ended on that date; and

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

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under these standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of this report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (Including Independence Standards)* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter – Cash and Cash Equivalents	***How our Audit Addressed the Key Audit Matter***
The Group's cash and cash equivalents make up 72% of total assets by value and are considered to be the key driver of the Group's operations and exploration activities. We do not consider cash and cash equivalents to be at a high risk of significant misstatement, or to be subject to a significant level of judgement. However due to the materiality in the context of the financial statements as a whole, this is considered to be an area which had an effect on our overall strategy and allocation of resources in planning and completing our audit.	Our procedures over the existence of the Group's cash and cash equivalents included but were not limited to: • Documenting and assessing the processes and controls in place to record cash transactions; • Testing a sample of cash payments to determine they were bona fide payments, were properly authorised and recorded in the general ledger; and • Agreeing significant cash holdings to independent third-party confirmations. We have also assessed the appropriateness of the disclosures included in the financial report.
Key Audit Matter – Exploration and Evaluation Expenditure	***How our Audit Addressed the Key Audit Matter***
The Group incurred significant exploration and evaluation expenditure during the year. We do not consider exploration and evaluation expenditure to be at a high risk of significant misstatement, however due to the materiality in the context of the financial statements as a whole, this is considered to be an area which had an effect on our overall strategy and allocation of resources in planning and completing our audit.	Our procedures in assessing exploration and evaluation expenditure included but were not limited to the following: • We assessed the reasonableness of capitalising exploration and evaluation expenditure in accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*. • We tested a sample of exploration and evaluation expenditure to supporting documentation to ensure they were bona fide payments; and • We documented and assessed the processes and controls in place to record exploration and evaluation transactions. We have also assessed the appropriateness of the disclosures included in the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If based on the work we have performed we conclude there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 the 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 preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/Home.aspx.

We communicate with the directors regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters.

We describe those matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communications.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2020.

In our opinion the remuneration report of Strike Resources Limited for the year ended 30 June 2020 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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.

Rothsay Auditing

Dated 18 September 2020

Daniel Dalla
Partner

LIST OF MINERAL CONCESSIONS

The following mineral concessions were held as at the end of the financial year (30 June 2020) and currently (save as indicated below):

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

Tenement No.	Status	Grant Date	Expiry Date	Area (blocks/Ha)	Area (km²)
Retention Licence RL 47/7	Granted	4/12/2014	Pending conversion to Mining Lease M 47/1583 (applied 28/8/2019)	381.87 Ha	~3.82
Mining Lease M 47/1583	Granted	4/9/2020	3/9/2041 (initial term of 21 years)		

Apurimac Iron Ore Project (Peru) (Strike – 100%)

Concession Name	Area (Ha)	Province	Code	Title	File No
Opaban I	999	Andahuaylas	5006349X01	No 8625-94/RPM Dec 16, 1994	20001465
Opaban III	990	Andahuaylas	5006351X01	No 8623-94/RPM Dec 16, 1994	20001464
Ferrum 1 *	965	Andahuaylas	010298304	No 00228-2005-INACC/J Jan 19, 2005	11053798
Ferrum 4 *	1,000	Andahuaylas/ Aymaraes	010298604	No 00230-2005-INACC/J Jan 19, 2005	11053810
Ferrum 8 *	900	Andahuaylas	010299004	No 00232-2005-INACC/J Jan 19, 2005	11053827
Cristoforo 22	379	Andahuaylas	010165602	RP2849-2007-INGEMMET/PCD/PM Dec 13, 2007	11067786
Ferrum 31	327	Andahuaylas	010552807	RP 1266-2008-INGEMMET/PCD/PM May 12, 2008	11076509
Ferrum 37 *	695	Andahuaylas	010621507	RP 1164-2008-INGEMMET/PCD/PM May 12, 2008	11076534
Wanka 01	100	Andahuaylas	010208110	RP 3445-2010-INGEMMET/PCD/PM Oct 18,2010	11102187
Sillaccassa 1 *	700	Andahuaylas	010212508	RP 5088-2008-INGEMMET/PCD/PM Nov 19, 2008	11084877
Sillaccassa 2 *	400	Andahuaylas	010212608	RP 3183-2008-INGEMMET/PCD/PM Sept 8, 2008	11081449

