



Copper Strike Limited

ABN 16 108 398 983

Half-year Financial Report - 31 December 2022

Copper Strike Limited
Contents
31 December 2022



Corporate directory	2
Directors' report	3
Auditor's independence declaration	6
Statement of profit or loss and other comprehensive income	7
Statement of financial position	8
Statement of changes in equity	9
Statement of cash flows	10
Notes to the financial statements	11
Directors' declaration	16
Independent auditor's review report to the members of Copper Strike Limited	17

Directors	Mr Brendan Jesser (Non-Executive Director) Mr Adam Kiley (Non-Executive Director) Mr Keith Bowes (Non-Executive Director)
Joint Company secretaries	Mr Stefan Ross Mr Christopher Bath
Registered office	Level 20, 140 St Georges Terrace Perth WA 6000
Principal place of business	Level 20, 140 St Georges Terrace Perth WA 6000 Telephone: +61 8 9200 3429
Share register	Automic Group Level 2, 267 St Georges Terrace Perth, WA 6000 Telephone: 1300 288 664
Auditor	William Buck Level 20, 181 William Street Melbourne, VIC, 3000 Telephone: +61 3 9824 8555
Stock exchange listing	Copper Strike Limited securities are listed on the Australian Securities Exchange (ASX code: CSE)
Website	www.copperstrike.com.au

The directors present their report, together with the financial statements, on the company for the half-year ended 31 December 2022.

Directors

The following persons were directors of Copper Strike Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mr Brendan Jesser (Non-Executive Director)
Mr Adam Kiley (Non-Executive Director) (appointed on 21 October 2022)
Mr Keith Bowes (Non-Executive Director) (appointed on 6 December 2022)
Mr Anthony McIntosh (Non-Executive Director) (resigned on 21 October 2022)
Mr Mark Hanlon (Non-Executive Chairman) (resigned on 6 December 2022)

Principal activities

During the half-year the principal continuing activities of the Company consisted of, reviewing potential resource acquisitions (in the materials and other sectors), and management of the Company's investments.

Review of operations

The loss for the Company after providing for income tax amounted to \$971,525 (31 December 2021: \$161,872).

Financial Position

The net assets of the Company increased by \$3,506,621 to \$16,874,512 as at 31 December 2022 (30 June 2022: \$13,367,891). The main reason for the increase was due to the increase in the Company's financial assets at fair value, which increased by \$5,519,305 (before tax) during the period. As at 31 December 2022 Copper Strike owns 5,900,000 shares in Syrah Resources Limited (Syrah).

During the half year ended 31 December 2022 the Company recognised a decrease in fair value of the unlisted investments to nil (30 June 2022: \$389,752).

The Company's working capital, being current assets less current liabilities decreased to \$4,638,859 (30 June 2022: \$5,643,802). The decrease in working capital was largely due to recognition of deferred tax liabilities in the current liabilities of \$1,850,872 and increase in income tax payable to \$668,464 offset by proceeds from the disposal of SYR of \$1,423,449.

On 1 December 2022, the Company announced that further to the announcement on 14 November 2022, titled "Company Update – Listing Rule 12.1" and the announcement on 25 November 2022, titled "Chairman's Address at 2022 Annual General Meeting", that following a submission to the ASX requesting a 6-month extension to the 12 December 2022 deadline afforded by the ASX to demonstrate compliance with Listing Rule 12.1, ASX notified the Company that it would suspend the Company's securities from official quotation prior to the commencement of trading on Tuesday, 13 December 2022.

ASX suspended the Company's securities from quotation at the close of trading on Monday, 12 December 2022 under Listing Rule 17.3. The suspension will continue until Copper Strike is able to demonstrate compliance with Listing Rule 12.1.

Subsequent to 31 December 2022, Copper Strike announced on 16 February 2023 that it has sold the remainder of its investment in Syrah, resulting in proceeds of approximately \$12.8 million. Copper Strike is continuing its current strategy in actively seeking project acquisition opportunities, and the proceeds from the sale of the Syrah investment is a form of non-dilutive funding that will assist the Company in having the required capital to progress any potential project acquisition opportunities, and also provide funding for general working capital purposes.

