FULL YEAR REPORT

Directors' Report
Auditor's Independence Declaration
Financial Report
Audit Report

30 JUNE 2016

ASX Code: SRK

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A.B.N. 94 088 488 724

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CORPORATE DIRECTORY

BOARD

Farooq Khan	Chairman
William Johnson	Managing Director
Victor Ho	Director
Malcolm Richmond	Non-Executive Director
Matthew Hammond	Non-Executive Director

COMPANY SECRETARY
Victor Ho

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DIRECTORS' REPORT

The Directors present their report on Strike Resources Limited ABN 94 088 488 724 (**Company** or **SRK**) and its controlled entities (the **Consolidated Entity** or **Strike**) for the financial year ended 30 June 2016 (**Balance Date**).

SRK is a company limited by shares that was incorporated in Western Australia and has been listed on the Australian Securities Exchange (**ASX**) since 7 March 2000 (ASX Code: SRK).

The Company has prepared a consolidated financial report incorporating the entities that it controlled during the financial year, being wholly owned subsidiaries.

PRINCIPAL ACTIVITIES

Strike's principal activities during the financial year were the examination of a range of potential new strategies for Strike in light of the poor outlook for the iron ore sector and the investigation of potential alternative value-add strategies in relation to the development of Strike's Iron Ore Projects in Peru.

OPERATING RESULTS

Consolidated	June 2016 $	June 2015 $
Total revenue	270,629	395,152
Total expenses	(899,299)	(904,248)
Loss before tax	(628,670)	(509,096)
Income tax expense	-	(8,768)
Loss after tax	(628,670)	(517,864)

CASH FLOWS

Consolidated	June 2016 $	June 2015 $
Net cash flow from operating activities	(1,342,890)	(2,069,478)
Net cash flow from investing activities	(62,338)	92,701
Net change in cash held	(1,405,228)	(1,976,777)
Cash held at year end	6,970,738	8,374,206

FINANCIAL POSITION

Consolidated	June 2016 $	June 2015 $
Cash	6,970,738	8,374,206
Receivables	64,740	7,739
Other assets	11,903	1,072
Liabilities	(74,062)	(742,914)
Net assets	**6,973,319**	**7,640,103**
Issued capital	148,439,925	148,439,925
Reserves	15,307,830	15,345,944
Accumulated losses	(156,774,436)	(156,145,766)
Total equity	**6,973,319**	**7,640,103**

DIRECTORS' REPORT

REVIEW OF OPERATIONS

Update on Iron Ore Projects in Peru

During the financial year, Strike:

- Renewed (on an annual basis in June 2016) its Peruvian Apurimac Magnetite Iron Ore Project and Cusco Magnetite Iron Ore Project mineral concessions - as previously reported, Strike has consolidated its holding of mineral concessions to the core concessions where JORC Code compliant Mineral Resources have been delineated as well as a number of neighbouring concessions which have strategic value associated with the projects – this has reduced Strike's holding costs in Peru and provides Strike with the flexibility to pursue opportunities to realise value from these iron ore assets in the future if and when favourable market conditions return; and
- Commenced preliminary/conceptual desk-top studies to investigate a potential alternative value-add strategy in relation to the development of the Apurimac Project – this is consistent with Strike's recognition of the project as a potentially strategic asset in Peru which may, when market conditions improve, provide opportunity for the Strike to recover value.

Update on Company Strategy

During the financial year, Strike continued to examine a range of strategies for the Company in light of the on-going poor outlook for the iron ore sector. In this regard:

- Strike has and is reviewing a number of resource opportunities in sectors (in Australia and overseas) where the Company believes that the current market conditions may present good buying opportunities or where there exists positive market sentiment. Strike is actively seeking to build/acquire a portfolio of mining projects in commodities that in the Company's view have strong market fundamentals and in locations which Strike has significant operating experience – principally, Australia and South America.
- Further to the above:
  - Strike has recently applied for a number exploration licences in the North Pilbara, Western Australia and exploration concessions in northern Chile considered prospective for lithium[1]; and
  - Strike are in discussions with a number of potential parties to acquire (joint venture and or farm-in) interests in a range of more advanced lithium and other attractive commodity resource projects in Australia and overseas.
- Whilst Strike has investigated a number of technology related ventures which could form the foundation for a new strategy for the Company (subject to Strike shareholder approval and compliance with the ASX Listing Rules and Corporations Act), market sentiment in this sector has waned of late and Strike is now focusing more on the resource sector (as noted above).

Bentley Capital's Takeover Bid for Strike

On 2 July 2015, Strike announced that a Takeover Response Committee of the Company's then independent Directors (being Mr Malcolm Richmond, Ms Samantha Tough and Mr Matthew Hammond) had been established to respond to the off-market 5.5 cent per share cash takeover bid for Strike announced[2] by Bentley Capital Limited (ASX:BEL) (**Bentley**) on 30 June 2015 (the **Offer**).

In July 2015, Bentley lodged its Bidder's Statement relating to the Offer with ASIC and despatched the same to Strike's shareholders.[3]

In August 2015, the Company lodged its Target's Statement in response to the Offer.[4]

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1 Refer Strike's ASX announcement dated 18 August 2016: New Lithium Projects in Chile and Western Australia

2 Refer Bentley's ASX announcement dated 30 June 2015: Cash Takeover Bid For Strike Resources At 5.5 Cents Per Share

3 Refer Bentley's ASX announcement dated 31 July 2015: Despatch of Bidders Statement to Holders of Strike Resources Limited

4 Refer Strike's Target Statement lodged on ASX on 14 August 2015 and despatched to shareholders

DIRECTORS' REPORT

The Offer closed on 2 September 2015 and a total of 52,553,493 shares representing 36.16% of the Company's issued capital were acquired by Bentley during the bid. Bentley as a consequence is now the Company's largest shareholder.

Information concerning BEL may be viewed from its website: www.bel.com.au.

BEL's market announcements may also be viewed from the ASX website (www.asx.com.au) under ASX code "BEL".

The Takeover Response Committee incurred a total cost of $319,024 in relation to the Company's response to the Offer. This 'one-off' cost is reflected in total expenses of $899,299 incurred for the financial year (June 2015: $904,248).

Board and Corporate Changes

During the financial year, Strike announced a number of Board and corporate changes, as follows:[5 & 6]:

- Farooq Khan's appointment as Director with effect on 1 October 2015 - Farooq Khan was an Alternate Director to Victor Ho (20 January 2014 to 1 October 2015) and has previously been a Director of Strike (between 3 September 1999 and 3 February 2011), including as the founding Executive Chairman and Managing Director after the Company's IPO in March 2000.
- Victor Ho's appointment as Company Secretary with effect on 30 September 2015, to replace David Palumbo (a representative of Mining Corporate) - Victor Ho is also a Director of Strike (since 20 January 2014) and has previously been an Executive Director and Company Secretary of Strike (Director between 12 October 2000 to 25 September 2009 and Company Secretary between 9 March 2000 and 30 April 2010).
- The cessation of Mining Corporate's engagement for the provision of outsourced accounting and company secretarial services to the Company at the end of October 2015.
- A change in Strike's Perth registered office and contact details with effect on 1 October 2015, as a consequence of the transition out of Mining Corporate.

On 30 November 2015, Strike announced that Non-Executive Director, Samantha Tough, had retired at the Annual General Meeting held that day.[7] Ms Tough's retirement from the Strike Board to focus on her other non-executive director roles had been previously foreshadowed.[8]

On 18 December 2015, Strike announced that Farooq Khan had been appointed Chairman of the Board of Directors with effect on 18 December 2015, replacing Malcolm Richmond, who remains on the Board as Non-Executive Director.[9] Malcolm Richmond had been Chairman since February 2011.

DIVIDENDS

No dividends have been paid or declared during the financial year.

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5 Refer Strike's ASX announcement dated 2 October 2015: Board and Corporate Changes

6 Refer Strike's ASX announcement dated 18 December 2015: Change of Chairman

7 Refer Strike's ASX announcement dated 30 November 2015: Retirement of Director

8 Refer Strike's ASX announcement dated 2 July 2015: Takeover Response Committee Established and Samantha Tough to Resign (Following Completion of Offer)

9 Refer Strike's ASX announcement dated 18 December 2015: Change of Chairman

DIRECTORS' REPORT

SECURITIES ON ISSUE

The Company has the following total securities on issue as at 30 June 2016 (and as at the date of this report):

	Quoted on ASX	Unlisted	Total
Fully paid ordinary shares	145,334,268	-	145,334,268
$0.36 (23 November 2016) Unlisted Options[10]	-	1,166,668	1,166,668
$0.42 (23 November 2016) Unlisted Options[10]	-	1,166,666	1,166,666
$0.56 (23 November 2016) Unlisted Options[10]	-	1,166,666	1,166,666
$0.30 (17 June 2018) Unlisted Managing Director's Options[11]		3,000,000	3,000,000
Total	**145,334,268**	**6,500,000**	**151,834,268**

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Consolidated Entity save as otherwise disclosed in this Directors' Report or the financial statements and notes thereto.

FUTURE DEVELOPMENTS

The Consolidated Entity will continue to:

- maintain its iron ore projects in Peru as potentially strategic assets which may, when market conditions improve, provide opportunity for the Strike to recover value from the same; and
- examine a range of strategies (in the resources and potentially non-resources sector) for the Company in light of the on-going poor outlook for the iron ore sector.

The likely outcomes of these activities depend on a range of technical and economic factors and also industry, geographic and other strategy specific issues. In the opinion of the Directors, it is not possible or appropriate to make a prediction on the results of these activities, the future course of markets or the forecast of the likely results of the Consolidated Entity's activities.

ENVIRONMENTAL REGULATION

The Consolidated Entity holds mineral tenement/concession licences issued by the relevant mining and environmental protection authorities of the various countries in which Strike operates (from time to time). In the course of its mineral exploration, evaluation and development activities, the Consolidated Entity adheres to licence conditions and environmental regulations imposed upon it by various authorities (as applicable). The Consolidated Entity has complied with all licence conditions and environmental requirements (as applicable) during the financial year and up to the date of this report. There have been no known material breaches of the Consolidated Entity's licence conditions and environmental regulations during the financial year and up to the date of this report.

