



# QUARTERLY REPORT

## SEPTEMBER 2015

## OPERATIONAL SUMMARY

The Directors have reviewed businesses outside of the mineral exploration industry that have the potential to grow shareholder wealth in the medium to long term, for an extended period of time. After a diligent and disciplined search, the Directors were pleased to announce on the 28 October 2015, the acquisition of Linius (Aust) Pty Ltd.

Linius has the rights to a transformative patented technology in video management and broadcasting.

The highlights of the Linius business are as follows;

- Linius transforms video file management and distribution by indexing and managing data within the video file itself.
- Linius has the potential to disrupt the entire video value chain.
- Potential to dramatically reduce the production and supply side costs of video management by, for example, removing the need for transcoding to the myriad of file formats required for broadcasting to different devices.
- Potential to facilitate truly personalised viewing experiences. No two streams need ever be the same again.
- In 2013, the Global Broadcasting & Cable TV Market had a Value of \$435 Billion (ref: PRNewswire).
- US and International patents granted.
- Limited deployment partners identified.
- 93% of all consumer web traffic and 64% of mobile is video (ref: Cisco).
- Strong management team in place with extensive experience in the video space.

### **Linius Background**

Linius has designed and patented the world's first video virtualisation engine. The technology transforms large inflexible video files into small highly flexible data structures. The patented process applies two highly successful techniques to video – data indexing and virtualisation, which means that video can be indexed, spliced and edited in real time.

Content publishing no longer requires transcoding, complex workflow systems or numerous individual streams to personalise video delivery. Instead video files can be virtualised and delivered as required to any standards based device.

### **Some of the key potential benefits include:**

*For Content owners:*

- Greater opportunity to monetise content catalogues
- Almost eliminate transcoding costs
- Improved security and control of assets
- Access and manage entire content database

*For Broadcasters:*

- Simplified workflow for video play out on standards based devices
- Capability to truly personalise content viewing experiences
- Ability to insert specific ads in individuals streams
- Personalised pricing options

*Infrastructure providers:*

- Dramatically reduce transport, storage and broadcast costs
- Significant capex savings on infrastructure and storage costs

Linius has 7 patents and 12 patent applications across 9 countries including a freedom to operate in the USA.

## **ENTITLEMENT ISSUE**

Firestrike plans to undertake an entitlement issue to raise funds to meet working capital requirements and to pay costs associated with the due diligence and acquisition of Linius.

The entitlement issue will offer all eligible shareholders the right to subscribe for three new FIE Shares for every eleven FIE Shares held by a shareholder on the record date. The entitlement issue will be offered on the basis of \$0.02 (2 cents) per new FIE Share to raise up to \$500,000.

## **FUTHER INFORMATION**

For further information on proposed acquisition of Linius, please review the ASX announcement dated 28 October 2015 that includes information on the proposed new Directors, the acquisition terms, name change, board changes and proposed capital structure.

## **Copper Ridge Project – Utah USA. (100% Firestrike Resources Limited)**

The Company continues to maintain its mineral asset in meeting its statutory obligations. Initial conclusions from ongoing desk top studies recommended a number of claims may be reduced. This is in order to minimise expenditure with the remaining claims covering the key prospects already defined. The asset remains of value to the Company and the project will continue to be maintained to meet the requirements of State and the Federal legislation in the USA.

**SCHEDULE OF TENEMENTS**

Held as at 30th September 2015

<b>Project name</b>	<b>Tenement ID</b>	<b>Number of tenements or claims</b>	<b>Ownership</b>
Copper Ridge Utah USA	From CR#005 to CR#012 inclusive; CR#014; CR#016; CR#030 to CR#043 inclusive; CR#045; CR#056; CR#058; CR#060; CR#062 to CR#067 inclusive; CR#069; CR#078; CR#080 to CR#089 inclusive; CR#091; CR#098; CR#100; CR#102; CR#104; CR#106; CR#112; CR#114; CR#116; CR#117; CR#120; CR#123; CR#125 to CR#144 inclusive	78	100% Firestrike Resources Limited

Disposed of during the quarter

<b>Project name</b>	<b>Tenement ID</b>	<b>Number of tenements or claims</b>	<b>Ownership</b>
Copper Ridge Utah USA	CR#001 to CR#004 inclusive; CR#; CR#015; CR#017 to CR#029 inclusive; CR#044; CR#046 to CR#055 inclusive; CR#057; CR#059; CR#061; CR#068; CR#070 to CR#077 inclusive; CR#079; CR#090; CR#092 to CR#097 inclusive; CR#099; CR#101; CR#103; CR#105; CR#107to CR#111 inclusive; CR#113; CR#115; CR#118; CR#119; CR#121; CR#122; CR#124; CR#145 to CR#184 inclusive;	106	100% Firestrike Resources Limited

Acquired during the quarter

Nil			
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# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Firestrike Resources Limited

ABN

84 149 796 332

Quarter ended ("current quarter")

30 September 2015

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(20)	(20)
(b) development	-	-
(c) production	-	-
(d) administration	(82)	(82)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	6	6
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other - tenement rehabilitation bond (refundable)	-	-
<b>Net Operating Cash Flows</b>	<b>(96)</b>	<b>(96)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other - (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>-</b>	<b>-</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(96)</b>	<b>(96)</b>

I.13	Total operating and investing cash flows (brought forward)	(96)	(96)
	<b>Cash flows related to financing activities</b>		
I.14	Proceeds from issues of shares, options, etc.	-	-
I.15	Proceeds from sale of forfeited shares	-	-
I.16	Proceeds from borrowings	-	-
I.17	Repayment of borrowings	-	-
I.18	Dividends paid	-	-
I.19	Other – Capital Raising costs	-	-
	<b>Net financing cash flows</b>	-	-
	<b>Net increase (decrease) in cash held</b>	(96)	(96)
I.20	Cash at beginning of quarter/year to date	716	716
I.21	Exchange rate adjustments to item I.20	-	-
I.22	<b>Cash at end of quarter</b>	620	620

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
I.2	Aggregate amount of payments to the parties included in item I.2	36
I.24	Aggregate amount of loans to the parties included in item I.10	-

I.25 Explanation necessary for an understanding of the transactions

Consulting fees and salaries
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**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Not Applicable
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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Not Applicable
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## Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

## Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	10
4.2 Development	-
4.3 Production	-
4.4 Administration	80
<b>Total</b>	<b>90</b>

## Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	20	61
5.2 Deposits at call	600	655
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>620</b>	<b>716</b>

## Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

## Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference securities</b> (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>*Ordinary securities</b>	90,499,985	90,499,985		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 <b>*Convertible debt securities</b> (description)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> (description and conversion factor)	16,300,000	16,300,000	Exercise price \$0.04	Expiry date 31 December 2016
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired/Cancelled during quarter				
7.11 <b>Debentures</b> (totals only)				
7.12 <b>Unsecured notes</b> (totals only)				



compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: ..... Date: 30/10/2015

Print name: Paul Lloyd

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.