Cusco Iron Ore Project (Peru) (Strike – 100%)

Concession Name	Area (Ha)	Province	Code	Title	File No.
Flor de María *	907	Chumbivilcas	05006521X01	No 7078-95-RPM Dec 29, 1995	20001742
Delia Esperanza *	1,000	Chumbivilcas	05006522X01	No 0686-95-RPM Mar 31, 1995	20001743
El Pacífico II *	1,000	Chumbivilcas	05006524X01	No 7886-94/RPM Nov 25, 1994	20001746

***** Strike has determined not to renew the annual fees and charges in respect of these concessions, which will now proceed to forfeiture. The rationalisation of the Peru concessions occurred after a strategic review of each concession's exploration/resource prospects/potential vis a vis the costs of renewal and the development options associated with the Apurimac and Cusco Projects

Solaroz Lithium Brine Project (Argentina) (Strike – 90%)

Concession Name	Area (Ha)	Province	File No
Mario Ángel	543	Jujuy	1707-S-2011
Payo	990	Jujuy	1514-M-2010
Payo I	1,973	Jujuy	1516-M-2010
Payo 2	2,193	Jujuy	1515-M-2010
Chico I	835	Jujuy	1229-M-2009
Chico V	1,800	Jujuy	1312-M-2009
Chico VI	1,400	Jujuy	1313-M-2009
Silvia Irene	2,465	Jujuy	1706-S-2011

Burke Graphite Project (Queensland) (Strike – ~70%)

Tenement No	Status	Grant Date	Expiry Date	Area (blocks/Ha)	Area (km²)
Burke EPM 25443	Granted	4/9/2014	3/9/2019	2 sub-blocks #	~6.58
Corella EPM 25696	Granted	2/4/2015	1/4/2020	6 sub-blocks +	~19.74

\# 3 sub-blocks (~9km^2) were relinquished as part of the 5 year renewal of EPM 25443

\+ 5 sub-blocks (~15km^2) were relinquished upon the 5 year renewal of EPM 25696

ANNUAL MINERAL RESOURCES STATEMENT

The following JORC Code (2004 and 2012 Editions) compliant Mineral Resources estimates are as at the end of the financial year (30 June 2020) and currently (save as indicated below):

Paulsens East Iron Ore Project (Australia) (Strike – 100%)

The Paulsens East Iron Ore Project has a JORC Code (2012 Edition) compliant Mineral Resource:

Mineral Resources Category	Fe% Cut-Off Grade	Million Tonnes	Fe%	SIO_2%	AL_2O_3%	P%	S%	LOI%
Indicated	>58	9.6	61.1	6.0	3.6	0.08	0.01	2.1

Refer Strike's ASX Announcement dated: 4 September 2019: Significant Upgrade of JORC Mineral Resource into Indicated Category at Paulsens East Iron Ore Project

Part of the JORC Indicated Mineral Resource has been converted to a maiden JORC Probable Ore Reserve:

Ore Reserves Category	Fe% Cut-Off Grade	Million Tonnes	Fe%	SIO_2%	AL_2O_3%	P%
Probable	>55	6.2	59.9	7.43	3.77	0.086

Refer Strike's ASX Announcement dated 30 October 2020: Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

Apurimac Iron Ore Project (Peru) (Strike – 100%)

The Apurimac Project has a JORC Code (2012 Edition) compliant Mineral 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.

Category	Concession	Density t/m^3	Mt	Fe%	SiO_2%	Al_2O_3%	P%	S%
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
Inferred	Opaban 1	4	127.19	56.7	9.66	2.7	0.04	0.2
Total Indicated and Inferred			**269.4**	**57.3**	**9.4**	**2.56**	**0.04**	**0.16**

Refer Strike's ASX Announcement dated 20 January 2015: Apurimac Mineral Resources Updated to JORC 2012 Standard.