10 Refer Strike's ASX announcement dated 24 November 2011: Appendix 3B - Issue of Personnel Options and Strike's Notice of AGM lodged on ASX on 24 October 2011

11 Refer Strike's ASX announcement dated 18 June 2013: Appendix 3B – Grant of Options and Cancellation of Options and Strike's Notice of General Meeting lodged on ASX on 17 May 2013

DIRECTORS' REPORT

BOARD OF DIRECTORS

Farooq Khan	**Chairman**
Appointed	18 December 2015; Director since 1 October 2015; previously Alternate Director to Victor Ho (20 January 2014 to 1 October 2015)
Qualifications	BJuris, LLB (*Western Australia*)
Experience	Mr Khan is a qualified lawyer having previously practised principally in the field of corporate law. Mr Khan is a previous Director of Strike Resources (September 1999 to February 2011, including as the founding Executive Chairman and Managing Director after the Company's IPO in March 2000) and has extensive experience in the securities industry, capital markets and the executive management of ASX-listed companies. In particular, Mr Khan has guided the establishment and growth of a number of public listed companies in the investment, mining and financial services sectors. He has considerable experience in the fields of capital raisings, mergers and acquisitions and investments.
Special responsibilities	Member of the Audit Committee Member of the Remuneration and Nomination Committee
Relevant Interests in shares and options	530,010 Shares (directly)
Other current directorships in listed entities	Executive Chairman of: Orion Equities Limited (ASX:OEQ) (since October 2006) Bentley Capital Limited (ASX:BEL) (Director since December 2003) Executive Chairman and Managing Director of: Queste Communications Ltd (ASX:QUE) (since March 1998)
Former directorships in other listed entities in past 3 years	Nil

William Johnson	**Managing Director**
Appointed	25 March 2013; Director since July 2006
Qualifications	MA (*Oxon*), MBA
Experience	Mr. Johnson holds a Masters degree in engineering science from Oxford University, England and an MBA from Victoria University, New Zealand. His 30 year business career spans multiple industries and countries, with executive/CEO experience in oil and gas exploration (North Africa and Australia), mineral exploration and investment (Australia, Peru, Chile, Saudi Arabia, Oman and Indonesia), telecommunications infrastructure investment (New Zealand, India, Thailand and Malaysia) and information technology and Internet ventures (New Zealand, Philippines and Australia). Mr Johnson is a highly experienced public company director and has considerable depth of experience in business strategy, investment analysis, finance and execution.
Special responsibilities	None
Relevant Interests in shares and options	3,000,000 Unlisted Managing Director's Options ($0.30, 17 June 2018)[11] 249,273 Shares (directly)
Other current directorships in listed entities	Executive Director of: Bentley Capital Limited (ASX:BEL) (since 1 January 2016; Director since March 2009) Director of: Keybridge Capital Limited (ASX:KBC) (since 29 July 2016)[12]
Former directorships in other listed entities in past 3 years	Alara Resources Limited (ASX:AUQ) (October 2009 – October 2013) Cuervo Resources Inc. (CNQ:FE) (March 2013 – December 2013)

12 Refer KBC's ASX announcement dated 29 July 2016: Results of General Meeting and Board Changes.

DIRECTORS' REPORT

Malcolm Richmond	**Non-Executive Director**
Appointed	Director since 25 October 2006; previously Chairman (3 February 2011 to 18 December 2015)
Qualifications	BSc Hons (Metallurgy) and B. Comm. Merit (Econs) (*New South Wales*)
Experience	Mr Richmond has 30 years' experience with the Rio Tinto and CRA Groups in a number of positions including: Vice President, Strategy and Acquisitions; Managing Director, Research and Technology; Managing Director, Development (Hamersley Iron Pty Limited) and Director of Hismelt Corporation Pty Ltd. He was formerly Deputy Chairman of the Australian Mineral Industries Research Association and Vice President of the WA Chamber of Minerals and Energy. Mr Richmond has also served as a Member on the Boards of a number of public and governmental bodies and other public listed companies. He is a qualified metallurgist and economist with extensive senior executive and board experience in the resource and technology industries both in Australia and internationally. His special interests include corporate strategy and the development of markets for internationally traded minerals and metals - particularly in Asia. Mr Richmond served as Visiting Professor at the Graduate School of Management and School of Engineering, University of Western Australia until January 2012 and is a Fellow of the Australian Academy of Technological Sciences & Engineering, a Fellow of Australian Institute of Mining and Metallurgy and a Member of Strategic Planning Institute (US).
Special responsibilities	Chairman of the Audit Committee Member of the Remuneration and Nomination Committee
Relevant Interests in shares and options	Nil
Other current directorships in listed entities	Non-Executive Director of: Argonaut Resources NL (ASX:ARE) (since 14 March 2012)
Former directorships in other listed entities in past 3 years	Nil

Matthew Hammond	**Non-Executive Director**
Appointed	25 September 2009
Qualifications	BA (Hons) (*Bristol*)
Experience	Mr Hammond is Group Managing Director and CFO of Mail.ru, a leading European Internet communication and entertainment services group, which is listed on the London Stock Exchange. Prior to that he was Group Strategist for Metalloinvest Holdings, where he had broad-ranging responsibilities for part of the non-core asset portfolio and advised the Metalloinvest Board on strategic acquisitions and investments. He began his career at Credit Suisse and was Sector Head in Equity Research and in Private Bank Ultra High Net Worth Client Advisory advising on portfolio allocation, strategic M&A and individual investments. As a Technology Analyst at Credit Suisse, he was ranked #1 in the Extell and Institutional Investor surveys 8 times.
Special responsibilities	Chairman of the Remuneration and Nomination Committees Member of the Audit Committee
Relevant Interests in shares and options	Nil
Other current directorships in listed entities	Managing Director and Chief Financial Officer of: Mail.Ru Group Limited (LSX:MAIL) (since April 2011; Director since May 2010; CFO since June 2013) Non-Executive Director of: PuriCore plc (AIM:PURI) (appointed May 2010)
Former directorships in other listed entities in past 3 years	Nautilus Minerals Inc. (TSE:NUS) (October 2009 to September 2013) Qiwi plc (NASDAQ:QIWI) (September 2011 to September 2014)

DIRECTORS' REPORT

Victor Ho	**Director and Company Secretary**
Appointed	Director since 24 January 2014; Company Secretary since 30 September 2015
Qualifications	BCom, LLB (*Western Australia*), CTA
Experience	Mr Ho is a previous Director and Company Secretary of Strike Resources (2000 to 2010) and has been in Executive roles with a number of ASX listed companies across the investments, resources and technology sectors over the past 15+ years. Mr Ho is a Chartered Tax Adviser (CTA) and previously had 9 years' experience in the taxation profession with the Australian Tax Office and in a specialist tax law firm. Mr Ho has been actively involved in the structuring and execution of a number of corporate, M&A and international joint venture (in South America, Indonesia and the Middle East) transactions, capital raisings and capital management initiatives and has extensive experience in public company administration, corporations' law and stock exchange compliance and investor/shareholder relations.
Special responsibilities	Secretary of Audit Committee and Remuneration and Nomination Committee
Relevant Interests in shares and options	Nil
Other positions held in listed entities	Executive Director (also Company Secretary) of: Orion Equities Limited (ASX:OEQ) (Secretary since 2 August 2000 and Director since 4 July 2003) Queste Communications Ltd (ASX:QUE) (Secretary since 30 August 2000 and Director since 3 April 2013) Company Secretary of: Bentley Capital Limited (ASX:BEL) (since 5 February 2004)
Former position in other listed entities in past 3 years	Company Secretary of: Alara Resources Limited (ASX:AUQ) (4 April 2007 to 31 August 2015)

Samantha Tough (appointed 23 January 2012) retired as Non-Executive Director at the Company's Annual General Meeting (**AGM**) held on 30 November 2015.[13]

Also at the Company's 2015 AGM[14]:

- Malcolm Richmond retired as a Director (by rotation) pursuant to the Company's Constitution and was re-elected a Director at that AGM; and
- Farooq Khan retired as a Director (having been appointed by the Board since the last AGM) pursuant to the Company's Constitution and was re-elected a Director at that AGM.

David Palumbo (appointed 14 August 2013) retired as Company Secretary on 30 September 2015.[15]

13 Refer Strike's ASX announcement dated 30 November 2015: Retirement of Director

14 Refer Strike's ASX announcement dated 30 November 2015: Results of 2015 Annual General Meeting

15 Refer Strike's ASX announcement dated 2 October 2015: Board and Corporate Changes

DIRECTORS' REPORT

DIRECTORS' MEETINGS

The following table sets out the numbers of meetings of the Company's Directors held during the financial year (including Directors' circulatory resolutions), and the numbers of meetings attended by each Director of the Company:

	Board Meetings		Audit Committee		Remuneration Committee	
Name of Director	Attended	Max. Possible Meetings	Attended	Max. Possible Meetings	Attended	Max. Possible Meetings
Farooq Khan[a]	7	7	2[b]	2	-	-
William Johnson	9	9	2[c]	-	-	-
Malcolm Richmond	9	9	2	2	-	-
Matthew Hammond	9	9	1	2	-	-
Victor Ho	9	9	2[d]	-	-	-
Samantha Tough[e]	5	5	1	1	-	-

Notes:

(a) Mr Khan was appointed a Director on 1 October 2015 and was previously an Alternate Director to Victor Ho between 20 January 2014 and 1 October 2015[16]

(b) Mr Khan attended one Audit Committee meeting as Alternate Director to Mr Ho; Mr Khan (as an Alternate Director) was appointed to the Audit Committee in March 2015

(c) Mr Johnson attended Audit Committee meetings at the invitation of the Audit Committee

(d) Mr Ho attended one Audit Committee meeting as Secretary of the Audit Committee and one Audit Committee meeting at the invitation of the Audit Committee

(e) Ms Tough (appointed 23 January 2012) retired as Non-Executive Director on 30 November 2015 [17]

Audit Committee

The Audit Committee was established in March 2010 and currently comprises Malcolm Richmond (as Chairman), Farooq Khan and Matthew Hammond.

The Audit Committee has a formal charter to prescribe its objectives, duties and responsibilities, access and authority, composition, membership requirements of the Committee and other administrative matters. Its function includes reviewing and approving the audited annual and reviewed half-yearly financial reports, ensuring a risk management framework is in place, reviewing and monitoring compliance issues, reviewing reports from management and matters related to the external auditor. A copy of the Audit Committee Charter may be downloaded from the Company's website: http://strikeresources.com.au/corporate/corporate-governance/.

Remuneration and Nomination Committee

The Remuneration and Nomination Committee was established in August 2010 and currently comprises Matthew Hammond (as Chairman), Farooq Khan and Malcolm Richmond.

The Remuneration and Nomination Committee has a formal charter to prescribe its purpose, key responsibilities, composition, membership requirements, powers and other administrative matters. The Committee has a:

- Remuneration function - with key responsibilities to make recommendations to the Board on policy governing the remuneration benefits of the Managing Director and Executive Directors, including equity-based remuneration and assist the Managing Director to determine the remuneration benefits of senior management and advise on those determinations; and a
- Nomination function - with key responsibilities to make recommendations to the Board as to various Board matters including the necessary and desirable qualifications, experience and competencies of Directors and the extent to which these are reflected in the Board, the appointment of the Chairman and Managing Director, the development and review of Board succession plans and addressing Board diversity.

A copy of the Remuneration and Nomination Committee Charter may be downloaded from the Company's website: http://strikeresources.com.au/corporate/corporate-governance/.

16 Refer Strike's ASX announcement dated 2 October 2015: Board and Corporate Changes

17 Refer Strike's ASX announcement dated 30 November 2015: Retirement of Director

REMUNERATION REPORT

This Remuneration Report details the nature and amount of remuneration for each Director and Company Executive (being a company secretary or senior manager) (**Key Management Personnel)** of the Company.

The information provided under headings (1) to (6) below has been audited for compliance with section 300A of the *Corporations Act 2001 (Cth)* as required under section 308(3C).

