

QUARTERLY REPORT

COMPANY DETAILS

ABN: 94 088 488 724

PRINCIPAL AND REGISTERED OFFICE

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ASX CODE

SRK

SECURITIES ON ISSUE

270,000,000 shares
1,000,000 Broker's Options
(\$0.15, 30 Nov 2023)
12,000,000 Directors' Options
(\$0.185, 3 Dec 2023)
1,000,000 Broker's Options
(\$0.33, 3 Jun 2024)
3,100,000 SIP Options
(\$0.185, 14 Feb 2025)

BOARD OF DIRECTORS

Farooq Khan
(Executive Chairman)

William Johnson
(Managing Director)

Victor Ho
(Executive Director)

Matthew Hammond
(Non-Executive Director)

Malcolm Richmond
(Non-Executive Director)

COMPANY SECRETARY

Victor Ho
cosec@strikeresources.com.au

AUTHORISED FOR RELEASE BY - FOR FURTHER INFORMATION:

William Johnson
Managing Director
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27 October 2022

HIGHLIGHTS

Paulsens East Iron Ore Project, Pilbara (Western Australia)

- Strike completed its maiden export of DSO from Paulsens East in September 2022, with 66,618 tonnes shipped on MV Cepheus Ocean to China, with specifications as follows:

Fe	SiO ₂	Al ₂ O ₃	P	S	LOI	Moisture
61.96%	5.66%	2.86%	0.077%	0.008%	2.17%	2.32%

- Maiden shipment has been sold to a Hong Kong based buyer, with the terms of the sale agreement including 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. US\$6.33M (~A\$9.3M) provisional amount has been drawn-down under a Letter of Credit, with the final invoice to be settled in November 2022.
- Strike has determined to pause on further shipments from Utah Point given current market conditions – in particular, taking into account the low benchmark iron ore price relative to prices earlier in the year, together with rising input costs adversely impacting operating margins. Strike continues to review market conditions and in particular the forward benchmark pricing for iron ore and will make further shipments to Utah Point if iron ore pricing and market conditions meet the Company's internal thresholds.
- Strike continues to advance the development of an export solution through the Port of Ashburton (located ~235km from Paulsens East, versus ~650km to Port Hedland), which has the potential to significantly improve the economics at Paulsens East and thus will play an important part in any decision to restart operations at Paulsens East.
- Environmental Works Approval has been granted by DWER for export of (up to 1.8Mtpa) iron ore from the Port of Ashburton, Onslow (for Stage 2 Development of Paulsens East).
- Strike's separate Works Approval application for offshore marine operations (principally related to an offshore anchorage area for the bulk loading of iron ore from a transshipment vessel to Ocean Going Vessels) is progressing well and is expected to be issued in Q4 2022.

About Strike Resources Limited (ASX:SRK)