Copper Strike will continue to review potential project acquisition opportunities and keep shareholders informed of progress and will make an appropriate announcement when able to do so.

Risks and uncertainties

The Company is subject to risks that are specific to the Company and the Company's business activities, as well as general risks.

Future funding risks

Whilst the Company has a cash and cash equivalents balance of \$7,156,017 and net assets of \$16,874,512 and is able to continue on a going concern basis, there is risk that the Company may require additional financing in the future to sufficiently fund a potential project acquisition, including any potential re-compliance costs, general working capital and any other longer-term objectives and that funding may not be available or may be prohibitively expensive at the required time. The Company has the ability to control the level of its current operations and hence the level of its expenditure over the next 12 months. Management is confident that they can reduce the level of expenditure in order to retain appropriate cash balances. Management remains diligent in their ongoing monitoring of cash balances. The Company's ability to raise additional funds will be subject to, among other things, factors beyond the control of the Company and its Directors, including cyclical factors affecting the economy and share markets generally. If for any reason the Company was unable to raise future funds when required, its operations could be significantly affected.

Financial asset investments risks

The Company's main asset at 31 December 2022 is its investment in Syrah Resources Limited (ASX: SYR).

The Directors regularly review the carrying value of the Company's Financial assets, including regularly monitoring SYR's performance via its ASX announcements platform, general global market conditions, and macro-economic conditions.

Subsequent to 31 December 2022, the Company announced on 16 February 2023 that it has sold the remainder of its investment in Syrah, resulting in proceeds of approximately \$12.8 million.

Taxation risks

Changes in tax law, or changes in the way tax laws are interpreted may impact the tax liabilities of the Company, Shareholder returns, or the tax treatment of a Shareholder's investment. In particular, both the level and basis of taxation may change. Tax law is frequently being changed, both prospectively and retrospectively. Any actual or alleged failure to comply with, or any change in the application or interpretation of tax rules applied in respect of such transactions, may increase the Company's tax liabilities.

The Company utilises expert consultants in relation to taxation in order to determine appropriate taxation treatment.

IT system failure and cyber security risks

Any information technology system is potentially vulnerable to interruption and/or damage from a number of sources, including but not limited to computer viruses, cyber security attacks and other security breaches, power, systems, internet and data network failures, and natural disasters.

The Company is committed to preventing and reducing cyber security risks through outsourced the IT management to a reputable services provider.

Impact of COVID-19

The global impact of the COVID-19 pandemic, and the advice and responses from health and regulatory authorities, is continuously evolving. The global economic outlook is facing uncertainty due to the COVID-19 pandemic which has had and may continue to have a significant impact on capital markets and share prices.

To date, COVID-19 has affected equity markets, governmental action, regulatory policy, quarantining, self-isolations and travel restrictions. These impacts are creating risks for the Company's business and operations in the short to medium term. The Company notes COVID-19 has prevented due diligence in reviewing some potential project opportunities in certain jurisdictions as a result of COVID-19 lockouts and lockdowns.

ASX delisting risk

As announced on 11 December 2020, the Company was advised by ASX, that in their opinion, Copper Strike's current operations are not sufficient to warrant the continued quotation of its securities. On 14 November 2022, Copper Strike announced that further to the announcement of 11 December 2020, titled "Company Update – Listing Rule 12.1" and various other updates the Company has provided over the course of the last two years in relation to the continued quotation of its securities, the Company received a letter from the ASX, noting that in ASX's opinion, CSE's operations are not sufficient to warrant the continued quotation of its securities, and afforded the Company four weeks to make submissions to ASX to demonstrate, to ASX's satisfaction, the Company's compliance with Listing Rule 12.1. ASX suspended the Company's

securities from quotation at the close of trading on Monday, 12 December 2022 under Listing Rule 17.3. The suspension will continue until Copper Strike is able to demonstrate compliance with Listing Rule 12.1.

Significant changes in the state of affairs

During the half year ended 31 December 2022, the Company had sold 598,503 shares in Syrah Resources Limited (Syrah), being a sale of approximately 9% of the Company's total shareholding in Syrah, resulting in proceeds of approximately \$1.4 million. The average sale price per share was approximately \$2.38. As at 31 December 2022, the fair value gain of the remaining holdings of 5,900,000 shares amounted to \$5,519,305, resulting in a closing fair value of \$12,154,000 as at 31 December 2022.