(1) Key Management Personnel disclosed in this report

Name	Current Position	Tenure
Farooq Khan	Chairman	Since 18 December 2015[18]; Director since 1 October 2015[19]; Previously, Alternate Director to Victor Ho between 20 January 2014 and 1 October 2015
William Johnson	Managing Director	Since 25 March 2013; Director since July 2006
Victor Ho	Director and Company Secretary	Director since 24 January 2014; Company Secretary since 30 September 2015[19]
Malcolm Richmond	Non-Executive Director	Director since 25 October 2006; Previously, Chairman between 3 February 2011 and 18 December 2015[18]
Matthew Hammond	Non-Executive Director	Since 25 September 2009
Samantha Tough	Non-Executive Director	Between 23 January 2012 and 30 November 2015[20]

(2) Remuneration Policy

The Board (with guidance from the Remuneration and Nomination Committee) determines the remuneration structure of all Key Management Personnel having regard to the Consolidated Entity's strategic objectives, scale and scope of operations and other relevant factors, including experience and qualifications, length of service, market practice (including available data concerning remuneration paid by other listed companies in particular companies of comparable size and nature within the resources sector in which the Consolidated Entity operates), the duties and accountability of Key Management Personnel and the objective of maintaining a balanced Board which has appropriate expertise and experience, at a reasonable cost to the Company.

The Remuneration and Nomination Committee: A purpose of the Committee is to assist the Managing Director and the Board to adopt and implement a remuneration system that is required to attract, retain and motivate the personnel who will enable the Company to achieve long-term success. In carrying out this 'remuneration function', the Committee's key responsibilities are to:

- make recommendations to the Board on the specific benefits to be provided to the Managing Director within the policy
- conduct an annual review of Non-Executive Directors' fees and determining whether the limit on the Non-Executive Directors' fee pool remains appropriate, and
- assist the Managing Director to determine the remuneration (including equity-based remuneration) of 'Senior Management' (being executive direct reports to the Managing Director and other senior employees) and advise on those determinations.

A copy of the Remuneration and Nomination Committee Charter may be downloaded from the Company's website: http://strikeresources.com.au/corporate/corporate-governance/.

Corporate Governance Principles: The Company's Corporate Governance Statement (**CGS**) also addresses matters pertaining to the Board, Senior Management and Remuneration. The latest version of the CGS may be downloaded from the Company's website: http://strikeresources.com.au/corporate/corporate-governance/.

18 Refer Strike's ASX announcement dated 18 December 2015: Change of Chairman

19 Refer Strike's ASX announcement dated 2 October 2015: Board and Corporate Changes

20 Refer Strike's ASX announcement dated 30 November 2015: Retirement of Director

REMUNERATION REPORT

Fixed Cash Short-term Employment Benefits: The Key Management Personnel of the Company are paid a fixed amount per annum plus applicable employer superannuation contributions. The Non-Executive Directors of the Company are paid a maximum aggregate base remuneration of $550,000[21] per annum inclusive of employer superannuation contributions where applicable, to be divided as the Board determines appropriate.

The Board has determined the following fixed cash remuneration for current Key Management Personnel as follows:

(1) Mr Farooq Khan (Chairman) - a base fee of $80,000 per annum plus employer superannuation contributions;

(2) Mr William Johnson (Managing Director) - a base fee of $208,000 per annum plus employer superannuation contributions;

(3) Mr Malcolm Richmond (Non-Executive Director) - a base fee of $45,000 per annum plus employer superannuation contributions;

(4) Mr Matthew Hammond (Non-Executive Director) - a base fee of $45,000 per annum; and

(5) Mr Victor Ho (Director and Company Secretary) - a base fee of $95,000 (comprising $45,000 Director's fees and $50,000 Company Secretarial fees) per annum plus employer superannuation contributions.

Special Exertions and Reimbursements: Pursuant to the Company's Constitution, each Director is also entitled to receive:

(a) Payment for reimbursement of all travelling, hotel and other expenses reasonably incurred by a Director for the purpose of attending meetings of the Board or otherwise in and about the business of the Company; and

(b) In respect of Non-Executive Directors, payment for the performance of extra services or the making of special exertions for the benefit of the Company (at the request of and with the concurrence of the Board).

Short-Term Benefits: The Managing Director has the opportunity to earn an annual short-term incentive (**STI**) cash amount if predefined key performance indicators (**KPI's**) are achieved. The STI/KPI's are reviewed annually (where applicable). There were no STI KPI's set for the Managing Director in respect of the past 2015/16 financial year or the 2016/17 financial year.

Long-Term Benefits: Other than early termination benefits disclosed in 'Employment Agreements' below, Key Management Personnel have no right to termination payments save for payment of accrued unused annual and long service leave (where applicable) (other than Non-Executive Directors).

Equity-Based Benefits: The Company has not provided equity based benefits (e.g. grant of shares or options) to Key Management Personnel during the financial year. The Company has previously granted unlisted options to Key Management Personnel (refer 'Options Held By Key Management Personnel' below). There were no shares issued as a result of the exercise of options previously issued to Key Management Personnel during the financial year.

Employee Share Option Plan: The Company has an Employee Share Option Plan (the **ESOP**) which was last approved by shareholders at the 2008 Annual General Meeting held on 6 November 2008[22]. The ESOP was developed to assist in the recruitment, reward, retention and motivation of employees (and potentially Executive Directors). Under the ESOP, the Board will nominate personnel to participate and will offer options to subscribe for shares in the Company to those personnel. A summary of the terms of ESOP is set out in Annexure B to the Company's Notice of Annual General Meeting and Explanatory Statement dated 8 October 2008[23]. The Company has not granted any options to Key Management Personnel during the financial year.

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21 As approved by shareholders at the Annual General Meeting held on 25 November 2009; refer SRK's Notice of Annual General Meeting released on ASX on 27 October 2019 and SRK's ASX Announcement dated 25 November 2009: Results of Annual General Meeting

22 Refer SRK's ASX announcement dated 6 November 2008: Results of Annual General Meeting

23 Refer SRK's ASX announcement dated 8 October 2008: Notice of 2008 AGM and Explanatory Statement and Proxy Form

REMUNERATION REPORT

Post-Employment Benefits: The Company does not presently provide retirement benefits to Key Management Personnel. The Company notes that shareholder approval is required where a Company proposes to make a “termination payment” (for example, a payment in lieu of notice, a payment for a post-employment restraint and payments made as a result of the automatic or accelerated vesting of share based payments) in excess of one year’s “base salary” (defined as the average base salary over the previous 3 years) to a director or any person who holds a managerial or executive office.

Performance-Related Benefits and Financial Performance of Company: Save for any applicable STI(s) in place for the Managing Director or any applicable equity-benefits that may be provided to Key Management Personnel, the current remuneration of Key Management Personnel is fixed, is not dependent on the satisfaction of a performance condition and is unrelated to the Company’s performance.

In considering the Company's performance and its effects on shareholder wealth, Directors have had regard to the data set out below for the latest financial year and the previous four financial years.

	2016	**2015**	**2014**	**2013**	**2012**
Profit/(Loss) Before Income Tax	(628,670)	(517,864)	(48,761,450)	23,694,319	(12,836,822)
Basic Earnings/(Loss) per share (cents)	(0.43)	(0.36)	(33.55)	16.44	(9.20)
Dividends Paid (total)	-	-	-	-	-
Dividends Paid (per share)	-	-	-	-	-
Capital Returns Paid (total)	-	-	-	-	-
Capital Returns Paid (per share)	-	-	-	-	-
VWAP Share Price on ASX for financial year	0.05	0.05	0.05	0.13	0.20
Closing Bid Share Price on ASX at 30 June	0.04	0.05	0.04	0.04	0.11

(3) Details of Remuneration of Key Management Personnel

Details of the nature and amount of each element of remuneration of each Key Management Personnel paid or payable by the Company during the financial year are as follows:

2016		**Short-term Benefits**		**Post-Employment Benefits**	**Other Long-term Benefits**	**Equity-Based**	
Key Management Personnel	**Performance-related %**	**Cash salary and fees $**	**Non-cash benefit $**	**Superannuation $**	**Long service leave $**	**Shares & options $**	**Total $**
Directors:							
William Johnson	-	208,000	-	19,760	-	-	227,760
Farooq Khan	-	66,563	-	6,323	-	-	72,886
Malcolm Richmond		55,244		5,248			60,492
Victor Ho		38,250		3,652	-	-	41,902
Matthew Hammond	-	45,000	-	-	-	-	45,000
Samantha Tough	-	33,333	-	3,167	-	-	36,500
Company Secretary:							
Victor Ho	-	37,500	-	3,562	-	-	41,062

2015		**Short-term Benefits**		**Post-Employment Benefits**	**Other Long-term Benefits**	**Equity-Based**	
Key Management Personnel	**Performance-related %**	**Cash salary and fees $**	**Annual Leave $**	**Superannuation $**	**Long service leave $**	**Shares & options $**	**Total $**
Directors:							
William Johnson	-	376,308	33,261	35,749	-	-	445,318
Samantha Tough	-	80,000	-	7,600	-	-	87,600
Malcolm Richmond	-	70,000		6,650			76,650
Matthew Hammond	-	45,000	-		-	-	45,000
Farooq Khan	-	33,750	-	3,206	-	-	36,956
Victor Ho	-	11,250	-	1,069	-	-	12,319

REMUNERATION REPORT

Notes to 2016 and 2015 tables:

(a) Mr Johnson's Managing Director's Employment Agreement was reviewed and amended with effect on 1 May 2015

(b) Mr Khan was appointed a Director on 1 October 2015 and Chairman with effect on 18 December 2015 and was previously an Alternate Director to Mr Ho between 20 January 2014 and 1 October 2015

(c) Mr Ho was appointed Company Secretary with effect on 30 September 2015

(d) Mr Richmond transitioned from Chairman to Non-Executive Director with effect on 18 December 2015

(e) Ms Tough retired as a Director on 30 November 2015

(4) Employment Agreements

Details of the material terms of employment agreements entered by the Company with Key Management Personnel are as follows:

Key Management Personnel and Position Held	Relevant Date(s)	Current Base Salary/Fees per annum	Other Current Terms
William Johnson (Managing Director)	22 April 2013 (date of employment agreement) 11 March 2013 (commencement date) 1 May 2015 (date of effect of current remuneration)	$208,000 plus employer superannuation contributions (currently 9.5% of base salary)	• Standard annual leave (20 days) and personal/sick leave (10 days paid) entitlements plus entitlement to long service leave of 60 days after 7 years of service with an additional 5 days after each year of service thereafter. • One month's notice of termination by the Company or employee. Immediate termination without notice if employee commits any serious act of misconduct. • Entitlement to unlisted options, being the 3,000,000 $0.30 (17 June 2018) Unlisted Managing Director's Options issued on 18 June 2013 (after receipt of shareholder approval). [24] • Permitted to be a Non-Executive Director of no more than 2 public companies provided that it does not compromise ability to devote the care and attention to the Company's affairs required by the position. • Entitlement to cash short-term incentive (**STI**) payments in respect of up to 30% of annual base salary, as set by the Board (having regard to advice from the Remuneration and Nomination Committee) – no STI was defined in respect of the 2015/2016 financial year and as at the date of this report.