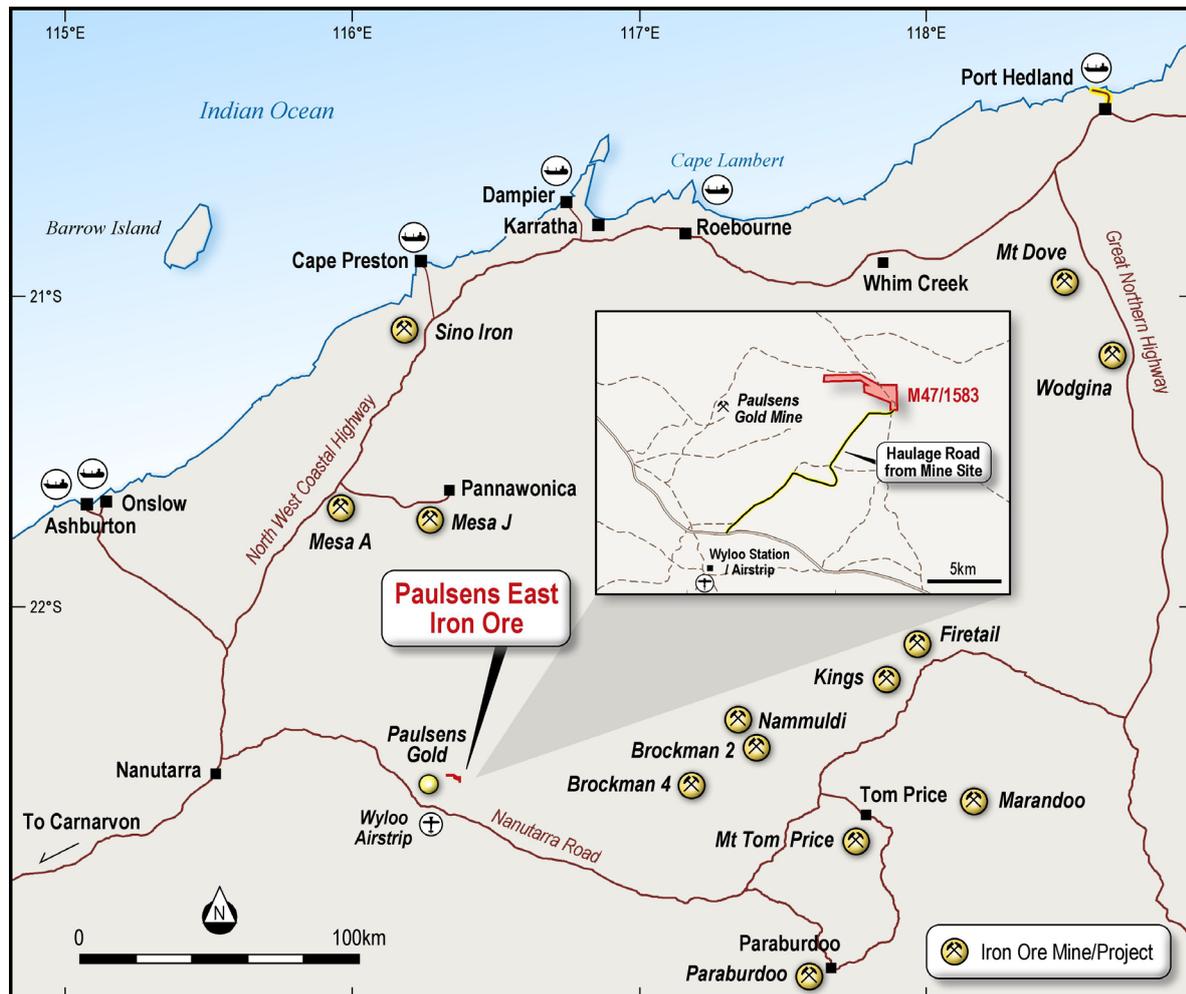
Strike Resources Limited (ASX:SRK) is an ASX listed resource company which is developing the Paulsens East Iron Ore Mine in Western Australia – Strike has exported 66,618 tonnes of ~62% Fe Lump DSO (mined from surface detrital material) from Utah Point (Port Hedland) and is developing a 1.8Mtpa export solution out of the Port of Ashburton (Onslow). 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:LLEL), 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.

PROJECTS

Paulsens East Iron Ore Project (Pilbara, Western Australia)

(Strike – 100%)

The Paulsens East Iron Ore Project (**Paulsens East** or **Project**) is located ~10km from the Paulsens Gold Mine, ~235km by road east of Onslow (and Port of Ashburton) and ~600km by road south of Port Hedland (refer Figure 1).



Paulsens East Iron Ore Project, Pilbara, Western Australia




STRIKE RESOURCES LIMITED (ASX: SRK) www.strikeresources.com.au

Figure 1: Paulsens East Iron Ore Mine Location – Haulage Routes to Port Hedland and Port of Ashburton

Strike has undertaken Paulsens East Stage 1 Production, involving the mining of surface detrital material and crushing, screening and Ore Sorter processing to produce Paulsens East Lump direct shipping iron ore (**DSO**) (grading 62% Fe), with road train haulage to the Utah Point Multi-User Bulk Handling Facility (**Utah Point**) at Port Hedland for export.

Strike is undertaking Paulsens East Stage 2 Development, which will involve conventional open pit mining of the Paulsens East hematite ridge, ramping up to an annualised production rate of up to ~1.8 Mtpa, with road train haulage to and export (via transshipment operations) through the Port of Ashburton near Onslow.



Figure 2: Stockpile area located north of Paulsens East Hematite Ridge with detritals mining areas in the distance

First Shipment

Strike completed its maiden export of DSO from Paulsens East in September 2022, with 66,618 tonnes shipped on MV Cepheus Ocean to China.

