

ASX MARKET ANNOUNCEMENT

Completion of \$4 Million Capital Raising

HIGHLIGHTS

- \$4m placement to advance development of the Paulsens East Iron Ore Project
- Funds will be applied towards a number of key matters, including:
 - Finalisation of all appropriate Governmental approvals to enable the granting of a Mining Permit
 - Completion of engineering designs for haulage road and mine related infrastructure
 - Pre-commitments for long-lead items
 - Completion of bulk metallurgical testwork for final product specifications and process design
 - Finalisation of product off-take where such negotiations are advanced with various groups including Chinese steel mills, global established iron ore traders and other marketing groups

Strike Resources Limited (ASX:SRK) (**Strike**) is pleased to announce the completion of a \$4 million capital raising via the issue of 40,000,000 fully paid ordinary shares at an issue price of \$0.10 each.

The issue was completed within the Company's existing placement capacity to sophisticated or professional investors with Canaccord Genuity acting as Lead Manager to the placement. The share offer was substantially oversubscribed and required a scale back in applications to \$4 million.

The funds raised will be used to advance the development of the Paulsens East Iron Ore Project (**Paulsens East**), Strike's other resource projects and for general working capital purposes.

In relation to Paulsens East, Strike's objective is to advance with preparatory works such that it can quickly mobilise to site and accelerate as quickly as possible towards production once permits and approvals are granted. These works will include completion of detailed engineering designs for the proposed haulage road and mine infrastructure and entering into early commitments for certain long-lead time items and equipment.

A number of key development catalysts are expected shortly including the results of the bulk metallurgical testwork, finalisation of all approvals that would see the granting of a mining permit to commence construction and the finalisation of off-take agreements for the Paulsens East (Lump and Fines) DSO.

The Company looks forward to updating the market on these key milestones in due course.



Strike Managing Director, William Johnson:

“With the Feasibility Study now completed, this capital raising allows Strike to continue to advance the development of Paulsens East Iron Ore Project, capitalising on the current strong iron ore price.

Paulsens East continues to offer investors exceptional upside exposure to the strengthening iron ore market.

The results of our recently completed Feasibility Study demonstrated that Paulsens East is a very attractive project, with the potential to generate in excess of \$270 Million in pre-tax free net cashflow should iron ore prices remain at their recent US\$115/t levels over the initial four year life of mine¹.”

AUTHORISED FOR RELEASE - FOR FURTHER INFORMATION:

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ABOUT STRIKE RESOURCES LIMITED (ASX:SRK)

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.

ABOUT PAULSENS EAST IRON ORE PROJECT

The Paulsens East Iron Ore Project (Strike 100%) is located in the Pilbara, Western Australia and comprises a 3km long outcropping ridge of high grade Direct Shipping Iron Ore (DSO). Strike is targeting production of 1.5Mtpa of Lump and Fines DSO for an initial mine life of 4 years, commencing in 2021.¹

¹ 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