(5) Other Benefits Provided to Key Management Personnel

No Key Management Personnel has during or since the end of the financial year, received or become entitled to receive a benefit, other than a remuneration benefit as disclosed above, by reason of a contract made by the Company or a related entity with the Director or with a firm of which he is a member, or with a Company in which he has a substantial interest.

(6) Engagement of Remuneration Consultants

The Company has not engaged any remuneration consultants to provide remuneration recommendations in relation to Key Management Personnel during the year. The Board has established a policy for engaging external Key Management Personnel remuneration consultants which includes, inter alia, that the Non-Executive Directors on the Remuneration Committee be responsible for approving all engagements of and executing contracts to engage remuneration consultants and for receiving remuneration recommendations from remuneration consultants regarding Key Management Personnel. Furthermore, the Company has a policy that remuneration advice provided by remuneration consultants be quarantined from Management where applicable.

24 Refer Strike's ASX announcement dated 18 June 2013: Appendix 3B – Grant of Options and Cancellation of Options and Strike's Notice of General Meeting lodged on ASX on 17 May 2013

REMUNERATION REPORT

(7) Shares held by Key Management Personnel

The number of ordinary shares in the Company held by Key Management Personnel is set below:

Key Management Personnel	Balance at 30 June 2015	Received as part of remuneration	Net Change	Balance at Cessation / 30 June 2016
Farooq Khan	750,803	-	-	750,803
William Johnson	249,273	-	-	249,273
Victor Ho	116,001	-	(116,101)	-
Malcolm Richmond	100,000	-	(100,000) [25]	-
Matthew Hammond	-	-	-	-
Samantha Tough	-	-	-	-

Notes:

(a) Ms Tough retired as a Director on 30 November 2015

(b) The disclosures of shareholdings above are in accordance with the accounting standards which require disclosure of shares held directly, indirectly or beneficially by each key management person, a close member of the family of that person, or an entity over which either of these persons have, directly or indirectly, control, joint control or significant influence (as defined under Accounting Standard AASB 124 Related Party Disclosures)

(8) Options held by Key Management Personnel

The number of options in the Company held by Key Management Personnel is set below:

2016 Key Management Personnel	Balance at 30 June 2015	Granted	Exercised	Lapsed / Cancelled	Balance at Cessation / 30 June 2016	Granted and vested during year	Vested and exercisable at 30 June 2016
William Johnson	3,000,000[(a)]	-	-	-	3,000,000	-	3,000,000
Farooq Khan	-	-	-	-	-	-	
Victor Ho	-	-	-	-	-	-	-
Malcolm Richmond	-	-	-	-	-	-	-
Matthew Hammond	-	-	-	-	-	-	-
Samantha Tough	-	-	-	-	-	-	-

Note:

(a) $0.30 (17 June 2018) Unlisted Managing Director's Options issued on 18 June 2013 after receipt of shareholder approval [26]

(9) Voting and Comments on the Remuneration Report at the 2015 AGM

At the Company's most recent (2015) AGM, a resolution to adopt the prior year (2015) Remuneration Report was put to a vote and passed unanimously on a show of hands with the proxies received also indicating majority (99%) support in favour of adopting the Remuneration Report.[27] No comments were made on the Remuneration Report at the 2015 AGM.

This concludes the audited Remuneration Report.

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25 Refer to Malcolm Richmond's Change of Director's Interest Notice dated 4 September 2015

26 Refer Strike's ASX announcement dated 18 June 2013: Appendix 3B – Grant of Options and Cancellation of Options and Strike's Notice of General Meeting lodged on ASX on 17 May 2013

27 Refer Strike's ASX announcement dated 30 November 2015: Results of 2015 Annual General Meeting

DIRECTORS' REPORT

DIRECTORS' AND OFFICERS' INSURANCE

The Company insures Directors and Officers against liability they may incur in respect of any wrongful acts or omissions made by them in such capacity (to the extent permitted by the *Corporations Act 2001 (Cth)*) (**D&O Policy**). Details of the amount of the premium paid in respect of the insurance policies are not disclosed as such disclosure is prohibited under the terms of the contract.

DIRECTORS' AND OFFICERS' DEEDS

In addition to the rights of indemnity provided under the Company's Constitution (to the extent permitted by the *Corporations Act 2001 (Cth)*), the Company has also entered into a deed with each of the Directors and the Company Secretary (**Officer**) to regulate certain matters between the Company and each Officer, both during the time the Officer holds office and after the Officer ceases to be an officer of the Company, including the following matters:

(a) The Company's obligation to indemnify an Officer for liabilities or legal costs incurred as an officer of the Company (to the extent permitted by the *Corporations Act 2001 (Cth)*); and

(b) Subject to the terms of the deed and the *Corporations Act 2001 (Cth)*, the Company may advance monies to the Officer to meet any costs or expenses of the Officer incurred in circumstances relating to the indemnities provided under the deed and prior to the outcome of any legal proceedings brought against the Officer.

LEGAL PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of a court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of such proceedings. The Company was not a party to any such proceedings during and since the financial year.

AUDITORS

Strike has changed its Auditors from BDO to Rothsay Auditing (a firm of Chartered Accountants with offices in Perth and Sydney), with effect on 12 February 2016.[28] The transition of Auditors occurred as part of a review of the Company's corporate administration costs – Rothsay was selected after considering proposals received from BDO and a number of other audit firms. Rothsay will hold office as Auditor until the next annual general meeting of the Company, at which time shareholder approval will be sought for their re-appointment and continuation as Auditor.

Details of the amounts paid or payable to the Auditors for audit and non-audit services provided during the financial year are set out below:

Auditor	Audit & Review Fees $	Non-Audit Services $	Total $
Rothsay Auditing	14,000	-	14,000
BDO Audit (WA) Pty Ltd	17,478	9,945	27,423
BDO Pazos, Lopez de Romana, Rodriguez[a]	5,382	-	5,382

Note:

(a) Local Peruvian Auditors of Strike's Peruvian subsidiary, Apurimac Ferrum SAC

(b) BDO Audit (WA) Pty Ltd's charges relate to the 30 June 2015 audit and represents costs incurred after the last balance date – this amount is in addition to the $20,583 already provided for and expensed in the 30 June 2015 accounts in this regard.

28 Refer Strike's ASX announcement dated 12 February 2016: Change of Auditors

DIRECTORS' REPORT

The Board is satisfied that the provision of non-audit services by the Auditors during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001 (Cth).* The Board is satisfied that the nature of the non-audit services disclosed above did not compromise the general principles relating to auditor independence as set out in the Institute of Chartered Accountants in Australia and APES 110 Code of Ethics for Professional Accountants: Professional Independence, including reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as advocate for the Company or jointly sharing economic risk and rewards.

Rothsay Auditing continues in office in accordance with Section 327 of the *Corporations Act 2001 (Cth)*.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001 (Cth)* forms part of this Directors Report and is set out on page 17. This relates to the Audit Report, where the Auditors state that they have issued an independence declaration.

EVENTS SUBSEQUENT TO BALANCE DATE

The Directors are not aware of any matters or circumstances at the date of this Directors' Report, other than those referred to in this Directors' Report or the financial statements or notes thereto (in particular Note 22), that have significantly affected or may significantly affect the operations, the results of operations or the state of affairs of the Company in subsequent financial years.

Signed for and on behalf of the Directors in accordance with a resolution of the Board,

Farooq Khan
Chairman

William Johnson
Managing Director

31 August 2016

ROTHSAY

Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005
P.O. Box 8716, Perth Business Centre WA 6849
Phone 9486 7094 www.rothsayresources.com.au

The Directors
Strike Resources Limited
Level 2 23 Ventnor Ave
West Perth WA 6005

Dear Sirs

In accordance with Section 307C of the Corporations Act 2001 (the "Act") I hereby declare that to the best of my knowledge and belief there have been:

i) no contraventions of the auditor independence requirements of the Act in relation to the audit of the 30 June 2016 financial statements; and

ii) no contraventions of any applicable code of professional conduct in relation to the review.

GR Swan

Graham Swan FCA (Lead auditor)

Rothsay Auditing

Dated 31 August 2016

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 30 June 2016

	Note	2016	2015
REVENUE		**$**	**$**
Interest revenue	**2**	268,853	251,077
Other			
Other income		1,776	144,075
TOTAL REVENUE AND INCOME		**270,629**	**395,152**
EXPENSES	**3**		
Personnel expenses		(583,457)	(615,188)
Occupancy expenses		(26,203)	(15,000)
Exploration and evaluation expenses		(282,425)	(720,953)
Reversal of SUNAT provision		608,260	1,097,982
Corporate expenses		(511,614)	(242,621)
Finance expenses		(4,887)	(7,830)
Foreign exchange loss/(gain)		-	(24,647)
Administration expenses		(98,973)	(375,991)
LOSS BEFORE INCOME TAX		**(628,670)**	**(509,096)**
Income tax expense	**5**	-	(8,768)
LOSS FOR THE YEAR		**(628,670)**	**(517,864)**
OTHER COMPREHENSIVE INCOME			
Other Comprehensive Income, Net of Tax			
Exchange differences on translation of foreign operations		(38,114)	(281,270)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(666,784)**	**(799,134)**
LOSS PER SHARE FOR LOSS ATTRIBUTABLE TO THE ORDINARY EQUITY HOLDERS OF THE COMPANY:			
Basic and diluted loss per share (cents)	**6**	(0.43)	(0.36)

The accompanying notes form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 30 June 2016

	Note	2016	2015
		$	$
CURRENT ASSETS			
Cash and cash equivalents	**7**	6,970,738	8,374,206
Receivables	**9**	64,740	7,739
Other current assets		9,616	-
TOTAL CURRENT ASSETS		**7,045,094**	**8,381,945**
NON-CURRENT ASSETS			
Property, plant and equipment		2,287	1,072
Exploration and evaluation expenditure	**10**	-	-
TOTAL NON-CURRENT ASSETS		**2,287**	**1,072**
TOTAL ASSETS		**7,047,381**	**8,383,017**
CURRENT LIABILITIES			
Payables	**11**	60,643	734,214
Provisions	**12**	13,419	8,700
TOTAL CURRENT LIABILITIES		**74,062**	**742,914**
TOTAL LIABILITIES		**74,062**	**742,914**
NET ASSETS		**6,973,319**	**7,640,103**
EQUITY			
Issued capital	**13**	148,439,925	148,439,925
Reserve	**14**	15,307,830	15,345,944
Accumulated losses		(156,774,436)	(156,145,766)
TOTAL EQUITY		**6,973,319**	**7,640,103**

The accompanying notes form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2016