Burke Graphite Project (Australia) (Strike – ~70%)

The Burke Graphite Project has a JORC Code (2012 Edition) compliant Mineral Resource:

Category	Weathering State	Mt	TGC (%)	Contained Graphite (Mt)	Density (t/m)
Inferred	Oxide	0.5	14.0	0.1	2.5
	Fresh	5.8	16.2	0.9	2.4
Inferred	**Total Oxide + Fresh**	**6.3**	**16.0**	**1.0**	**2.4**

Note: The Mineral Resource was estimated within constraining wireframe solids defined above a nominal 5% TGC cut-off. The Mineral Resource is reported from all blocks within these wireframe solids. Differences may occur due to rounding.

Refer also Grade Tonnage Data in Table 2 of CSA Global Pty Ltd's Burke Graphite Project MRE Technical Summary dated 9 November 2017 (attached as Annexure A of Strike's ASX Announcement dated 13 November 2017: Maiden Mineral Resource Estimate Confirms Burke Project as One of the World's Highest Grade Natural Graphite Deposits).

ANNUAL MINERAL RESOURCES STATEMENT

Compliance Notes

- The Mineral Resources estimate in respect of the Paulsens East Iron Ore Project (above) was prepared and first disclosed subsequent to the financial year ended 30 June 2019.
- The Ore Reserves estimate in respect of the Paulsens East Iron Ore Project (above) was prepared and first disclosed subsequent to the financial year ended 30 June 2020 (on 30 October 2020).
- The Mineral Resources estimate in respect of the Apurimac Iron Ore Project (above) have not changed since reported in last year's (2019) Annual Report.
- The Mineral Resources estimate in respect of the Burke Graphite Project (above) has not changed since reported in last year's (2019) Annual Report.
- The Mineral Resources estimates in this Annual Mineral Resources Statement are based on, and fairly represents, information and supporting documentation prepared by a Competent Person (recognised under the JORC Code (2004 and 2012 Editions, as the case may be)).
- The Annual Mineral Resources Statement as a whole (in respect of each of the Apurimac/Cusco Iron Ore Projects, Paulsens East Iron Ore Project and the Burke Graphite Project) has been approved by the Competent Persons named in the JORC Code Competent Persons' Statements section of this Annual Report (at pages 121 to 123) where further information concerning their qualifications and professional memberships are also disclosed.
- Due to the nature, stage and size of the Company's existing operations, Strike believes there would be no efficiencies gained by establishing a separate Mineral Reserves/Resources Committee responsible for reviewing and monitoring the Company's processes for calculating JORC Code compliant Mineral Reserves/Resources. The Board as a whole has responsibility in this regard (with assistance from external advisers as appropriate) including ensuring that appropriate internal controls are applied to such calculations.
- The Company ensures that any Mineral Reserve/Resource calculations are prepared by Competent Persons and where appropriate, reviewed independently and verified (including estimation methodology, sampling, analytical and test data).
- The Company will report any future Mineral Reserves/Resources estimates in accordance with the 2012 JORC Code.
- Subsequent to the financial year ended 30 June 2020, the Company did not renew the annual fees and charges in respect of the mineral concessions comprising the Cusco Iron Ore Project (Peru) – as such, the JORC Code (2004 Edition) compliant Mineral Resource in respect of the Cusco Project as at 30 June 2020 (below) (which had not changed since reported in last year's (2019) Annual Report) is no longer applicable as at the date of this report:

Cusco Iron Ore Project (Peru) *

The Cusco Project (Strike – 100%) had a JORC Code (2004 Edition) compliant Mineral Resource (as at 30 June 2020):

Category	Concession	Density t/m^3	Mt	Fe%	SiO_2%	Al_2O_3%	P%	S%
Inferred	Santo Tomas *	4	104.4	32.62	0.53	3.19	0.035	0.53

The information in this JORC Resource table was prepared and first disclosed under the 2004 JORC Code (in Strike's ASX announcement dated 17 June 2011: Cusco Project – Resource Estimate). It has not been updated since to comply with the 2012 JORC Code on the basis that the information had not materially changed since it was last reported.