During the half year ended 31 December 2022, ASX determined that the Company's operations are not adequate to warrant the continued quotation of its securities and is therefore in breach of Listing Rule 12.1. The Company's securities were suspended from quotation at the close of trading on Monday, 12 December 2022 under Listing Rule 17.3 and will continue until the Company is able to demonstrate compliance with Listing Rule 12.1.

There were no other significant changes in the state of affairs of the company during the financial half-year.

Matters subsequent to the end of the financial half-year

Subsequent to 31 December 2022, the Company announced on 16 February 2023 that it had sold 6,000,000 shares in Syrah Resources Limited (Syrah), being the full balance of its shareholding in Syrah, which resulted in proceeds of approximately \$12.8 million. The average sale price per share was approximately \$2.13. The Board considered it appropriate to sell the remainder of the Syrah investment, given current global market volatility, macro-economic conditions, recent interest rate policy changes in Australia, and the uncertain outlook for global markets.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in blue ink, appearing to read "B Jesser".

Mr Brendan Jesser
Non-Executive Director

15 March 2023
Melbourne

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE
CORPORATIONS ACT 2001 TO THE DIRECTORS OF COPPER STRIKE
LIMITED**

I declare that, to the best of my knowledge and belief, during the half year ended 31 December 2022 there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.



William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136



J. C. Luckins
Director
Melbourne, 15 March 2023

Copper Strike Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2022



	Note	2022	2021
		\$	\$
Income			
Interest revenue calculated using the effective interest method		61,751	-
Expenses			
Employee benefits expense		(81,700)	(72,072)
Fair value loss on investment	5	(389,752)	(197,609)
Share based payment		(4,252)	(5,278)
Other expenses		(223,157)	(404,485)
Loss before income tax expense		(637,110)	(679,444)
Income tax expense		(334,415)	-
Loss after income tax expense for the half-year attributable to the owners of Copper Strike Limited		(971,525)	(679,444)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Gain on the revaluation of financial assets at fair value through other comprehensive income, net of tax	8	4,139,479	5,254,962
Other comprehensive income for the half-year, net of tax		4,139,479	5,254,962
Total comprehensive income for the half-year attributable to the owners of Copper Strike Limited		3,167,954	4,575,518
		Cents	Cents
Basic earnings per share	10	(0.73)	(0.57)
Diluted earnings per share	10	(0.73)	(0.57)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Copper Strike Limited
Statement of financial position
As at 31 December 2022



		31 December	
	Note	2022	30 June 2022
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		7,156,017	6,058,563
Trade and other receivables		12,147	-
Other receivables		14,136	21,270
Prepayments		50,701	8,896
Total current assets		<u>7,233,001</u>	<u>6,088,729</u>
Non-current assets			
Financial assets at fair value through other comprehensive income	4	12,154,000	8,058,144
Financial assets at fair value through profit and loss	5	-	389,752
Deferred tax		79,060	79,060
Deposits		2,593	2,593
Total non-current assets		<u>12,235,653</u>	<u>8,529,549</u>
Total assets		<u>19,468,654</u>	<u>14,618,278</u>
Liabilities			
Current liabilities			
Trade and other payables		74,806	110,878
Income tax payable		668,464	334,049
Deferred tax liabilities	6	1,850,872	-
Total current liabilities		<u>2,594,142</u>	<u>444,927</u>
Non-current liabilities			
Deferred tax liabilities	6	-	805,460
Total non-current liabilities		<u>-</u>	<u>805,460</u>
Total liabilities		<u>2,594,142</u>	<u>1,250,387</u>
Net assets		<u>16,874,512</u>	<u>13,367,891</u>
Equity			
Issued capital	7	13,540,276	13,456,550
Reserves	8	6,508,825	3,795,906
Accumulated losses		<u>(3,174,589)</u>	<u>(3,884,565)</u>
Total equity		<u>16,874,512</u>	<u>13,367,891</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Copper Strike Limited
Statement of changes in equity
For the half-year ended 31 December 2022