	Issued capital	Currency translation reserve	Share-based payments reserve	Accumulated losses	Total
	$	$	$	$	$
BALANCE AT 1 JULY 2014	**148,439,925**	**2,394,188**	**13,233,026**	**(155,627,902)**	**8,439,237**
Loss for the year	-	-	-	(517,864)	(517,864)
Other comprehensive income	-	(281,270)	-	-	(281,270)
Total comprehensive loss for the year	**-**	**(281,270)**	**-**	**(517,864)**	**(799,134)**
BALANCE AT 30 JUNE 2015	**148,439,925**	**2,112,918**	**13,233,026**	**(156,145,766)**	**7,640,103**
BALANCE AT 1 JULY 2015	**148,439,925**	**2,112,918**	**13,233,026**	**(156,145,766)**	**7,640,103**
Loss for the year	-	-	-	(628,670)	(628,670)
Other comprehensive income	-	(38,114)	-	-	(38,114)
Total comprehensive loss for the year	**-**	**(38,114)**	**-**	**(628,670)**	**(666,784)**
BALANCE AT 30 JUNE 2016	**148,439,925**	**2,074,804**	**13,233,026**	**(156,774,436)**	**6,973,319**

The accompanying notes form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 30 June 2016

	2016	2015
	$	**$**
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(1,342,890)	(2,069,478)
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	**(1,342,890)**	**(2,069,478)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	222,212	265,051
Payments for exploration and evaluation expenses	(282,426)	(194,771)
Payment for purchases of plant and equipment	(2,124)	(1,608)
Proceeds from disposal of plant and equipment	-	24,029
NET CASH USED IN INVESTING ACTIVITIES	**(62,338)**	**92,701**
NET DECREASE IN CASH HELD	**(1,405,228)**	**(1,976,777)**
Cash and cash equivalents at beginning of financial year	8,374,206	10,350,983
Effect of exchange rate changes on cash held	1,760	-
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	**6,970,738**	**8,374,206**

The accompanying notes form part of these consolidated financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the financial year ended 30 June 2016

1. ABOUT THIS FINANCIAL REPORT

1.1 Background

This financial report covers the consolidated financial statement of the consolidated entity consisting of Strike Resources Limited (the **Company**), its subsidiaries and investments in associates (the **Consolidated Entity** or **Strike**). The financial report is presented in the Australian currency.

Strike Resources Limited is a company limited by shares incorporated in Australia and whose shares are publicly traded on the Australian Securities Exchange (**ASX**).

These financial statements have been prepared on a streamlined basis where key information is grouped together for ease of understanding and readability. The notes include information which is required to understand the financial statements and is material and relevant to the operations, financial position and performance of the Consolidated Entity.

Information is considered material and relevant if, for example:

(a) the amount in question is significant because of its size or nature;

(b) it is important for understanding the results of the Consolidated Entity;

(c) it helps to explain the impact of significant changes in the Consolidated Entity's business; or

(d) it relates to an aspect of the Consolidated Entity's operations that may be important to its future performance.

The notes to the financial statements are organised into the following sections:

(a) **Key Performance**: Provides a breakdown of the key individual line items in the statement of comprehensive income that is most relevant to understanding performance and shareholder returns for the year:

Notes
2 Revenue
3 Expenses
4 Segment information
5 Income tax expense
6 Loss per share

(b) **Financial Risk Management**: Provides information about the Consolidated Entity's exposure and management of various financial risks and explains how these affect the Consolidated Entity's financial position and performance:

Notes
7 Cash and cash equivalents
8 Financial risk management

(c) **Other Assets and Liabilities**: Provides information on other balance sheet assets and liabilities that do not materially affect performance or give rise to material financial risk:

Notes
9 Receivables
10 Exploration and evaluation expenditure
11 Payables
12 Provisions

(d) **Capital Structure:** This section outlines how the Consolidated Entity manages its capital structure and related financing costs (where applicable), as well as capital adequacy and reserves. It also provides details on the dividends paid by the Company:

Notes
13 Issued capital
14 Reserve
15 Share-based payments

(e) **Consolidated Entity Structure**: Provides details and disclosures relating to the parent entity of the Consolidated Entity, controlled entities, investments in associates and any acquisitions and/or disposals of businesses in the year. Disclosure on related parties is also provided in the section:

Notes
16 Parent entity information
17 Investment in controlled entities
18 Related party transactions

(f) **Other:** Provides information on items which require disclosure to comply with Australian Accounting Standards and other regulatory pronouncements however, are not considered significant in understanding the financial performance or position of the Consolidated Entity:

Notes
19 Auditors' remuneration
20 Commitments
21 Contingencies
22 Events occurring after the reporting period

Significant and other accounting policies that summarise the measurement basis used and presentation policies and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

1.2 Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australia Accounting Interpretations and the *Corporations Act 2001 (Cth)*. The Company is a for-profit entity for the purpose of preparing the financial statements.

Compliance with International Financial Reporting Standards (IFRS)

The consolidated financial statements of the Consolidated Entity comply with International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**).

Reporting Basis and Financial Statement Presentation

The financial report has been prepared on a going concern basis and is based on historical costs modified by the revaluation of financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The principal accounting policies adopted in the preparation of these financial statements have been consistently applied to all the years presented, unless otherwise stated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the financial year ended 30 June 2016

1.3 Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of the Company as at 30 June 2016 and the results of its subsidiaries for the year then ended. The Company and its subsidiaries are referred to in this financial report as Strike or the Consolidated Entity.

All inter-company balances and transactions between entities in the Consolidated Entity, including any unrealised profits or losses, have been eliminated on consolidation.

1.4 Comparative Figures

Where required by the Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial period.

1.5 Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST. Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the financial year ended 30 June 2016

1.6 Summary of Accounting Standards Issued But Not Yet Effective

The following new Accounting Standards and Interpretations (which have been released but not yet adopted) have no material impact on the Consolidated Entity's financial statements or the associated notes therein.

AASB reference	Title and Affected Standard(s)	Nature of Change	Application date
AASB 9 (issued December 2014)	Financial Instruments	**Classification and measurement** AASB 9 amendments the classification and measurement of financial assets: • Financial assets will either be measured at amortised cost, fair value through other comprehensive income (**FVTOCI**) or fair value through profit or loss (**FVTPL**). • Financial assets are measured at amortised cost or FVTOCI if certain restrictive conditions are met. All other financial assets are measured at FVTPL. • All investments in equity instruments will be measured at fair value. For those investments in equity instruments that are not held for trading, there is an irrevocable election to present gains and losses in OCI. Dividends will be recognised in profit or loss The following requirements have generally been carried forward unchanged from AASB 139 Financial Instruments: Recognition and Measurement into AASB 9: • Classification and measurement of financial liabilities, and • Derecognition requirements for financial assets and liabilities. However, AASB 9 requires that gains or losses on financial liabilities measured at fair value are recognised in profit or loss, except that the effects of changes in the liability's credit risk are recognised in other comprehensive income. **Impairment** The new impairment model in AASB 9 is now based on an 'expected loss' model rather than an 'incurred loss' model. A complex three stage model applies to debt instruments at amortised cost or at fair value through other comprehensive income for recognising impairment losses. A simplified impairment model applies to trade receivables and lease receivables with maturities that are less than 12 months. For trade receivables and lease receivables with maturity longer than 12 months, entities have a choice of applying the complex three stage model or the simplified model.	Annual reporting periods beginning on or after 1 January 2018
AASB 2014-3	Amendments to Australian Standards – Accounting for Acquisitions of Interests in Joint Operations AASB 1 & 11	AASB 2014-3 amends AASB 11 *Joint Arrangements* to provide guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business. The amendments require: • the acquirer of an interest in a joint operation in which the activity constitutes a business, as defined in AASB 3 Business Combinations, to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11 • the acquirer to disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations	Annual reporting periods beginning on or after 1 January 2016

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the financial year ended 30 June 2016

1.6 Summary of Accounting Standards Issued But Not Yet Effective (continued)

AASB reference	Title and Affected Standard(s)	Nature of Change	Application date
AASB 2014-4	Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to AASB 116 and AASB 138)	AASB 116 *Property Plant and Equipment* and AASB 138 *Intangible Assets* both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The amendment also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.	Annual reporting periods beginning on or after 1 January 2016
AASB 2015-1	Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012 – 2014 Cycle	The subjects of the principal amendments to the Standards are set out below: AASB 5 *Non-current Assets Held for Sale and Discontinued Operations:* • Changes in methods of disposal – where an entity reclassifies an asset (or disposal group) directly from being held for distribution to being held for sale (or vice versa), an entity shall not follow the guidance in paragraphs 27–29 to account for this change. AASB 7 *Financial Instruments: Disclosures:* • Servicing contracts - clarifies how an entity should apply the guidance in paragraph 42C of AASB 7 to a servicing contract to decide whether a servicing contract is ‘continuing involvement’ for the purposes of applying the disclosure requirements in paragraphs 42E–42H of AASB 7. • Applicability of the amendments to AASB 7 to condensed interim financial statements - clarify that the additional disclosure required by the amendments to AASB 7 Disclosure–Offsetting Financial Assets and Financial Liabilities is not specifically required for all interim periods. However, the additional disclosure is required to be given in condensed interim financial statements that are prepared in accordance with AASB 134 Interim Financial Reporting when its inclusion would be required by the requirements of AASB 134. AASB 119 *Employee Benefits*: • Discount rate: regional market issue - clarifies that the high quality corporate bonds used to estimate the discount rate for post-employment benefit obligations should be denominated in the same currency as the liability. Further it clarifies that the depth of the market for high quality corporate bonds should be assessed at the currency level. AASB 134 *Interim Financial Reporting:* • Disclosure of information ‘elsewhere in the interim financial report’ - amends AASB 134 to clarify the meaning of disclosure of information ‘elsewhere in the interim financial report’ and to require the inclusion of a cross-reference from the interim financial statements to the location of this information.	Annual reporting periods beginning on or after 1 January 2016

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2016

2. REVENUE

The Consolidated Entity's operating loss before income tax includes the following items of revenue:

	2016	2015
Revenue	**$**	**$**
Interest revenue	268,853	251,077
	268,853	251,077
Other		
Gain on loss of control of subsidiary	-	144,075
Foreign exchange gain	1,760	-
Other income	16	-
	270,629	**395,152**

Accounting policy

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties. The Consolidated Entity recognises revenue when the amount of revenue can be reliably measured. It is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Consolidated Entity's activities as described below. The Consolidate Entity bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Revenue is recognised for the major business activities as follows:

(i) Interest revenue

Interest income is recognised using the effective interest method. When a receivable is impaired, the Consolidated Entity reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

(ii) Gain on loss of control of subsidiary

When the Consolidated Entity ceases to have control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. Any amounts previously recognised in Other Comprehensive Income in respect of that entity are accounted for as if the Consolidated Entity had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in Other Comprehensive Income are reclassified to profit or loss.

