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ASX MARKET ANNOUNCEMENT

Positive Results from Burke Graphite Battery Testwork

Strike Resources Limited (**Strike**) is pleased to report the results of test work undertaken on natural flake graphite from Strike's Burke Graphite Project in Queensland.

Strike engaged CSIRO Manufacturing[1] in Melbourne to undertake both physical characterisation and electrochemical testing of the natural graphite flake from the Burke deposit for potential use in Lithium-ion batteries. As part of that testing, two flake sizes have been characterised and fabricated into electrodes to determine the influence of flake size on electrode performance.

The test work has demonstrated that the Burke natural graphite exhibits good performance in a coin cell configuration, as compared to artificial graphite-based electrode control electrodes.

In particular, the tests resulted in the Burke Graphite cells showing generally higher levels of capacity compared to the control coin cells, when repeatedly (50 times) charged and discharged over a 10 hour cycle time.

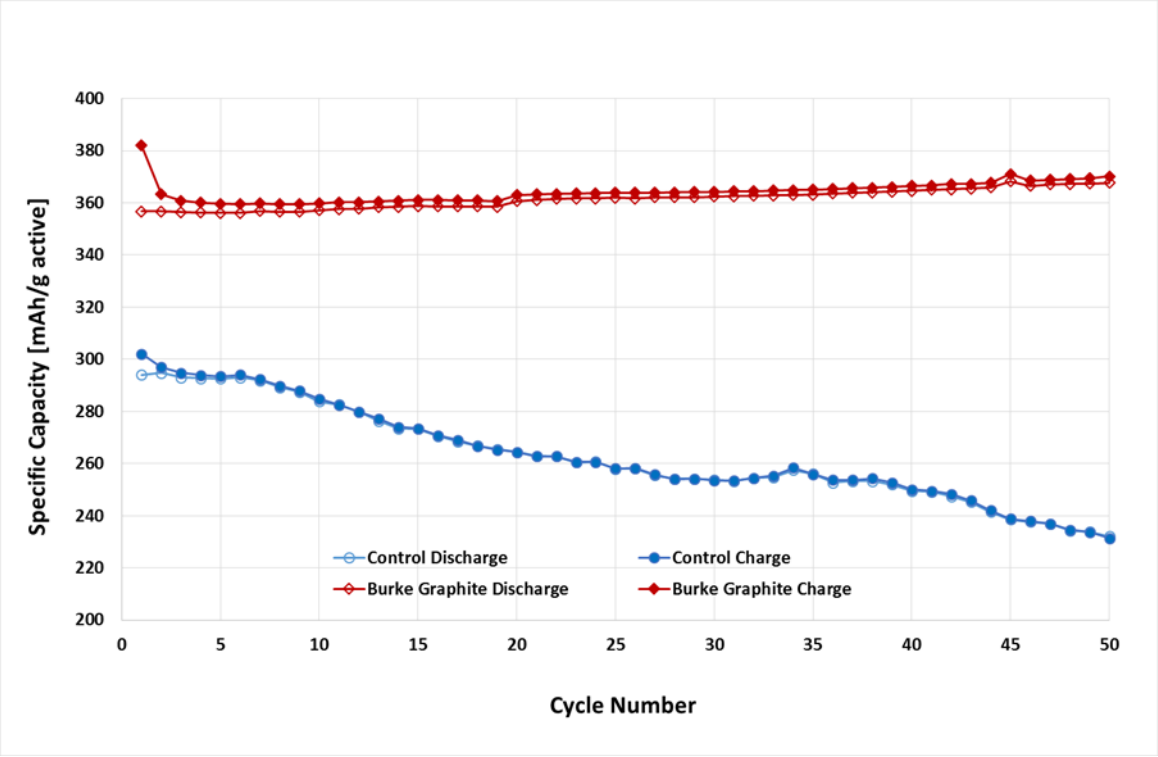

Figure 1 - Comparison of control cells and Strike's natural graphite (20 µm) showing charge and discharge capacities for 50 cycles at C/10 rate and 25 °C

1 The Australian Commonwealth Scientific and Industrial Research Organisation (**CSIRO**) was engaged on a fee for service basis and Strike notes that CSIRO does not endorse or acknowledge any relationship with Strike except as a service provider

The test work also confirmed that the electrodes made with smaller flake size graphite (20 µm) performed with higher capacity than the electrodes made with larger flake size (38 µm).

The next step is to undertake spheroidisation on the natural flake graphite, whereby the natural graphite is "shaped" through a mechanical process, to form potato-like structures, that allows for easier processing of the material into an electrode but also reduces the irreversible capacity losses on the first cycle which is common for this type of material.

Further electrode fabrication and testing of this spheroidised materials is now required to determine whether this improves the performance of the Burke natural graphite.

Strike will be applying for Government R&D funding support to continue with this next phase of testing.

William Johnson, Strike Resources Managing Director:

> *The results of this round of testing are highly encouraging. Natural flake graphite for use in Lithium-ion batteries has significant environmental benefits when compared to artificial graphite. The Burke graphite deposit can potentially provide a good local source of exceptionally high grade natural flake graphite, which as well as being a valuable export commodity can potentially support the development of a local Australian battery industry.*

FOR FURTHER INFORMATION

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ABOUT STRIKE RESOURCES LIMITED (ASX:SRK)

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