	Contributed equity \$	Revaluation reserve \$	Share-based payment reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2021	12,412,119	5,025,444	304,452	(6,492,677)	11,249,338
Loss after income tax expense for the half-year	-	-	-	(679,444)	(679,444)
Other comprehensive income for the half-year, net of tax	-	5,254,962	-	-	5,254,962
Total comprehensive income/(loss) for the half-year	-	5,254,962	-	(679,444)	4,575,518
<i>Transactions with owners in their capacity as owners:</i>					
Share-based payments	-	-	5,278	-	5,278
Balance at 31 December 2021	<u>12,412,119</u>	<u>10,280,406</u>	<u>309,730</u>	<u>(7,172,121)</u>	<u>15,830,134</u>
	Contributed equity \$	Financial asset reserve \$	Share-based payment reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2022	13,456,550	3,351,724	444,182	(3,884,565)	13,367,891
Loss after income tax expense for the half-year	-	-	-	(971,525)	(971,525)
Other comprehensive income for the half-year, net of tax	-	4,139,479	-	-	4,139,479
Total comprehensive income/(loss) for the half-year	-	4,139,479	-	(971,525)	3,167,954
<i>Transactions with owners in their capacity as owners:</i>					
Shares issued on exercise of performance rights	83,726	-	(83,726)	-	-
Lapse of performance rights	-	-	(9,428)	9,428	-
Vesting of performance rights	-	-	4,252	-	4,252
Transfer of reserves to accumulated losses on disposal of financial assets through other comprehensive income	-	(1,337,658)	-	1,672,073	334,415
Balance at 31 December 2022	<u>13,540,276</u>	<u>6,153,545</u>	<u>355,280</u>	<u>(3,174,589)</u>	<u>16,874,512</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Copper Strike Limited
Statement of cash flows
For the half-year ended 31 December 2022



	2022 \$	2021 \$
Cash flows from operating activities		
Payments to suppliers and employees	(375,599)	(516,041)
Interest received	49,604	-
	<u>(325,995)</u>	<u>(516,041)</u>
Net cash used in operating activities		
Cash flows from investing activities		
Proceeds from disposal of shares in Syrah Resources Limited	1,423,449	-
	<u>1,423,449</u>	<u>-</u>
Net cash from investing activities		
	<u>-</u>	<u>-</u>
Net cash from financing activities		
	<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents	1,097,454	(516,041)
Cash and cash equivalents at the beginning of the financial half-year	<u>6,058,563</u>	<u>1,148,628</u>
Cash and cash equivalents at the end of the financial half-year	<u><u>7,156,017</u></u>	<u><u>632,587</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover Copper Strike Limited as an individual entity. The financial statements are presented in Australian dollars, which is Copper Strike Limited's functional and presentation currency.

Copper Strike Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 20,
140 St Georges Terrace
Perth WA 6000

A description of the nature of the Company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 15 March 2023. The directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2022 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

New or amended Accounting Standards and Interpretations adopted

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

None of these Accounting Standards and Interpretations had a material effect.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Having assessed the potential uncertainties relating to the Consolidated Entity's ability to effectively fund exploration activities and operating expenditures, the Directors believe that the Consolidated Entity will continue to operate as a going concern for the foreseeable future. Therefore, the Directors consider it is appropriate to prepare the financial statements on a going concern basis.

Note 3. Operating segments

Identification of reportable operating segments

The Company operated predominately in mineral exploration and investment management within Australia.

Accounting policy for operating segments Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

The CODM reviews the Company as a whole in the business segment of mineral exploration and investment management.

Note 4. Financial assets at fair value through other comprehensive income

	31 December 2022 \$	30 June 2022 \$
Ordinary shares in Syrah Resources Limited	<u>12,154,000</u>	<u>8,058,144</u>
<i>Reconciliation</i>		
Reconciliation of the fair values at the beginning and end of the current and previous financial half-year are set out below:		
Opening fair value	8,058,144	9,461,316
Fair value gain	5,519,305	3,198,275
Disposal	<u>(1,423,449)</u>	<u>(4,601,447)</u>
Closing fair value	<u>12,154,000</u>	<u>8,058,144</u>

Financial assets at fair value through other comprehensive income relates to ordinary shares of Syrah Resources Limited which is a listed company. This investment has been valued at its quoted price in accordance with AASB 13, using Level 1 of the fair value hierarchy - quoted prices (unadjusted) in active markets for identical assets or liabilities.