The specifications of this first shipment of Paulsens East Lump DSO are as follows:

Fe	SiO ₂	Al ₂ O ₃	P	S	LOI	Moisture
61.96%	5.66%	2.86%	0.077%	0.008%	2.17%	2.32%

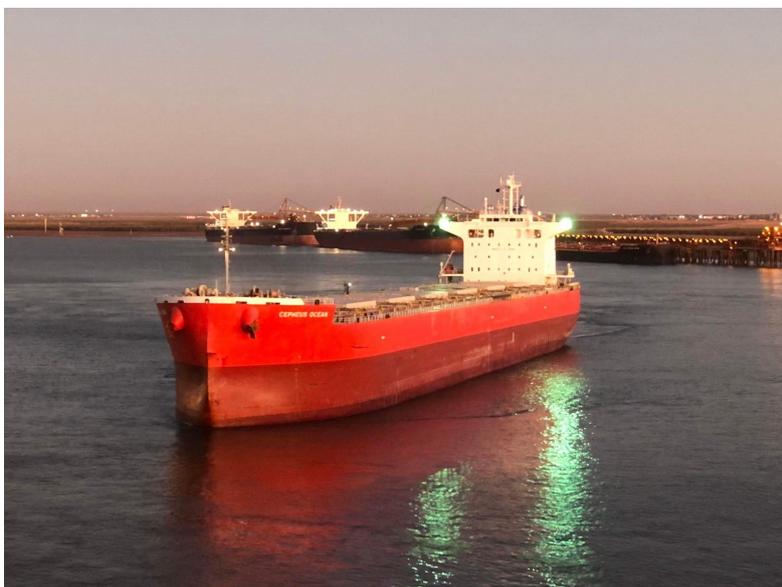


Figure 3: MV Cepheus Ocean preparing to dock at Utah Point, Port Hedland



Figure 4: MV Cepheus Ocean docked, ready for loading

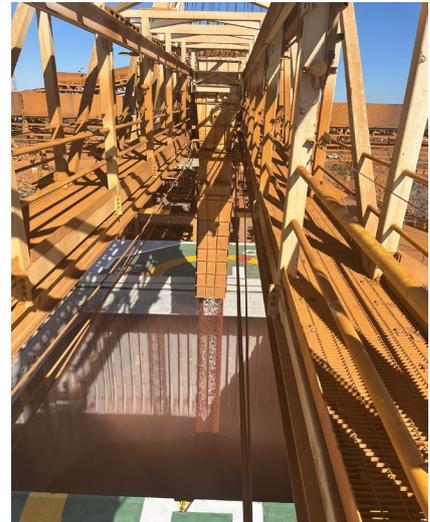


Figure 5: Paulsens East Lump DSO being loaded into MV Cepheus Ocean

This maiden shipment has been sold to a Hong Kong based buyer, with the terms of the sale agreement including 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.¹ Strike has drawn down a provisional amount of US\$6.33 million (~A\$9.3 million) under a Letter of Credit, with the final invoice to be settled in November 2022.

Operational Status

Whilst the successful shipment of its first shipment of iron ore from Paulsens East is a significant milestone for the Company, Strike has determined to pause on further shipments from Utah Point given current market conditions – in particular, taking into account the low benchmark iron ore price relative to prices earlier in the year, together with rising input costs (eg. diesel fuel) adversely impacting operating margins.

Strike has structured its Paulsens East mining operations in such a manner that further shipments can be made on relatively short notice. Strike continues to review market conditions and in particular the forward benchmark pricing for iron ore and will make further shipments to Utah Point if iron ore pricing and market conditions meet the Company's internal thresholds.

Strike continues to advance the development of an export solution through the Port of Ashburton, which has the potential to significantly improve the economics at Paulsens East and thus will play an important part in any decision to restart operations at Paulsens East.

Stage 2 Development - Production and Export Through Port of Ashburton, Onslow

Strike is advancing the Port of Ashburton as a longer-term export solution for the Company given its far closer proximity to Paulsens East (~235km) versus Utah Point in Port Hedland (~650km), leading to significantly lower trucking costs from mine to port.

Stage 2 Development will focus on a ramp up in annual throughput through conventional open pit mining of the Paulsens East hematite ridge to an annualised production rate of ~1.8Mtpa with a scale up in the contracted mining fleet, expansion of mine site personnel and additional working capital requirements to facilitate the larger annualised production rate.

Stage 2 involves the export of ore through the Port of Ashburton at Onslow (via transshipment operations) which reduces the trucking distance from mine to Port by ~365km (compared to Utah Point in Port Hedland).

