



FULL YEAR REPORT

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

30 JUNE 2024



ASX Code: SRK

Strike Resources Limited
A.B.N. 94 088 488 724

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CORPORATE DIRECTORY**BOARD**

Farooq Khan	Executive Chairman
William Johnson	Executive Director
Victor Ho	Executive Director

COMPANY SECRETARY

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STOCK EXCHANGE

Australian Securities Exchange
Perth, Western Australia

ASX CODE

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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 2024 (**balance date**) (**financial year**).

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.

PRINCIPAL ACTIVITIES

Strike Resources Limited is an ASX listed resource company whose principal activities during the financial year were:

- the development of the Paulsens East Iron Ore Project in Western Australia (**Paulsens East**) (until the Company entered into an agreement (on 22 December 2023) for the sale of the Paulsens East, which was completed on 8 March 2024); and
- the development of the Apurimac Iron Ore Project in Peru (**Apurimac**).

OPERATING RESULTS

	June 2024	June 2023
Consolidated	\$	\$
Total revenue	5,366,077	2,013,052
Total expenses	(4,611,554)	(8,895,515)
Profit/(Loss) before tax	754,523	(6,882,463)
Income tax expense	-	-
Profit/(Loss) after tax	754,523	(6,882,463)

Total revenue includes a \$5.83 million net gain on the sale of Paulsens East.

FINANCIAL POSITION

	June 2024	June 2023
Consolidated	\$	\$
Cash	6,714,999	2,640,955
Financial assets at fair value through profit or loss	3,000	1,980
Resource projects	149,550	-
Mine development	-	15,688,267
Investment in Associate entity	-	669,878
Receivables	585,252	140,922
Other assets	402,717	465,765
Liabilities	(1,154,244)	(13,826,613)
Net assets	6,701,274	5,781,154
Issued capital	160,453,332	160,453,332
Reserves	43,955,117	43,789,520
Accumulated losses	(197,707,175)	(198,461,698)
Total equity	6,701,274	5,781,154

During the financial year, the Company completed the sale of the Paulsens East. The Company received cash consideration of \$20 million and fully discharged a \$11.26 million loan at completion of the sale. There is a \$0.5 million deferred consideration component to the sale, which is recognised as a Receivable.

DIRECTORS' REPORT

CASH FLOWS

	June 2024	June 2023
Consolidated	\$	\$
Net cash flow from operating activities	(2,834,443)	(1,303,939)
Net cash flow from investing activities	19,942,013	(4,207,407)
Net cash flow from financing activities	(12,992,528)	4,131,356
Net change in cash held	4,115,042	(1,379,990)
Effect of exchange rate changes on cash held	(40,998)	(185,603)
Cash held at year end	6,714,999	2,640,955

DIVIDENDS

The Directors have not declared a dividend in respect of the financial year ended 30 June 2024.

CAPITAL MANAGEMENT

Securities on Issue

The following securities were on issue as at Balance Date and currently

Class of Security	Quoted on ASX	Unlisted
Fully paid ordinary shares	283,750,000	-
Securities Incentive Plan (SIP) ¹ Options (\$0.185, 14 February 2025) ²		1,850,000
Total	283,750,000	1,850,000

The following unlisted options lapsed during the year:

Class of Unlisted Options	Exercise Price	Date of Lapse	Number of options
Broker's Options (\$0.15, 23 November 2023) ³	\$0.15	30 November 2023 ⁴	1,000,000
Directors' Options (\$0.185, 3 December 2023) ⁵	\$0.185	3 December 2023 ⁶	12,000,000
SIP Options (\$0.185, 14 February 2025) ²	\$0.185	15 March 2024 ⁷	1,250,000
Broker's Options (\$0.33, 3 June 2024) ⁸	\$0.33	3 June 2024 ⁹	1,000,000

1 The SIP was approved by shareholders at the Company's AGM held on 4 December 2020; a summary of the SIP is in Annexure A to Strike's Notice of AGM and Explanatory Statement dated 20 October 2020 and released on ASX on 4 November 2020

2 Refer SRK ASX Announcement dated 18 February 2022: Notification regarding unquoted securities - SRK

3 Refer Strike's Notice of Annual General Meeting and Explanatory Statement (Resolutions 6 to 10) dated 20 October 2020 and released on ASX on 4 November 2020 and SRK ASX Announcements dated 4 December 2020: Results of 2020 Annual General Meeting and 4 December 2020: Proposed Issue of Securities

4 Refer SRK ASX Announcement dated 4 June 2024: Notification of cessation of securities - SRK

5 Refer Strike's Notice of Annual General Meeting and Explanatory Statement (Resolutions 6 to 10) dated 20 October 2020 and released on ASX on 4 November 2020 and SRK ASX Announcements dated 4 December 2020: Results of 2020 Annual General Meeting and 4 December 2020: Proposed Issue of Securities

6 Refer SRK ASX Announcements dated 4 December 2023: Lapse of Unlisted Options and 4 December 2023: Notification of Cessation of Securities - SRK

7 Refer SRK ASX Announcement dated 22 March 2024: Notification of cessation of securities - SRK

8 Refer SRK ASX Announcement date 4 June 2021: Appendix 3G – Notification of Issue of 1M Broker Options

9 Refer SRK ASX Announcement dated 4 June 2024: Notification of cessation of securities - SRK

DIRECTORS' REPORT

Securities Incentive Plan

The Company has adopted a Securities Incentive Plan (**Plan** or **SIP**) pursuant to which the Board may offer to eligible persons the opportunity to subscribe for securities in the Company on such terms and conditions as the Board may decide and otherwise pursuant to the rules of the Plan.¹⁰ The purpose of the Plan is to:

- (a) assist in the reward, retention, and motivation of 'Eligible Participants' (which includes directors¹¹, employees and contractors);
- (b) link the reward of Eligible Participants to shareholder value creation; and
- (c) align the interests of Eligible Participants with shareholders of the Company by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of securities (which includes a share, a right to a share, an option over an issued or unissued security and a convertible security).