(iii) Other revenues

Other revenues are recognised on a receipts basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2016

3. EXPENSES

The Consolidated Entity's operating loss before income tax includes the following items of expenses:

	2016	2015
Personnel expenses	$	$
Salaries, fees and employee benefits	583,457	615,188
Occupancy expenses	26,203	15,000
Exploration and evaluation expenses		
Impairment loss	271,844	720,953
Other exploration and evaluation expenses	10,581	-
Reversal of SUNAT provision	(608,260)	(1,097,982)
Corporate expenses		
Professional fees	123,307	342,529
Takeover response cost	319,024	-
Legal fees - reversal of provision	(41,575)	(235,841)
Audit	36,630	54,147
Accounting, taxation and related administration	16,431	39,001
ASX fees	21,278	19,179
Share registry	33,133	11,373
Other corporate expenses	3,386	12,233
Finance expenses	4,887	7,830
Foreign exchange loss	-	24,647
Administration expenses		
Travel, accommodation and incidentals	16,280	48,140
Depreciation	909	536
Insurance	22,206	31,957
Other administration expenses	59,578	295,358
	899,299	**904,248**

Accounting policy

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. Foreign exchange gains or losses that relate to borrowings are presented in the Consolidated Statement of Profit or Loss and Other Comprehensive Income within finance costs. All other foreign exchange gains and losses are presented in the Consolidated Statement of Profit or Loss and Other Comprehensive Income on a net basis within other income or operating expenses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2016

4. SEGMENT INFORMATION

	Peru	Australia	Total
2016	**$**	**$**	**$**
Revenue	-	268,853	268,853
Other	1,776	-	1,776
Total segment revenues	**1,776**	**268,853**	**270,629**
Personnel expenses	-	583,457	583,457
Corporate expenses	64,582	447,032	511,614
Finance expenses	3,129	1,758	4,887
Exploration and evaluation expenses	271,844	10,581	282,425
Depreciation expense	-	909	909
Other expenses	(674,070)	190,077	(483,993)
Total segment profit/(loss)	**336,291**	**(964,961)**	**(628,670)**
Adjusted EBITDA	**608,135**	**(964,046)**	**(355,911)**
Total segment assets	**74,217**	**6,973,164**	**7,047,381**
Total segment liabilities	**36,985**	**37,077**	**74,062**
2015			
Revenue	-	251,077	251,077
Other	-	144,075	144,075
Total segment revenues	**-**	**395,152**	**395,152**
Personnel expenses	(21,744)	636,932	615,188
Corporate expenses	(124,921)	367,542	242,621
Finance expenses	5,397	2,433	7,830
Exploration and evaluation expenses	722,536	(1,583)	720,953
Depreciation expense	-	536	536
Other expenses	(804,676)	121,796	(682,880)
Total segment profit/(loss)	**223,408**	**(732,504)**	**(509,096)**
Adjusted EBITDA	**116,555**	**(1,371,162)**	**(1,254,607)**
Total segment assets	**103,406**	**8,279,611**	**8,383,017**
Total segment liabilities	**71,698**	**671,216**	**742,914**

Accounting policy
The operating segments are reported in a manner consistent with the internal reporting provided to the Managing Director. The Managing Director is responsible for allocating resources and assessing performance of the operating segments and has considered the business and geographical perspectives of the operating results and determined that the Consolidated Entity operates only in Australia and Peru.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2016

5. INCOME TAX EXPENSE

		2016	2015
(a)	**The components of tax expense comprise:**	**$**	**$**
	Current tax	**-**	**8,768**
	Deferred tax	**-**	**-**
		-	**8,768**
(b)	**The prima facie tax on operating loss before income tax is reconciled to the income tax as follows:**		
	Prima facie tax payable on operating loss before income tax at 28.5% (2015: 30%)	(179,171)	(152,729)
	Adjust tax effect of:		
	Non-deductible expenses	87,351	(9,287)
	Movement in unrecognised temporary differences	(204,047)	62,993
	Foreign tax rates differential	(502)	(2,506)
	Foreign jurisdiction withholding tax	-	8,768
	Current year tax losses not recognised	296,369	210,308
	Prior year tax losses brought to account	-	(108,779)
	Income tax attributable to entity	**-**	**8,768**
(c)	**Unrecognised deferred tax balances**		
	Unrecognised deferred tax asset - revenue losses	9,194,441	9,102,300
	Unrecognised deferred tax asset - other	10,760,443	12,506,259
		19,954,884	**21,608,559**

Critical accounting judgement and estimate
Deferred tax assets have not been recognised as, in the Directors' opinion, it is not probable that future taxable profit will be available against which the Consolidated Entity can utilise the benefits. The utilisation of revenue and capital tax losses are subject to compliance with taxation legislation.

Accounting policy
The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and for unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2016

5. INCOME TAX EXPENSE (continued)

Accounting policy (continued)
Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities, and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity. In this case, the tax is also recognised in Other Comprehensive Income or directly in equity, respectively.

6. LOSS PER SHARE

	2016	2015
	cents	cents
Basic and diluted loss per share	(0.43)	(0.36)

The following represents the loss and weighted average number of shares used in the EPS calculations:	2016 $	2015 $
Net loss after income tax	(628,670)	(517,864)
	Shares	Shares
Weighted average number of ordinary shares	145,334,268	145,334,268

Under AASB113 (Earnings per share), potential ordinary shares such as options will only be treated as dilutive when their conversion to ordinary shares would increase the loss per share from continuing operations. Diluted loss per share has not been calculated as the Company's options do not increase the basic loss per share.

Accounting policy
Basic earnings per share is determined by dividing the operating result after income tax by the weighted average number of ordinary shares on issue during the financial period.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share by taking into account amounts unpaid on ordinary shares and any reduction in earnings per share that will probably arise from the exercise of options outstanding during the financial period

7. CASH AND CASH EQUIVALENTS

	2016	2015
	$	$
Cash at bank	245,738	299,206
Term deposits	6,725,000	8,075,000
	6,970,738	**8,374,206**

Accounting policy
Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts (if any) are shown within short-term borrowings in current liabilities on the Statement of Financial Position.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2016

7. CASH AND CASH EQUIVALENTS (continued)

(a) Reconciliation of operating loss after income tax to net cash used in operating activities	2016 $	2015 $
Loss after income tax	**(628,670)**	**(517,864)**
Add non-cash items:		
Depreciation	909	536
Gain on loss of control of subsidiary	-	(144,075)
Adjustment for movement in foreign exchange	(39,874)	(141,682)
Non-Current assets held for sale impairment	-	500,342
Changes in assets and liabilities:		
Receivables	(271,468)	22,149
Other current assets	(17,362)	-
Payables	(391,144)	(1,727,229)
Provisions	4,719	(61,655)
	(1,342,890)	**(2,069,478)**

8. FINANCIAL RISK MANAGEMENT

The Consolidated Entity's financial instruments consist of deposits with banks, receivables and payables. The Consolidated Entity's financial instruments are subject to market (which includes interest rate and foreign exchange risk), credit and liquidity risks.

The Board is responsible for the overall internal control framework (which includes risk management) but no cost-effective internal control system will preclude all errors and irregularities. The system is based, in part, on the appointment of suitably qualified management personnel. The effectiveness of the system is continually reviewed by management and at least annually by the Board.

The financial receivables and payables of the Consolidated Entity in the table below are due or payable within 30 days. The Consolidated Entity holds the following financial assets and liabilities

	Note	2016 $	2015 $
Cash and cash equivalents	**7**	6,970,738	8,374,206
Receivables	**9**	64,740	7,739
		7,035,478	**8,381,945**
Payables	**11**	(60,643)	(734,214)
Net financial assets		**6,974,835**	**7,647,731**

(a) Market risk

Market risk is the risk that the fair value and/or future cash flows from a financial instrument will fluctuate as a result of changes in market factors. Market risk comprises of foreign exchange risk from fluctuations in foreign currencies and interest rate risk from fluctuations in market interest rates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2016

8. FINANCIAL RISK MANAGEMENT (continued)

(i) Foreign exchange risk

The Consolidated Entity operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar and Peruvian Nuevo Soles.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Consolidated Entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The Consolidated Entity has a policy of not hedging foreign exchange risk and therefore has not entered into any hedging against movements in foreign currencies against the Australian dollar, including forward exchange contracts, as at the reporting date and is currently fully exposed to foreign exchange risk.

The Consolidated Entity's exposure to foreign exchange risk expressed in US dollars at the reporting date are as follows:

	2016	2015
	USD	**USD**
Cash and cash equivalents	26,587	74,044
Payables	(19,939)	(60,338)
Net financial assets	6,648	13,706

(i) Foreign exchange risk (continued)

The Consolidated Entity has performed a sensitivity analysis on its exposure to exchange risk. The management assessment is based upon an analysis of current and future market position. The analysis demonstrates the effect on the current year results and equity when the Australian dollar strengthened or weakened by 10% against the foreign currencies detailed above.

	Impact on post-tax profit		Impact on other components of equity	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Increase 10%	665	1,371	-	-
Decrease 10%	(665)	(1,371)	-	-

(ii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Consolidated Entity's exposure to market risk for changes in interest rates relate primarily to investments held in interest bearing instruments. The weighted average interest rate of the cash at bank for the year for the table below is 2.90% (2015: 2.84%)

	2016	2015
	$	**$**
Cash at bank	245,738	299,206
Term deposit	6,725,000	8,075,000
	6,970,738	**8,374,206**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2016

8. FINANCIAL RISK MANAGEMENT (continued)

(ii) Interest rate risk (continued)

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates based on observation of current market conditions. The calculations are based on a change in the average market interest rate and the financial instruments that are sensitive to changes in interest rates.

	Impact on post-tax profit		Impact on other components of equity	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Increase by 25bps	17,427	20,936	-	-
Decrease by 25bps	(17,427)	(20,936)	-	-

(b) Liquidity risk

Liquidity risk is the risk that the Consolidated Entity will encounter difficulty in meeting obligations associated with financial liabilities. The Consolidated Entity has no borrowings. The Consolidated Entity's non-cash investments can be realised to meet trade and other payables arising in the normal course of business. The financial liabilities disclosed in the above table have a maturity obligation of not more than 30 days.

(c) Credit risk

Credit risk refers to the risk that a counterparty under a financial instrument will default (in whole or in part) on its contractual obligations resulting in financial loss to the Consolidated Entity. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, including outstanding receivables and committed transactions. Concentrations of credit risk are minimised primarily by the management carrying out all market transactions through recognised and creditworthy brokers and the monitoring of receivable balances. The Consolidated Entity's business activities do not necessitate the requirement for collateral as a means of mitigating the risk of financial loss from defaults.

The credit quality of the financial assets are neither past due nor impaired and can be assessed by reference to external credit ratings (if available with Standard & Poor's) or to historical information about counterparty default rates. The maximum exposure to credit risk at reporting date is the carrying amount of the financial assets as summarised below:

	2016	**2015**
Cash and cash equivalents	**$**	**$**
AA-	6,909,896	8,270,800
No external credit rating available	60,842	103,406
	6,970,738	**8,374,206**
Receivables (due within 30 days)		
No external credit rating available	**64,740**	**7,739**

9. RECEIVABLES

Interest receivable	46,657	-
Other receivables	18,083	7,739
	64,740	**7,739**

Accounting policy

Receivables are recorded at amounts due less any provision for doubtful debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when considered non-recoverable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2016

10. EXPLORATION AND EVALUATION EXPENDITURE	2016	2015
	$	**$**
Opening balance	-	-
Exploration and evaluation costs	(271,844)	220,611
Impairment loss	271,844	(220,611)
Closing balance	**-**	**-**

Critical accounting estimates and judgements
The Consolidated Entity has assessed the carrying amount of the exploration and evaluation in accordance with AASB 6 (Exploration for and Evaluation of Mineral Resources) and has recognised an impairment expense of $271,844 during the current financial year. The ultimate recoverability of deferred exploration and evaluation expenditure is dependent on the successful development or sale of the relevant area of interest.