* Strike has determined not to renew the annual fees and charges in respect of this concession, which will now proceed to forfeiture. The rationalisation of this Peru concession occurred after a strategic review of the concession's exploration/resource prospects/potential vis a vis the costs of renewal and the development options associated with the Apurimac and Cusco Projects

JORC CODE COMPETENT PERSONS' COMPLIANCE STATEMENTS

JORC Code (2012) Competent Persons' Compliance Statements - Paulsens East Iron Ore Project (Western Australia)

(a) The information in this document that relates to **Mineral Resources and related Exploration Results/Exploration Targets**[27] is based on information compiled by Mr Philip Jones (BAppSc (Geol), MAIG, MAusIMM), who is a Member of the Australian Institute of Mining and Metallurgy (**AusIMM**) and the Australian Institute of Geoscientists (**AIG**). Mr Jones is an independent contractor to Strike Resources Limited. Mr Jones has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the **JORC Code**). Mr Jones consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

(b) The information in this document that relates to **Ore Reserves**[28] is based on information compiled by Mr Harry Warries (MSc – Mine Engineering, FAusIMM), who is a Fellow of AusIMM. Mr Warries is the Principal of Mining Focus Consultants Pty Ltd, a Consultant to Strike Resources Limited. Mr Warries has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Warries consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

(c) The information in this document that relates to **metallurgical sampling, metallurgical testing and metallurgical results undertaken during 2019**[29] is based on information compiled by Mr Philip Jones (BAppSc (Geol), MAIG, MAusIMM), who is a Member of the AusIMM and AIG. Mr Jones is an independent contractor to Strike Resources Limited. The information that relates to Processing and Metallurgy is based on the work done by ALS Metallurgy Iron Ore Technical Centre (**ALS IOTC**) on a bulk sample collected under the direction of Mr Jones and fairly represents the information compiled by him from the ALS IOTC testwork reports. Mr Jones has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Jones consents to the inclusion in his document of the matters based on his information in the form and context in which it appears.

(d) The information in this document that relates to **metallurgical sampling, metallurgical testing and metallurgical results undertaken during 2020**[30] is based on information compiled by Dr Michael J Wort (FAusIMM CP(Met)), who is a Fellow of AusIMM and a Chartered Professional Engineer. Dr Wort is an independent contractor to Strike Resources Limited. The information that relates to Processing and Metallurgy is based on the work done by ALS IOTC on a bulk sample collected under the direction of Dr Wort and fairly represents the information compiled by him from the ALS IOTC testwork reports. Dr Wort has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Dr Wort consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

27 Also refer Strike ASX Announcements dated 4 September 2019: Significant Upgrade of JORC Mineral Resource into Indicated Category at Paulsens East Iron Ore Project and 30 October 2020: Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

28 Also refer Strike ASX Announcement dated 30 October 2020: Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

29 Also refer Strike ASX Announcements dated 10 October 2019: Outstanding Metallurgical Testwork Results at Paulsens East Iron Ore Deposit Indicate 79% Lump Yield with Low Impurities and 30 October 2020: Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

30 Also refer Strike ASX Announcement dated 30 October 2020: Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

JORC CODE COMPETENT PERSONS' COMPLIANCE STATEMENTS

(e) The information in this document that relates to **Other Exploration Results and related Exploration Targets** (as applicable)[31] is based on information compiled by Mr Hem Shanker Madan (Honours and Masters Science degrees in Applied Science), who is a Member of AusIMM. Mr Madan is an independent contractor to Strike Resources Limited and was formerly the Managing Director (September 2005 to March 2010) and Chairman (March 2010 to February 2011) of Strike Resources Limited. Mr Madan has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Madan consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

