

MARKET ANNOUNCEMENT

Maiden 68,000 Tonne Shipment of Paulsens East Lump Iron Ore

SUMMARY

- Strike's maiden ~68,000 tonne shipment of Paulsens East Lump iron ore targeted for end of August 2022
- Maiden shipment size increase from 55,000 tonnes (as previously announced) to ~68,000 tonnes will facilitate a larger export vessel size and better sea freight rate to China
- Iron Ore Sale Agreement has been executed with a Hong Kong based Buyer for Paulsens East Lump DSO (with 62% Fe grade specification)
- Haulage of DSO to Utah Point has commenced

Strike Resources Limited (ASX:SRK) (**Strike**) is pleased to provide an update on its maiden shipment of Paulsens East Lump DSO from its Paulsens East Iron Ore Mine (**Paulsens East**) in the Pilbara region of Western Australia.

Maiden Iron Ore Shipment

Strike is targeting a maiden iron ore shipment to China in late August 2022 of approximately 68,000 tonnes of Paulsens East Lump DSO ore from Utah Point in Port Headland.

The total tonnes proposed by Strike for its maiden iron ore shipment have increased from its previously announced target of 55,000 tonnes, which will facilitate a larger export vessel size and a better sea freight rate to China.

Executed Iron Ore Sale Agreement

Strike has executed an iron ore sale agreement with a Hong Kong based buyer for the purchase of its maiden iron ore shipment of approximately 68,000 tonnes of Paulsens East Lump DSO.

The specifications for Paulsens East Lump DSO is as follows:

Fe	SiO ₂	Al ₂ O ₃	P	S	TiO ₂	LOI
62%	7.0%	3.0%	0.105%	0.015%	0.20%	2.5%

The terms of the sale agreement include market reflective pricing referenced to a benchmark base price and lump premium, with market-typical impurity penalties and a freight differential adjustment, on a Cost and Freight (CFR) basis for delivery into China.

Strike will draw-down the proceeds of sale via its local Australian bank, under a Letter of Credit opened by the buyer.



Strike Managing Director, William Johnson:

“This maiden iron ore shipment is a highly significant milestone for the Company, with the first contract of sale executed and ore from the Paulsens East Iron Ore Mine now being hauled to port at Utah Point. Strike is looking forward to successfully dispatching its maiden 68,000 tonne shipment of high grade DSO lump ore towards the end of August”.

Commencement of Haulage Operations

Odell Mining Services has commenced the haulage of Paulsens East Lump DSO from the mine site to Utah Point.



Figures 1 and 2: Loading Paulsens East Lump DSO on to Road Train



Figure 3: Loading of Road Train



Figure 4: Stockpile area located north of Paulsens East hematite ridge with detritals mining areas in the distance

About Paulsens East Iron Ore Mine

Paulsens East is located ~10km from the Paulsens Gold Mine, ~235km by road east of Onslow (and Port of Ashburton) and ~650km by road south of Port Hedland in the Pilbara, Western Australia (refer Figure 5).

Paulsens East Stage 1 Production is currently focussing on mining surface detrital and low strip ratio materials to be shipped through the Utah Point Multi-User Bulk Handling Facility at Port Hedland.¹

Stage 2 Development will involve a ramp up in annual throughput through conventional open pit mining of the Paulsens East hematite ridge to an annualised production rate of up to ~1.8 Mtpa, with export (via transshipment operations) through the Port of Ashburton at Onslow and Utah Point at Port Hedland.¹

¹ Refer also Strike's ASX Announcement dated 4 February 2022: Updated Paulsens East Feasibility Study – Optimised Staged Production and Lower Capex and Opex Costs