Accounting policy
Exploration and evaluation expenditure incurred is initially capitalised in respect of each identifiable area of interest where the Consolidated Entity has right of tenure. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence or otherwise of economically-recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

Under AASB 6 (Exploration for and Evaluation of Mineral Resources), if facts and circumstances suggest that the carrying amount of any recognised exploration and evaluation assets may be impaired, the Consolidated Entity must perform impairment tests on those assets and measure any impairment in accordance with AASB 136 (Impairment of Assets). Any impairment loss is to be recognised as an expense. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

11. PAYABLES	2016	2015
	$	**$**
Trade payables	21,947	23,771
Other creditors and accruals	38,295	99,565
Withholding tax *	401	610,878
	60,643	**734,214**

* Withholding tax (2015) comprises an accrual/provision of 1,472,822 Peruvian Soles in respect of Non-Resident Income Tax Withholding Tax (**WHT**) pertaining to Peruvian subsidiary, Apurimac Ferrum SAC (**AF**) – this relates to a SUNAT (the Peruvian Tax Administration) determination following an audit of AF's WHT obligations for the 2010 and 2011 fiscal years completed in June 2014.

SUNAT's original WHT determination was for 3,693,580 Soles ($1,470,453 as accrued/provided for in the 30 June 2014 Consolidated Entity's accounts), which AF sought to formally review. In April 2015, SUNAT confirmed the legitimacy of a minor amount of ($10,918) in WHT liabilities (and late payment penalties) and requested a re-audit of a number of matters as it believed that there was insufficient evidence compiled to support its initial findings. As a consequence of this decision, the Consolidated Entity reduced its accrual/provision to 1,472,822 Soles ($610,446 as at 30 June 2015).

SUNAT has not advised the Consolidated Entity as to the status of commencement/completion of their re-audit. Given the lack of action by SUNAT since April 2015, the Directors have reviewed the previous decision to recognise the WHT accrual/provision and after receipt of advice from its Peruvian tax advisors, have determined to reverse this WHT accrual/provision. The Consolidated Entity reiterates that it intends to appeal any final WHT determination by SUNAT to the Tax Administration Court (where applicable). The Consolidated Entity has disclosed this matter as a contingent liability in Note 21(f).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2016

11. PAYABLES (continued)

Accounting policy
These amounts represent liabilities for goods and services provided to the Consolidated Entity prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

12. PROVISIONS

	2016	2015
	$	$
Employee benefits - annual leave	4,251	8,700
Other	9,168	-
	13,419	**8,700**

Accounting policy
Short-term obligations
Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Provisions for legal claims, service warranties and make good obligations are made where the Consolidated Entity has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

13. ISSUED CAPITAL

	2016	2015
	$	$
145,334,268 (2015: 145,334,268) fully paid ordinary shares	**148,439,925**	**148,439,925**

There has been no movement in issued capital from 1 July 2014.

Accounting policy
Ordinary shares are classified as equity. Fully paid ordinary shares carry one vote per share and the right to dividends.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

(a) Options
Information relating to unlisted options issued to Directors and options issued under the Strike Resources Limited Employee Share Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in Note 15.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2016

13. ISSUED CAPITAL (continued)

(b) Capital risk management

The Company's objectives when managing its capital are to safeguard its ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a capital structure balancing the interests of all shareholders.

The Board will consider capital management initiatives as is appropriate and in the best interests of the Company and shareholders from time to time, including undertaking capital raisings, share buy-backs, capital reductions and selling assets to reduce debt.

The Consolidated Entity has no external borrowings.

14. RESERVE	2016	2015
	$	$
Share-based payments reserve	13,233,026	13,233,026
Foreign currency translation reserve	2,074,804	2,112,918
	15,307,830	**15,345,944**

(a) Share-based payments reserve

The share-based payments reserve records the consideration (net of expenses) received by the Company on the issue of options. In relation to options issued to Directors and employees for nil consideration, the fair values of these options are included in the share-based payments reserve.

(b) Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled entities are taken to the foreign currency translation reserve as described in the accounting policy note below and accumulate in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

Accounting policy

Foreign currency translation reserve

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position

(ii) income and expenses for Consolidated Statement of Profit or Loss and Other Comprehensive Income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and

(iii) all resulting exchange differences are recognised in Other Comprehensive Income

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in Other Comprehensive Income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2016

15. SHARE-BASED PAYMENTS

The Company has the following options on issue at balance date:

Grant date	Expiry date	Exercise price ($)	Opening balance	During the year Granted	Exercised	Forfeited	Closing balance	Vested and exercisable at year end
Financial year 2016								
24-Nov-11	23-Nov-16	0.36	833,334	-	-	-	833,334	833,334
24-Nov-11	23-Nov-16	0.42	833,333	-	-	-	833,333	833,333
24-Nov-11	23-Nov-16	0.56	833,333	-	-	-	833,333	833,333
05-Apr-12	23-Nov-16	0.36	333,334	-	-	-	333,334	333,334
05-Apr-12	23-Nov-16	0.42	333,333	-	-	-	333,333	333,333
05-Apr-12	23-Nov-16	0.56	333,333	-	-	-	333,333	333,333
18-Jun-13	17-Jun-18	0.30	3,000,000	-	-	-	3,000,000	3,000,000
			6,500,000	-	-	-	6,500,000	6,500,000
Weighted average exercise price			0.38				0.38	0.38
Financial year 2015								
24-Nov-11	23-Nov-16	0.36	833,334	-	-	-	833,334	833,334
24-Nov-11	23-Nov-16	0.42	833,333	-	-	-	833,333	833,333
24-Nov-11	23-Nov-16	0.56	833,333	-	-	-	833,333	833,333
05-Apr-12	23-Nov-16	0.36	333,334	-	-	-	333,334	333,334
05-Apr-12	23-Nov-16	0.42	333,333	-	-	-	333,333	333,333
05-Apr-12	23-Nov-16	0.56	333,333	-	-	-	333,333	333,333
18-Jun-13	17-Jun-18	0.30	3,000,000	-	-	-	3,000,000	3,000,000
			6,500,000	-	-	-	6,500,000	6,500,000
Weighted average exercise price			0.38				0.38	0.38

No options were exercised during the year. The weighted average remaining contractual life of share options outstanding at the end of the period was 0.62 year (2015: 1.63 years)

Accounting policy

Shared-based compensation benefits are provided to Directors (after receipt of shareholder approval) and to employees via the Strike Resources Limited Employee Share Option Plan.

The fair value of options granted is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted, which includes any market performance conditions and the impact of any non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions.

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss with a corresponding adjustment to equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2016

16. PARENT ENTITY INFORMATION

The following information provided relates to the Company, Strike Resources Limited, as at 30 June 2016.

	2016	2015
Statement of profit or loss and other comprehensive income	**$**	**$**
Loss for the year	(964,715)	(1,522,957)
Other comprehensive income	-	-
Total comprehensive income for the year	**(964,715)**	**(1,522,957)**
Statement of financial position		
Current assets		
Cash and cash equivalents	6,909,896	8,270,800
Other	60,982	7,739
Non current assets	309,396	1,072
Total assets	**7,280,274**	**8,279,611**
Current liabilities *	37,077	71,698
Total liabilities	**37,077**	**71,698**
Net assets	**7,243,197**	**8,207,913**
Issued capital	148,439,925	148,439,925
Option reserve	13,233,025	13,233,025
Accumulated losses	(154,429,753)	(153,465,037)
Equity	**7,243,197**	**8,207,913**

* inter-company loans within the Consolidated Entity (fully impaired)

The parent entity does not have any material contingent assets or liabilities.

17. INVESTMENT IN CONTROLLED ENTITIES

		Ownership interest	
Investment in controlled entities	**Incorporated**	**2016**	**2015**
Strike Finance Pty Ltd	Australia	100%	100%
Strike Australian Operations Pty Ltd	Australia	100%	100%
Strike Operations Pty Ltd	Australia	100%	100%
Ferrum Holdings Limited	British Anguilla	100%	100%
Strike Resources Peru S.A.C.	Peru	100%	100%
Apurimac Ferrum S.A.C.	Peru	100%	100%
Ferrum Trading S.A.C	Peru	100%	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2016

17. INVESTMENT IN CONTROLLED ENTITIES (continued)

Accounting policy
Subsidiaries are all entities (including structured entities) over which the Consolidated Entity has control. The Consolidated Entity controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Consolidated Entity.

Intercompany transactions, balances and unrealised gains on transactions in the Consolidated Entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the assets transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Entity.

18. RELATED PARTY TRANSACTIONS

(a) Transactions with key management personnel (KMP)

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Consolidated Entity's KMP for the year ended 30 June 2016. The total remuneration paid to KMP of the Consolidated Entity during the year is as follows:

	2016	2015
Directors	**$**	**$**
Short-term employee benefits	446,390	649,569
Post-employment benefits	38,150	54,274
Other KMP		
Short-term employee benefits	37,500	-
Post-employment benefits	3,562	-
	525,602	**703,843**

(b) Transactions with other related parties

No other related party transactions have been identified other than those disclosed above.

19. AUDITORS' REMUNERATION

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	2016	2015
Audit and review of financial statements	**$**	**$**
Rothsay Auditing	14,000	-
BDO Audit (WA) Pty Ltd	17,477	37,500
BDO Pazos, Lopez de Romana, Rodriguez	5,382	4,974
Taxation services		
BDO Tax (WA) Pty Ltd	9,945	17,085
	46,804	**59,559**

The Company changed its Auditors from BDO Audit (WA) Pty Ltd to Rothsay Auditing, with effect on 12 February 2016.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the financial year ended 30 June 2016

20. COMMITMENTS

(a) Lease Commitments

The Consolidated Entity has no lease commitments.

(b) Mineral Tenements/Concessions - Commitments for Expenditure

(i) Australian Tenements

In order to maintain current rights of tenure to exploration tenements, the holders of Australian mineral tenements are required to outlay lease rentals and meet minimum expenditure commitments. The Consolidated Entity does not currently have any material commitments for expenditure relating to Australian tenements.

(ii) Peruvian Mineral Concessions

The Consolidated Entity is required to pay annual licence fees by 30 June of each year, at rates which vary on an amount per-hectare basis. The total amount of this commitment will depend upon the number and area of concessions retained, relinquished or granted (if any) and cannot therefore be reliably estimated.

A number of non-core mineral concessions in Peru were allowed to lapse on 30 June 2015, significantly reducing the Consolidated Entity's annual expenditure in Peru. The Consolidated Entity continues to hold 14 core Apurimac and Cusco Project mineral concessions where JORC Mineral Resources of iron ore have been delineated (and neighbouring areas which have strategic value associated with the projects).