JORC Code (2012) Competent Person's Compliance Statement - Apurimac Iron Ore Project (Peru)

The information in this document that relates to **Mineral Resources**[32] is based on information compiled by Mr Ken Hellsten, B.Sc. (Geology), who is a Fellow of AusIMM. Mr Hellsten was a principal consultant to Strike Resources Limited and was also formerly the Managing Director of Strike Resources Limited (between 24 March 2010 and 19 January 2013). Mr Hellsten has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Hellsten consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

JORC Code (2004) Competent Person's Statement – Cusco Iron Ore Project (Peru)

The information in this document that relates to **Mineral Resources**[33] is based on information compiled by Mr Ken Hellsten, B.Sc. (Geology), who is a Fellow of AusIMM. Mr Hellsten was a principal consultant to Strike Resources Limited and was also formerly the Managing Director of Strike Resources Limited (between 24 March 2010 and 19 January 2013). Mr Hellsten has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the JORC Code. Mr Hellsten consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

JORC Code (2012) Competent Person's Compliance Statement – Solaroz Lithium Brine Project (Argentina)

The information in this document that relates to **Exploration Targets**[34] is based on information compiled by Mr Peter Smith (BSc (Geophysics) (Sydney) AIG ASEG), who is a Member of AIG. Mr Smith is a consultant to Strike Resources Limited. Mr Smith has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Smith consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

JORC Code (2012) Competent Persons' Compliance Statements - Burke Graphite Project (Queensland)

(a) The information in this document that relates to **Mineral Resources**[35] is based on information compiled by Mr Grant Louw under the direction and supervision of Dr Andrew Scogings (both former employees of CSA Global Pty Ltd). Dr Scogings takes overall responsibility for this information. Dr Scogings is a Member of AIG and AusIMM and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Dr Scogings consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

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31 Also refer Strike ASX Announcements dated 14 October 2020: Discovery of High Grade Iron Rich Detritals at Surface at Paulsens East, 15 July 2020: High-Grade Rock Chip Samples Confirm Resource Upside Potential at Paulsens East Iron Ore Project and 4 December 2019: High Grade Results Located 1.6km from 9.6Mt Resource at Paulsens East

32 Also refer Strike ASX Announcement dated 20 January 2015: Apurimac Mineral Resources Updated to JORC 2012 Standard

33 Also refer Strike ASX Announcement dated 17 June 2011: Cusco Project – Resource Estimate

34 Also refer Strike ASX Announcement dated 13 March 2019: Strike Secures Solaroz Lithium Brine Project in Argentina's Lithium Triangle

35 Also refer Strike ASX Announcement dated 13 November 2017: Maiden Mineral Resource Estimate Confirms Burke Project as One of the World's Highest-Grade Natural Graphite Deposits

JORC CODE COMPETENT PERSONS' COMPLIANCE STATEMENTS

(b) The information in this document that relates to **metallurgical test work**[36] is based on information compiled by Mr Peter Adamini, BSc (Mineral Science and Chemistry), who is a Member AusIMM. Mr Adamini is a full-time employee of Independent Metallurgical Operations Pty Ltd, who has been engaged by Strike Resources Limited to provide metallurgical consulting services. Mr Adamini has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Adamini consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

(c) The information in this document that relates to **Exploration Results (including the ground Electro-Magnetic (EM) survey)**[37] is based on information compiled by Mr Peter Smith (BSc (Geophysics) (Sydney) AIG ASEG), who is a Member of AIG. Mr Smith is a consultant to Strike Resources Limited. Mr Smith has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Smith consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

Strike's ASX Announcements may be viewed and downloaded from the Company's website: www.strikeresources.com.au or the ASX website: www.asx.com.au under ASX code "SRK".