During the half year ended 31 December 2022, the Company announced that it had sold 598,503 shares in Syrah Resources Limited (Syrah), being a sale of approximately 9% of the Company's total shareholding in Syrah, resulting in proceeds of approximately \$1.4million. The average sale price per share was approximately \$2.38. As at 31 December 2022, the fair value gain of the remaining holdings of 5,900,000 shares amounted to \$5,519,305, resulting in a closing fair value of \$12,154,000 as at 31 December 2022.

AASB 13 'Fair Value Measurement' requires disclosure of fair value measurements by level of the fair value hierarchy, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Note 5. Financial assets at fair value through profit and loss

	31 December 2022 \$	30 June 2022 \$
Investment in ThinkMarkets - Ordinary shares	-	250,000
Investment in Verrency Holdings Limited - Ordinary shares	<u>-</u>	<u>139,752</u>
	<u>-</u>	<u>389,752</u>

These shares are designated as Level 3 Instrument, as the fair value is based on unobservable inputs for the asset.

The Directors considered the carrying value of the unlisted investments but are unable to assess the fair value of these investments at a higher level due to unavailability of additional information. Given the nature of the unlisted investments, the Directors are unable to assess an alternative value of these investments using available market information as at the end of the reporting period, therefore, the Directors considered the fair value of the unlisted investment was nil. The change in fair value of the unlisted investment of \$389,752 was recognised in the statement of profit or loss for the half year ended 31 December 2022.

Note 6. Deferred tax liabilities

	31 December 2022 \$	30 June 2022 \$
<i>Deferred tax liability comprises temporary differences attributable to:</i>		
Amounts recognised in equity:		
Revaluation of financial assets at fair value through other comprehensive income	1,850,872	805,460
	<u>1,850,872</u>	<u>805,460</u>
Amount expected to be settled within 12 months	1,850,872	-
Amount expected to be settled after more than 12 months	-	805,460
	<u>1,850,872</u>	<u>805,460</u>
<i>Movements:</i>		
Opening balance	805,460	-
Tax effect of recycling of fair value (gain)/loss	(334,414)	-
Tax effect of fair value gain/(loss)	1,379,826	805,460
Closing balance	<u>1,850,872</u>	<u>805,460</u>

Note 7. Issued capital

	31 December 2022 Shares	30 June 2022 Shares	31 December 2022 \$	30 June 2022 \$
Ordinary shares - fully paid	<u>133,584,573</u>	<u>132,251,241</u>	<u>13,540,276</u>	<u>13,456,550</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2022	132,251,241		13,456,550
Exercise of unlisted share options	13 December 2022	666,666	\$0.00	41,863
Exercise of unlisted share options	27 October 2022	<u>666,666</u>	<u>\$0.00</u>	<u>41,863</u>
Balance	31 December 2022	<u>133,584,573</u>		<u>13,540,276</u>

Note 8. Reserves

	31 December 2022 \$	30 June 2022 \$
Revaluation reserve	6,153,545	3,351,725
Share-based payments reserve	<u>355,280</u>	<u>444,181</u>
	<u>6,508,825</u>	<u>3,795,906</u>

Note 8. Reserves (continued)

Financial assets at fair value through other comprehensive income reserve

The reserve is used to recognise increments and decrements in the fair value of financial assets at fair value through other comprehensive income.

Share-based payments reserve

On 8 December 2021, the Company obtained shareholder approval for the issue of 3,000,000 performance rights to directors of the Company. The performance rights are issued in recognition of additional services provided to the Company over calendar year 2021. The performance rights were issued on 31 December 2021 with various vesting conditions, expiring on 31 January 2024. Under IG4, which is set out in the Appendix to AASB 2 Share Based Payments, the service commencement date was determined to be 8 December 2021. Performance rights are valued at their fair value and will vest in three tranches dependent subject to meeting the below vesting conditions.