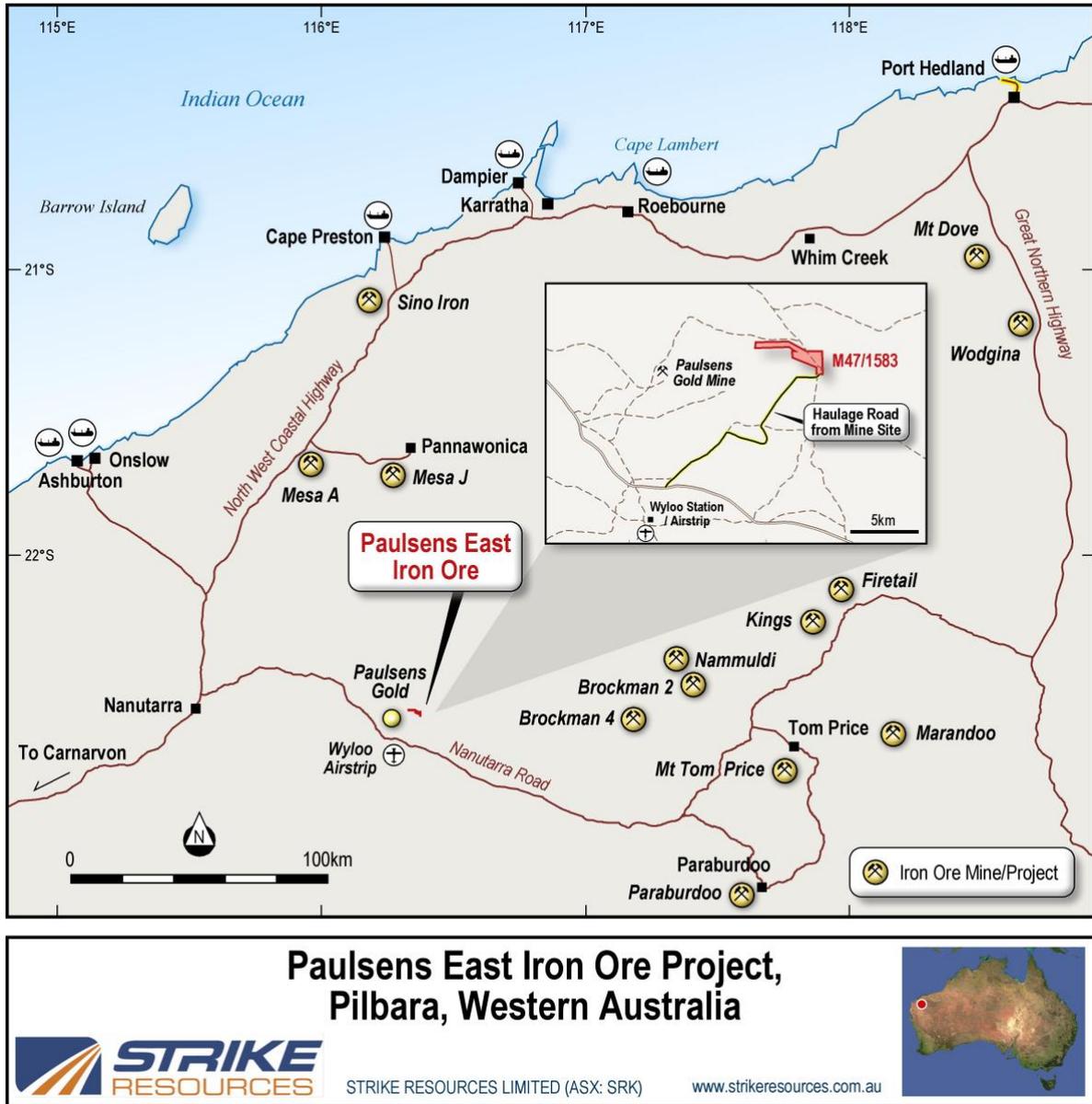


Figure 5: Paulsens East Iron Ore Mine Location – Haulage Routes to Port Hedland and Port of Ashburton

AUTHORISED FOR RELEASE - FOR FURTHER INFORMATION:

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ABOUT STRIKE RESOURCES LIMITED (ASX:SRK)

Strike Resources Limited (ASX:SRK) is an ASX listed resource company which is developing the Paulsens East Iron Ore Mine in Western Australia. Strike also owns the high grade Apurimac Iron Ore Project in Peru where it has exported “Apurimac Premium Lump” DSO product of ~65% Fe. Strike has a 43% shareholding in Lithium Energy Limited (ASX:LEL), which was spun-out of Strike under a \$9m IPO in May 2021. Lithium Energy is developing battery minerals related assets - the Solaroz Lithium Brine Project in Argentina and the Burke Graphite Project in Queensland.