FORWARD LOOKING STATEMENTS

This document contains "forward-looking statements" and "forward-looking information", including statements and forecasts which include without limitation, expectations regarding future performance, costs, production levels or rates, mineral reserves and resources, the financial position of Strike, industry growth and other trend projections. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "is expecting", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes", or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might", or "will" be taken, occur or be achieved. Such information is based on assumptions and judgements of management regarding future events and results. The purpose of forward-looking information is to provide the audience with information about management's expectations and plans. Readers are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Strike and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, changes in market conditions, future prices of minerals/commodities, the actual results of current production, development and/or exploration activities, changes in project parameters as plans continue to be refined, variations in grade or recovery rates, plant and/or equipment failure and the possibility of cost overruns.

Forward-looking information and statements are based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date such statements are made, but which may prove to be incorrect. Strike believes that the assumptions and expectations reflected in such forward-looking statements and information are reasonable. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Strike does not undertake to update any forward-looking information or statements, except in accordance with applicable securities laws.

36 Also refer Strike ASX Announcement dated 13 November 2017: Maiden Mineral Resource Estimate Confirms Burke Project as One of the World's Highest-Grade Natural Graphite Deposits

37 Also refer Strike ASX Announcements dated 21 April 2017: Jumbo Flake Graphite Confirmed at Burke Graphite Project, Queensland, 13 June 2017: Extended Intersections of High-Grade Graphite Encountered at Burke Graphite Project., 21 June 2017: Further High-Grade Intersection Encountered at Burke Graphite Project, 16 October 2017: Test-work confirms the potential suitability of Burke graphite for Lithium-ion battery usage and Graphene production, 13 November 2017: Maiden Mineral Resource Estimate Confirms Burke Project as One of the World's Highest-Grade Natural Graphite Deposits and 26 June 2018: Burke Graphite Project – New Target Area Identified from Ground Electro-Magnetic Surveys

ADDITIONAL ASX INFORMATION
as at 30 October 2020

CORPORATE GOVERNANCE STATEMENT

The Company has adopted the Corporate Governance Principles and Recommendations (3rd Edition, March 2014) issued by the ASX Corporate Governance Council in respect of the financial year ended 30 June 2020.

Pursuant to ASX Listing Rule 4.10.3, the Company's 2020 Corporate Governance Statement (dated on or about 2 November 2020) and ASX Appendix 4G (Key to Disclosures of Corporate Governance Principles and Recommendations) can be found at the following URL on the Company's Internet website:
http://strikeresources.com.au/corporate/corporate-governance/

ISSUED CAPITAL

Class of Security	Quoted on ASX
Fully paid ordinary shares	207,334,268

DISTRIBUTION OF FULLY PAID ORDINARY SHARES

Spread	of	Holdings	Number of Holders	Number of Shares	% of Total Issued Capital
1	-	1,000	350	143,444	0.07%
1,001	-	5,000	589	1,766,774	0.85%
5,001	-	10,000	319	2,605,925	1.26%
10,001	-	100,000	590	22,760,042	10.99%
100,001	-	and over	198	179,858,083	86.83%
TOTAL			**2,046**	**207,134,268**	**100.00%**

UNMARKETABLE PARCELS

Spread	of	Holdings	Number of Holders	Number of Shares	% of Total Issued Capital
1	-	5,681	960	2,023,335	0.98%
5,682	-	over	1,086	205,110,933	99.02%
TOTAL			**2,046**	**207,134,268**	**100.00%**

An unmarketable parcel is considered, for the purposes of the above table, to be a shareholding of 5,681 shares or less (being a value of $500 or less in total), based upon the Company's closing share price of $0.088 on 30 October 2020.

VOTING RIGHTS

Subject to any rights or restrictions for the time being attached to any class or classes of shares (at present there are none), at meetings of shareholders of the Company:

- Each shareholder entitled to vote may vote in person or by proxy or by power of attorney or, in the case of a shareholder which is a corporation, by representative;
- Every person who is present in the capacity of shareholder or the representative of a corporate shareholder shall, on a show of hands, have one vote; and
- Every shareholder who is present in person, by proxy, by power of attorney or by corporate representative shall, on a poll, have one vote in respect of every fully paid share held by him.