- One-third of the performance rights vest and become exercisable when the Company's 5-day Volume weighted Average Price (VWAP) is equal to or greater than \$0.14 (14 cents) at any time between grant and expiry.
- One-third of the performance rights vest and become exercisable when the Company's 5-day VWAP is equal to or greater than \$0.17 (17 cents) at any time between grant and expiry.
- One-third of the performance rights vest and become exercisable when the Company's 5-day VWAP is equal to or greater than \$0.21 (21 cents) at any time between grant and expiry.

As at 31 December 2022, Tranche 1 and Tranche 2 had met the above vesting conditions and became vested and exercisable.

On 27 October 2022, 666,666 ordinary shares were issued from the exercise of vested performance rights by Mr Anthony McIntosh (or his nominee), and the remaining 333,334 unvested performance rights held by Mr Anthony McIntosh (or his nominee) lapsed.

On 13 December 2022, 666,666 ordinary shares were issued from the exercise of vested performance rights by Mr Mark Hanlon (or his nominee) and the remaining 333,334 unvested performance rights held by Mr Mark Hanlon (or his nominee) lapsed.

Following assumptions were used in assessing the fair value of the performance:

Assumption	Tranche 1	Tranche 2	Tranche 2
Valuation Date	08-Dec-21	08-Dec-21	08-Dec-21
Spot Price	\$0.079	\$0.079	\$0.079
Exercise Price	Nil	Nil	Nil
Expiry Date	31-Jan-24	31-Jan-24	31-Jan-24
Barrier Price	\$0.14	\$0.17	\$0.21
Expected Future Volatility	95%	95%	95%
Risk Free Rate	0.55%	0.55%	0.55%
Dividend Yield	Nil	Nil	Nil

Note 8. Reserves (continued)

Movements in reserves

Movements in each class of reserve during the current financial half-year are set out below:

	Financial asset reserve \$	Share based payment reserve \$	Total \$
Balance at 1 July 2022	3,351,724	444,182	3,795,906
Unrealised fair value gain/(loss) on revaluation of assets	5,519,305	-	5,519,305
Tax effect of revaluation assets	(1,379,826)	-	(1,379,826)
Recycle of fair value (gain)/loss	(1,337,658)	-	(1,337,658)
Lapse of performance rights	-	(9,428)	(9,428)
Exercise of performance rights	-	(83,726)	(83,726)
Vesting of performance rights	-	4,252	4,252
Balance at 31 December 2022	<u>6,153,545</u>	<u>355,280</u>	<u>6,508,825</u>

Note 9. Events after the reporting period

Subsequent to 31 December 2022, the Company announced on 16 February 2023 that it had sold 6,000,000 shares in Syrah Resources Limited (Syrah), being the full balance of its shareholding in Syrah, which resulted in proceeds of approximately \$12.8 million. The average sale price per share was approximately \$2.13. The Board considered it appropriate to sell the remainder of the Syrah investment, given current global market volatility, macro-economic conditions, recent interest rate policy changes in Australia, and the uncertain outlook for global markets.

No other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 10. Loss per share

	2022 \$	2021 \$
Loss after income tax attributable to the owners of Copper Strike Limited	<u>(971,525)</u>	<u>(679,444)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>132,575,466</u>	<u>120,029,019</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>132,575,466</u>	<u>120,029,019</u>
	Cents	Cents
Basic earnings per share	(0.73)	(0.57)
Diluted earnings per share	(0.73)	(0.57)

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 31 December 2022 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in blue ink, appearing to read "B Jessor", written over a horizontal line.

Mr Brendan Jessor
Non-Executive Director

15 March 2023
Melbourne

Copper Strike Limited Independent auditor's review report

REPORT ON THE REVIEW OF THE HALF-YEAR FINANCIAL REPORT

Conclusion

We have reviewed the accompanying half-year financial report of Copper Strike Limited (the Company), which comprises the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Copper Strike Limited is not in accordance with the *Corporations Act 2001* including:

- a. giving a true and fair view of the entity's financial position as at 31 December 2022 and of its performance for the half year ended on that date; and
- b. complying with Australian Accounting Standard 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of Management for the Financial Report

The directors of the Copper Strike Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136



J. C. Luckins
Director
Melbourne, 15 March 2023