¹ Refer Strike's ASX Announcement dated 1 August 2022: Maiden 68,000 Tonne Shipment of Paulsens East Lump Iron Ore

The Port of Ashburton is a common user facility initially constructed by Chevron for the Wheatstone Project but is now under the control of the PPA. The Port of Ashburton is located ~12km southwest from the town of Onslow and is ~235km from Paulsens East.



Figure 6: Port of Ashburton - Onslow

PPA has confirmed the use of the Port of Ashburton for export of iron ore by Strike subject to environmental permitting requirements and Port operation approvals being obtained by Strike.

The Department of Water and Environmental Regulation (**DWER**) has granted a Works Approval under the *Environmental Protection Act 1986* for the export of up to 1.8 Mtpa (10,000 tonnes per day) of iron ore from the Port of Ashburton in Onslow. The Works Approval is subject to a number of usual conditions relating to export activity including environmental monitoring and established loading patterns to minimise the impact of dust and noise generation.

Strike's separate Works Approval application for offshore marine operations (principally related to an offshore anchorage area for the bulk loading of iron ore from a transshipment vessel to Ocean Going Vessels) is progressing well and is expected to be issued in Q4 2022.

Strike continues to advance the works required to commence operations from the Port of Ashburton and is in advanced negotiations with key contractors in relation to that proposed export operation.

The advancement of the Port of Ashburton as an export solution for Strike has the potential to significantly improve the economics at Paulsens East and thus will play an important part in any decision to restart operations at Paulsens East.

JORC Mineral Resource and Ore Reserve

Paulsens East consists of a ~3km long outcropping high-grade hematite ridge (refers Figure 2 and 7), containing a **JORC Indicated Mineral Resource of 9.6 Million tonnes at 61.1% Fe**, 6.0% SiO₂, 3.6% Al₂O₃, 0.08% P (at a cut-off grade of 58% Fe).² Table 1 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 ₂ O ₃ %	P%	S%	LOI%
Indicated	>60	6.75	62.1	5.21	3.37	0.080	0.01	1.92
Indicated	>59	8.15	61.6	5.56	3.53	0.082	0.01	1.99
Indicated	>58	9.62	61.1	5.97	3.64	0.085	0.01	2.13
Indicated	>57	10.54	60.8	6.27	3.7	0.087	0.01	2.20
Indicated	>56	11.73	60.4	6.86	3.69	0.088	0.01	2.27
Indicated	>55	12.50	60.01	7.22	3.67	0.089	0.01	2.35

Table 1: Paulsens East JORC Indicated Mineral Resource estimate from Hematite Ridge using a range of lower cut-off wireframes

As part of the completion of the October 2020 Feasibility Study³, part of the JORC Indicated Mineral Resource of **9.6 Million tonnes at 61.1% Fe**, 6.0% SiO₂, 3.6% Al₂O₃, 0.08% P (at a cut-off grade of 58% Fe) was converted to a **JORC Probable Ore Reserve of 6.2 Million tonnes at 59.9% Fe**, 7.43% SiO₂, 3.77% Al₂O₃ and 0.086% P (at a cut-off grade of 55% Fe).



Figure 7: Excavation of Detritals Iron Ore on Northern Slope of Paulsens East Hematite Ridge

As part of the completion of the February 2022 Updated Feasibility Study¹, an additional **JORC Indicated Mineral Resource of 113,000 tonnes at 60.8% Fe, 6.9%, SiO₂, 3.4% Al₂O₃, and 0.10% P** (at a cut-off grade of 58% Fe) has been delineated from the high-grade hematite rich detrital material⁴ at surface north of the hematite ridge (refer Figures 2 and 7).

² Refer Strike's ASX Announcement dated 4 September 2019: Significant Upgrade of JORC Mineral Resource into Indicated Category at Paulsens East Iron Ore Project

³ Refer Strike's ASX Announcement dated 30 October 2020: Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

⁴ Refer also Strike's ASX Announcements dated 14 October 2020: Discovery of High Grade Iron Rich Detritals at Surface at Paulsens East and 15 July 2020: High-Grade Rock Chip Samples Confirm Resource Upside Potential at Paulsens East Iron Ore Project

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.

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 57.8% Fe and 127 Mt Inferred Resource at 56.7% Fe)⁵. The Opaban 3 Mineral Resource has been diminished by production and sales of 50,095 tonnes of lump iron ore grading 65.78% Fe, 2.42% SiO₂, 0.72% Al₂O₃, 0.057% P and 0.09% S.