21. CONTINGENCIES

(a) Australian Native Title

The Consolidated Entity's tenements in Australia may be subject to native title applications in the future. At this stage it is not possible to quantify the impact (if any) that native title may have on the operations of the Consolidated Entity.

(b) Government Royalties

The Consolidated Entity is liable to pay royalties on production obtained from its mineral tenements/concessions.

(c) Directors' Deeds

The Consolidated Entity has entered into deeds of indemnity with Strike Resources Limited Directors, indemnifying them against liability incurred in discharging their duties as Directors/officers of the Consolidated Entity. As at the reporting date, no claims have been made under any such indemnities and, accordingly, it is not possible to quantify the potential financial obligation of the Consolidated Entity under these indemnities.

(d) Deferred Payments from Settlement Agreement Relating to Apurimac Ferrum SAC

Pursuant to a settlement agreement dated 30 December 2012 whereby the Consolidated Entity acquired the (50%) balance of equity interest in Apurimac Ferrum SAC (**AF**) (the holder of the Apurimac and Cusco Projects) from D&C Pesca SAC, the Consolidated Entity has a series of deferred payment obligations as outlined below.

The Consolidated Entity has payment obligations if certain milestones are achieved as follows:

(i) **Resource Milestone Payment:** US$2 million on the delineation of at least 500 Mt of JORC Mineral Resources at an average grade of at least 55% Fe with at least 275 Mt of contained iron having an average grade of at least 52.5% Fe, on the Apurimac Project mineral concessions.

(ii) **Approvals Milestone Payment**: Up to US$3 million on AF receiving all formal government environmental and community approvals for the construction and operation of an iron ore mine and required infrastructure with a design capacity of at least 10Mtpa of iron ore product, relating to the Apurimac Project mineral concessions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the financial year ended 30 June 2016

21. CONTINGENCIES

(d) Deferred Payments from Settlement Agreement Relating to Apurimac Ferrum SAC (continued)

(iii) **Construction Milestone Payment**: Up to US$5 million on formal approval of the AF Board to commence construction of an iron ore project or the commencement of bulk earthworks for an iron ore mine or processing plant, in either case with a design capacity of at least 10Mtpa of iron ore product, relating to the Apurimac Project mineral concessions.

The Consolidated Entity has royalty payment obligations as follows:

(i) 1.5% of the net profits from sales of iron ore mined and iron ore products produced from the Apurimac and Cusco Project mineral concessions.

(ii) 2% of the proceeds of sales of other metals (on a net smelter return basis) mined from the Apurimac and Cusco Project mineral concessions.

AF may extinguish the royalties (save for royalties on other metals up to a cap of US$0.5 million per annum) by making an Extinguishment Payment as follows - US$30 million, if paid 4 years from 20 December 2012 but before the Construction Milestone occurs or the 15th anniversary of the settlement agreement (whichever is sooner).

Due to the inherent uncertainty surrounding the achievement and timing of the above milestones/royalty triggers, the Consolidated Entity regards these future payment obligations as contingencies.

For further background details, refer also to Strike's ASX Announcement dated 31 December 2012: Strike Moves to 100% Ownership of AF

(e) Legal Disputes Over Peru Mineral Concessions

The Consolidated Entity has successfully defended against a number of legal actions and claims made by several Peruvian parties (that have had a contractual relationship with AF) relating to the Consolidated Entity's mineral concessions in Peru. Whilst there still remain some outstanding claims and appeals, the Consolidated Entity believes that they will all eventually be dismissed, consistent with previous decisions by the relevant Peruvian authorities.

For further background details, refer also to Strike's ASX Announcement dated 1 May 2014: Strike Wins Millenium Arbitration Case in Peru

(f) Peruvian Withholding Tax Matter

AF has an obligation to withhold and remit Non-Resident Income Tax Withholding Tax (**WHT**) to SUNAT (the Peruvian Tax Administration) in respect of certain payments to overseas suppliers. Refer Note 11 (Payables) for further information in relation to a potential WHT liability for AF in this regard, which is currently awaiting SUNAT re-audit (since April 2015).

22. EVENTS OCCURRING AFTER THE REPORTING PERIOD

No matter or circumstance has arisen since the end of the financial year that significantly affected, or may significantly affect, the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial periods.

DIRECTORS' DECLARATION

The Directors of the Company declare that:

(1) The financial statements, comprising the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Equity, and accompanying notes as set out on pages 18 to 41 are in accordance with the *Corporations Act 2001 (Cth)* and:

   (a) comply with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting; and

   (b) give a true and fair view of the Consolidated Entity's financial position as at 30 June 2016 and of their performance for the year ended on that date;

(2) In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

(3) The Directors have been given the declarations required by section 295A of the *Corporations Act 2001 (Cth)* by the Managing Director (the person who, in the opinion of the Directors, performs the Chief Executive Officer function) and Company Secretary (the person who, in the opinion of the Directors, performs the Chief Financial Officer function); and

(4) The Company has included in the notes to the Financial Statements an explicit and unreserved statement of compliance with the International Financial Reporting Standards.

This declaration is made in accordance with a resolution of the Directors made pursuant to section 295(5) of the *Corporations Act 2001 (Cth)*.

Farooq Khan
Chairman

William Johnson
Managing Director

31 August 2016

ROTHSAY

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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF STRIKE RESOURCES LIMITED

Report on the financial report

We have audited the accompanying financial report of Strike Resources Limited ("the Company") which comprises the balance sheet as at 30 June 2016 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the year.

Directors' Responsibility for the Financial Report

The Directors of the Company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report. The Directors are also responsible for the remuneration disclosures contained in the directors' report.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

We are independent of the Company, and have met the independence requirements of Australian professional ethical requirements and the *Corporations Act 2001*.

Audit opinion

In our opinion the financial report of Strike Resources Limited is in accordance with the *Corporations Act 2001*, including:

a) (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of their performance for the year ended on that date; and
(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and

b) the consolidated financial report also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Report on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2016. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Audit opinion

In our opinion the remuneration report of Strike Resources Limited for the year ended 30 June 2016 complies with section 300A of the *Corporations Act 2001*.

Rothsay

Rothsay Auditing

GR Sw

Graham Swan FCA
Partner

Dated 31 August 2016

SECURITIES INFORMATION
as at 30 June 2016

ISSUED CAPITAL

Class of Security	Quoted on ASX	Unlisted	Total
Fully paid ordinary shares	145,334,268	-	145,334,268
$0.36 (23 November 2016) Unlisted Options[29]	-	3,000,000	3,000,000
$0.42 (23 November 2016) Unlisted Options[29]	-	1,166,668	1,166,668
$0.56 (23 November 2016) Unlisted Options[29]	-	1,166,666	1,166,666
$0.30 (17 June 2018) Unlisted Managing Director's Options[30]	-	1,166,666	1,166,666
TOTAL	**145,334,268**	**6,500,000**	**151,834,268**

DISTRIBUTION OF FULLY PAID ORDINARY SHARES

Spread	of	Holdings	Number of Holders	Number of Shares	% of Total Issued Capital
1	-	1,000	371	156,596	0.108%
1,001	-	5,000	663	1,974,707	1.359%
5,001	-	10,000	285	2,307,925	1.588%
10,001	-	100,000	356	11,102,701	7.639%
100,001	-	and over	80	129,792,339	89.306%
TOTAL			**1755**	**145,334,268**	**100%**

UNMARKETABLE PARCELS

Spread	of	Holdings	Number of Holders	Number of Shares	% of Total Issued Capital
1	-	12,499	1,372	5,037,614	3.466%
12,500	-	over	383	140,296,654	96.534%
TOTAL			**1,755**	**145,334,268**	**100.00%**

An unmarketable parcel is considered, for the purposes of the above table, to be a shareholding of 12,499 shares or less (being a value of $500 or less in total), based upon the Company's closing share price of $0.04 on 30 June 2016.

29 Refer Strike's ASX announcement dated 24 November 2011: Appendix 3B - Issue of Personnel Options and Strike's Notice of AGM lodged on ASX on 24 October 2011

30 Refer Strike's ASX announcement dated 18 June 2013: Appendix 3B – Grant of Options and Cancellation of Options and Strike's Notice of General Meeting lodged on ASX on 17 May 2013

SECURITIES INFORMATION
as at 30 June 2016

TOP TWENTY, ORDINARY FULLY PAID SHAREHOLDERS

Rank	Holder name	Shares Held	% Issued Capital
1	BENTLEY CAPITAL LIMITED	52,553,493	36.160
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	26,434,213	18.189
3	DATABASE SYSTEMS LTD	12,537,090	8.626
4	ORION EQUITIES LIMITED	10,000,000	6.881
5	ACN 139 886 025 PTY LTD	1,744,804	1.201
6	AUSINCA PERU S.A.	1,718,973	1.183
7	JP MORGAN NOMINEES AUSTRALIA LIMITED	1,206,202	0.830
8	TCH HOLDINGS PTY LTD	1,200,000	0.826
9	MR IANAKI SEMERDZIEV	1,141,000	0.785
10	MR CHI MAU PHUONG	1,088,657	0.749
11	D&C PESCA S.A.C.	1,081,027	0.744
12	CONCORDE SECURITIES PTY L:TD	1,000,000	0.688
13	TADMARO PTY LIMITED	935,515	0.644
14	MR COLIN VAUGHAN & MRS ROBIN VAUGHAN	838,095	0.577
15	CLASSIC CAPITAL PTY LTD	750,000	0.516
16	EMPIRE HOLDINGS WA PTY LTD	700,000	0.482
17	MR JOHN FAZZALORI	579,479	0.399
18	ABN AMRO CLEARING SYDNEY NOMINEES PTY LTD	609,584	0.419
19	MR FAROOQ KHAN	530,010	0.365
20	MRS LILIANA TEOFILOVA	497,000	0.342
	TOTAL	**117,145,142**	**80.606%**

SUBSTANTIAL SHAREHOLDERS

Substantial Shareholders	Registered Shareholder	Shares Held	% Voting Power (as at 30 June 2016)
Bentley Capital Limited[31]	Bentley Capital Limited	52,553,493	36.16%
ABU Holding International Limited and Associates[32]	HSBC Custody Nominees (Australia) Limited	25,825,000	17.77%
Database Systems Ltd and Ambreen Chaudhri[33]	Database Systems Ltd	12,537,090	8.63%
Orion Equities Limited[34]	Orion Equities Limited	10,000,000	6.88%
Queste Communications Ltd[35]	Orion Equities Limited	10,000,000	6.88%

31 Refer Bentley's ASX announcement dated 4 September 2015 Notice of Change in Interests of Substantial Holder

32 Refer Notice of Initial Substantial Holder dated 21 December 2012

33 Based on Notice of Change in Interests of Substantial Holder dated 4 June 2013

34 Refer Orion's ASX announcement dated 4 September 2015: Notice of Change in Interests of Substantial Holder

35 Refer Queste's ASX announcement dated 4 September 2015: Notice of Change in Interests of Substantial Holder; Orion is the registered holder of Strike shares and Queste is taken under section 608(3)(b) of the Corporations Act to have a relevant interest in securities in which Orion has a relevant interest by reason of having control of Orion