ADDITIONAL ASX INFORMATION
as at 30 October 2020

TOP 20 ORDINARY FULLY PAID SHAREHOLDERS

Rank	Holder name	Shares Held	% Issued Capital
1	BENTLEY CAPITAL LIMITED	52,553,493	25.37
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	26,687,000	12.88
3	MRS AMBREEN CHAUDHRI	10,629,063	5.13
4	ORION EQUITIES LIMITED	10,000,000	4.83
5	NORFOLK BLUE PTY LTD	5,250,000	2.53
6	IRIS SYDNEY HOLDINGS PTY LTD	4,800,000	2.32
7	MR VU QUANG MINH DANG + MRS THI KIM DAU NGUYEN	3,133,314	1.51
8	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	2,871,760	1.39
9	MR HONGWEI YAO	2,344,515	1.13
10	MR FAROOQ KHAN	1,813,231	0.88
11	ACN 139 886 025 PTY LTD	1,760,780	0.85
12	MR NISCHAL DINESH JEENA	1,670,000	0.81
13	MR ZHOUFENG ZHANG	1,239,556	0.6
14	MR IANAKI SEMERDZIEV	1,235,000	0.6
15	BNP PARIBAS NOMINEES PTY LTD	1,159,854	0.56
16	MISS RIA JOANNE NEFF	1,127,646	0.54
17	MR HAN SWEE TAN	1,111,600	0.54
18	MRS LAY HOON LEE	1,111,600	0.54
19	D&C PESCA S.A.C.	1,081,027	0.52
20	LAVISH LIMOUSINES PTY LTD	1,000,000	0.48
	TOTAL	**132,579,439**	**64.01%**

SUBSTANTIAL SHAREHOLDERS

Substantial Shareholders	Registered Shareholder	Shares Held	% Voting Power
Bentley Capital Limited[38]	Bentley Capital Limited	52,553,493	25.37%
Windfel Properties Limited and Associate [39]	HSBC Custody Nominees (Australia) Limited	25,825,000	12.47%
Ambreen Chaudhri[40]	Ambreen Chaudhri	10,629,063	5.13%
Orion Equities Limited[41]	Orion Equities Limited	10,000,000	4.83%
Queste Communications Ltd[42]	Orion Equities Limited	10,000,000	4.83%

38 Refer Bentley's ASX Announcement dated 5 June 2020: Notice of Change in Interests of Substantial Holder

39 Refer Notice of Change in Interests of Substantial Holder (Windfel Properties Limited) dated 9 June 2020

40 Refer Notice of Change in Interests of Substantial Holder (Database Systems Limited and Ambreen Chaudhri) dated 8 June 2020 and released on ASX on 9 June 2020 and Notice of Ceasing to be a Substantial Holder (Database Systems Limited) dated 19 August 2020 and released on ASX on 20 August 2020 (updated to reflect current registered shareholding)

41 Refer Orion's ASX Announcement dated 5 June 2020: Notice of Change in Interests of Substantial Holder

42 Refer Queste's ASX Announcement dated 5 June 2020: Notice of Change in Interests of Substantial Holder; Orion is the registered holder of Strike shares and Queste is taken under section 608(3)(b) of the Corporations Act to have a relevant interest in securities in which Orion has a relevant interest by reason of having control of Orion

STRIKE RESOURCES LIMITED
A.B.N. 94 088 488 724
ASX Code : SRK

REGISTERED OFFICE
Level 2, 31 Ventnor Avenue
West Perth, Western Australia 6005
T | (08) 9214 9700
F | (08) 9214 9701
E | info@strikeresources.com.au
W | www.strikeresources.com.au

ADVANCED SHARE REGISTRY
W | www.advancedshare.com.au
Main Office
110 Stirling Highway
Nedlands, Western Australia 6009
Local T | 1300 113 258
T | (08) 9389 8033 F | (08) 6370 4203
E | admin@advancedshare.com.au
Sydney Office
Suite 8H, 325 Pitt Street
Sydney, New South Wales 2000
T | (02) 8096 3502