In addition to the current JORC 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) with extensive undrilled gravity and magnetic anomalies.

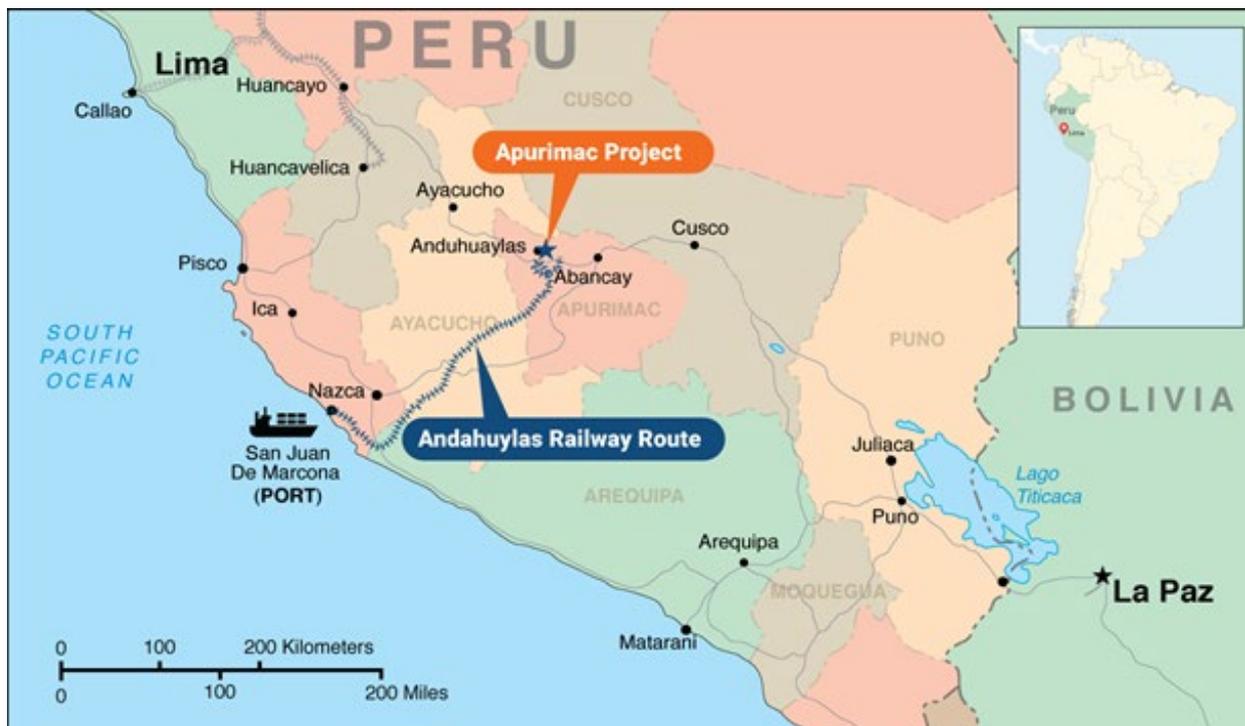


Figure 8: Strike Apurimac Iron Ore Project, showing route of proposed Andahuaylas Railway

5 Refer Strike’s ASX Announcement dated 20 January 2015: Apurimac Mineral Resources Updated to JORC 2012 Standard

CORPORATE

Summary of Expenditure Incurred

A summary of expenditure incurred by the Consolidated Entity during the quarter, in relation to cash flows from operating and investing activities reported in the Appendix 5B Cash Flow Report is as follows:

For Current Quarter ending 30 September 2022	Consolidated Entity Cash Outflows		
	Operating \$'000	Investing \$'000	Total \$'000
Exploration and evaluation expenditure	-	-	-
Development	12,978	-	12,978
Personnel expenses	497	-	497
Occupancy expenses	36	-	36
Corporate expenses	96	-	96
Administration expenses	97	-	97
Total Expenditure	13,704	-	13,704

Payments to Related Parties

During the quarter, Strike paid a total of \$197k in respect of Directors' remuneration, comprising salaries, fees, PAYG remittances to the ATO and statutory employer superannuation contributions. This is disclosed in Item 6 of the accompanying Appendix 5B Cash Flow Report

LIST OF MINERAL CONCESSIONS

The following mineral concessions were held as at the end of the quarter and currently:

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

Tenement Type and No.	Grant Date	Expiry Date	Area (Ha)	Area (km ²)
Mining Lease M 47/1583	4/9/2020	3/9/2041	381.87	~3.82
Misc. Licence L 47/927	12/11/2020	11/11/2041	78.74	~0.79
Misc. Licence L 47/938	10/12/2020	9/12/2041	95.97	~0.96
Misc. Licence L 08/195	7/1/2021	6/1/2042	22.44	~0.22
Misc. Licence L 08/190	15/7/2021	14/7/2024	199.60	~2
Misc. Licence L 47/934	15/7/2021	14/7/2024	357.09	~3.57
Misc. Licence L 47/980	15/7/2021	14/7/2024	62.60	~0.63
Misc. Licence L 47/981	16/7/2021	15/7/2024	465.04	~46.5

The following tenement applications are pending grant:

Tenement Type and No.	Application Date	Area (Ha)	Area (km ²)
Misc. Licence L 47/983	8/4/2021	184.98	~1.85
Misc. Licence L 08/271	12/8/2021	47.55	~0.48
Prospecting Licence P 08/813	29/4/2022	47.00	0.47

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
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
Wanka 01	100	Andahuaylas	010208110	RP 3445-2010-INGEMMET/PCD/PM Oct 18,2010	11102187

JORC MINERAL RESOURCES

Paulsens East Iron Ore Project (Australia)

(Strike – 100%)

The Paulsens East Iron Ore Project has a JORC Code (2012 Edition) compliant Indicated Mineral Resource:

Mineral Resources Category	Fe% Cut-Off Grade	Million Tonnes	Fe%	SiO ₂ %	Al ₂ O 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 ₂ O 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 ₂ O 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.

* The Opaban 3 Mineral Resource has been diminished by production and sales of 50,095 tonnes of lump iron ore grading 65.78% Fe, 2.42% SiO₂, 0.72% Al₂O₃, 0.057% P and 0.09% S.

JORC CODE COMPETENT PERSON'S STATEMENTS

JORC Code (2012) Competent Person Statement - Paulsens East Iron Ore Project

The information in this document that relates to **Mineral Resources** (Hematite Ridge and Detritals) **and related Exploration Results/Exploration Targets** (as the case may be, as applicable) in relation to the Paulsens East Iron Ore Project (Pilbara, Western Australia) is extracted from the following ASX market announcements made by Strike Resources Limited on:

- 4 February 2022: Updated Paulsens East Feasibility Study – Optimised Staged Production and Lower Capex and Opex Costs;
- 30 October 2020: Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns;
- 4 September 2019: Significant Upgrade of JORC Mineral Resource into Indicated Category at Paulsens East Iron Ore Project.

The information in the original announcements that relates to these Mineral Resources and related Exploration Results (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 the Australasian 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**). 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 information in this document that relates to **Ore Reserves** in relation to the Paulsens East Iron Ore Project (Pilbara, Western Australia) is extracted from the following ASX market announcement made by Strike Resources Limited on:

- 4 February 2022: Updated Paulsens East Feasibility Study – Optimised Staged Production and Lower Capex and Opex Costs;
- 30 October 2020: Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

The information in the original announcements that relates to these Ore Reserves is based on and fairly represents information and supporting documentation 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. 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.

JORC Code (2012) Competent Person Statement - Apurimac Project Mineral Resources

The information in this document that relates to **Mineral Resources** in relation to the Apurimac Iron Ore Project (Peru) is extracted from the following ASX market announcement made by Strike Resources Limited on:

- 20 January 2015: Apurimac Mineral Resources Updated to JORC 2012 Standard.

The information in the original announcement that relates to these Mineral Resources and other Exploration Results (as applicable) is based on, and fairly represents, information and supporting documentation prepared 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. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

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 their experience and their 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.

Appendix 5B

Mining Exploration Entity or Oil and Gas Exploration Entity Quarterly Cash Flow Report

Name of entity

STRIKE RESOURCES LIMITED (ASX:SRK) and its controlled entities

ABN

94 088 488 724

Quarter Ended (current quarter)

30 September 2022

Consolidated statement of cash flows

	Current Quarter Sep-2022 \$A' 000	Year to Date 3 months \$A' 000
1. Cash flows from operating activities		
1.1 Receipts from customers	9,367	9,367
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	(12,978)	(12,978)
(c) production	-	-
(d) staff costs	(497)	(497)
(e) administration and corporate costs	(229)	(229)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	4
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other:		
<i>Recovery of office costs under shared office arrangements</i>	(18)	(18)
1.9 Net cash from / (used in) operating activities	(4,351)	(4,351)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows	Current Quarter Sep-2022 \$A' 000	Year to Date 3 months \$A' 000
2.2 Proceeds from the disposal of:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other	-	-
2.6 Net cash from / (used in) investing activities	-	-
3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	3,099	3,099
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other:		
3.10 Net cash from / (used in) financing activities	3,099	3,099
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	3,867	3,867
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(4,351)	(4,351)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4 Net cash from / (used in) financing activities (item 3.10 above)	3,099	3,099
4.5 Effect of movement in exchange rates on cash held	492	492
4.6 Cash and cash equivalents at end of period	3,107	3,107

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current Quarter \$A' 000	Previous Quarter \$A' 000
5.1 Bank balances	3,072	3,832
5.2 Call deposits	35	35
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,107	3,867

6. Payments to related parties of the entity and their associates	Current Quarter \$A' 000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	(197)
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A' 000	Amount drawn at quarter end \$A' 000
7.1 Loan facilities	11,248	11,248
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	11,248	11,248

7.5 Unused financing facilities available at quarter end	-
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Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

The Company has secured a US\$7.2 million (~A\$10.6 Million, based on an exchange rate of A\$1:00:US\$0.68) project finance loan facility (**Facility**) with Good Importing International Pty Limited (**GII**). The Facility may be drawn-down (at the Company's election) in 3 tranches based on Paulsens East Iron Ore Project development requirements - Tranche 1 (US\$2.5M), Tranche 2 (US\$2.5M) and Tranche 3 (US\$2.2M) were drawn-down in April 2022, June 2022 and August 2022 respectively. The Facility is secured over the Project assets (including the tenements) and shares in the subsidiary companies that hold the Project. The applicable interest rate is 10% pa (payable quarterly) with 50% of the principal repayable 18 months after Tranche 1 draw-down (ie. October 2023) and the balance due in April 2024. The key terms of the Facility with GII are summarised in Note 14 (Payables) to the Consolidated Financial Statements in the Company's 2022 Annual Report and Strike's ASX Announcement dated 28 February 2022: Funding Secured and Production to Commence at Paulsens East Iron Ore Project.

8. Estimated cash available for future operating activities	\$A' 000
8.1 Net cash from / (used in) operating activities (item 1.9)	(4,351)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(4,351)
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,107
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,107
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.7

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

No, the Consolidated Entity notes the following matters:

- (a) Strike completed its maiden export of 66,618 tonnes of lump iron ore from the Paulsens East Iron Ore Project in September 2022 (First Shipment). A US\$6.33M (~A\$9.3M) provisional amount has been drawn-down under a Letter of Credit, with the final invoice to be settled in November 2022.
- (b) Receipts from the sale of iron ore during the September 2022 Quarter in relation to the First Shipment is therefore not expected to continue in future quarters.
- (c) Development expenditure incurred during the September 2022 Quarter in relation to the first shipment is not expected to continue in future quarters.
- (d) Strike will manage its expenditure in future quarters having regard to its current and expected cash position.

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

No, Strike does not propose to raise further cash to fund its operations but the Board reserves its right to undertake a capital raising if the Board considers it appropriate to do so. Strike notes that it owns 34,410,000 shares in Lithium Energy Limited (ASX:LEL), which are escrowed until 19 May 2023. Lithium Energy's current share price is \$1.18 (as at 26 October 2022)

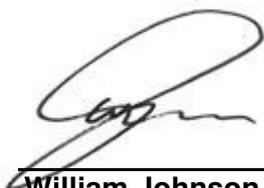
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Yes, Strike will manage its expenditure in future quarters having regard to its current and expected cash position.

Compliance statement

1. This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
2. This statement gives a true and fair view of the matters disclosed.

Authorised By:



William Johnson
Managing Director

27 October 2022

See Chapter 19 of ASX Listing Rules for defined terms

Notes

1. The **Company** currently holds the following listed share investments:

ASX code	Company	30-Sep-22		
		No Shares	Last Bid Price	Market Value
LEL	Lithium Energy Limited	34,410,000	\$0.705	\$24,259,050

The above share investment is under escrow until 19 May 2023.

2. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
3. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
4. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
5. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee"
6. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

AUTHORISED FOR RELEASE - FOR FURTHER INFORMATION:

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