REVIEW OF OPERATIONS

Paulsens East Iron Ore Project (Pilbara, Western Australia)

The Paulsens East Iron Ore Project (**Paulsens East**) is located in the Pilbara region of Western Australia, ~235km by road east of Onslow (and the Port of Ashburton) and ~600km by road south of Port Hedland.

In September 2022, Strike completed a maiden shipment of 66,618 tonnes of iron ore from Paulsens East, which involved the mining of surface detrital material to produce Paulsens East Lump direct shipping iron ore (**DSO**) (grading 62% Fe), which was exported to China from the Utah Point Multi-User Bulk Handling Facility (**Utah Point**) at Port Hedland. Whilst the successful shipment of its first shipment of iron ore from Paulsens East was a significant milestone for the Company, Strike determined to pause on further shipments from Utah Point given market conditions, together with rising input costs, adversely impacting operating margins.¹²

Strike was also advancing the development of an export solution through the Port of Ashburton, Onslow (located ~235km from Paulsens East, versus ~650km to Port Hedland), including via the Port of Ashburton Consortium (**PAC**) with iron ore developer CZR Resources Ltd (ASX:CZR) and transshipment services provider CSL Australia Pty Ltd, to develop a ~5 Mtpa capacity multi-user bulk loading export facility.¹³

On 22 December 2023, the Company entered into a Share and Asset Purchase Agreement (**Agreement**) with certain parties including Miracle Iron Holdings Pty Ltd (**Miracle**) for the sale of 100% of the shares in wholly-owned subsidiary, Strike Iron Ore Holdings Pty Ltd (**SIOH**) in consideration of a cash purchase price of A\$20.5 million.¹⁴ SIOH is the parent of Paulsens East Iron Ore Pty Ltd (**PEIOPL**), the owner and operator of Paulsens East.

Given prevailing market conditions, Strike's significant (US\$7.2 million) liability owed to Good Importing International Pty Ltd (**GII**)¹⁵ and the significant financial requirements of operating iron ore projects, the Board believed that it was in the best interests of Strike shareholders to dispose of its interest in Paulsens East on the terms negotiated under the Agreement.¹⁶

10 The SIP was approved by shareholders at the Company's AGM held on 4 December 2020; a summary of the SIP is in Annexure A to Strike's Notice of AGM and Explanatory Statement dated 20 October 2020 and released on ASX on 4 November 2020

11 The issue of securities to Directors and Key Management Personnel will require prior shareholder approval, as required under the ASX Listing Rules and/or Corporations Act, as applicable.

12 Refer SRK ASX Announcement dated 30 August 2022: First Export Shipment of Paulsens East Lump Iron Ore and Future Operations and 25 August 2022: Maiden Shipment of Paulsens East Lump Iron Ore and Operational Update

13 Refer SRK ASX Announcement dated 16 December 2022: Formation of Consortium for Development of Iron Ore Export Facility at Port of Ashburton and CZR's ASX Announcement dated 16 December 2022: Strategic Partnership to Develop Iron Ore Export Facility

14 Refer SRK ASX Announcement dated 3 January 2024: Proposed Divestment of Paulsens East Iron Ore Project

15 Refer SRK ASX Announcements dated 28 February 2022: Funding Secured and Production to Commence at Paulsens East Iron Ore Project, 16 December 2022: Update on Paulsens East Project Financing and 4 April 2023: Further Update on Paulsens East Project Financing

16 Refer also to Strike's Notice of General Meeting, Explanatory Statement and Proxy Form dated and released on ASX 5 February 2024

DIRECTORS' REPORT

Shareholders approved the disposal of Paulsens East at a General Meeting on 6 March 2024¹⁷ and the disposal was completed on 8 March 2024.

Strike received a A\$2 million deposit on execution of the Agreement in December 2023 and received A\$18 million at completion on 8 March 2024¹⁸. Strike also fully discharged a \$11.26 million (US\$7.2 million loan principal) loan (inclusive of accrued interest) owed to GII at completion. There is a \$0.5 million deferred consideration component to the sale - Strike received \$0.10 million in July 2024 and \$0.40 million is pending receipt.

ASX Listing Rule Requirements

The disposal of Paulsens East (under the Agreement) was regarded by ASX as a disposal of the Company 'main undertaking' under Listing Rule 11.2.

ASX had previously advised that^{14,16}:

- (a) in accordance with paragraph 4.7 of Guidance Note 12 (Significant Changes to Activities), Strike will be afforded a period of 6 months from the date of the Agreement (being 22 December 2023) to demonstrate to the ASX that it is compliant with Listing Rule 12.1 (which obliges a listed entity to satisfy ASX on an ongoing basis that the level of its operations is sufficient, and its financial condition adequate, to warrant its continued quotation of its securities); and
- (b) it will suspend trading in Strike's securities if Strike had not demonstrated compliance with Listing Rule 12.1 to ASX's satisfaction at the end of the 6-month period (being by 21 June 2024), with such suspension continuing until Strike undertakes an acquisition and re-complies with Chapters 1 and 2 of the Listing Rules, which will involve, amongst other matters, the issue of a prospectus and making a fresh application for admission to ASX.

As announced by Strike in July 2024¹⁹, ASX has advised that:

- ASX is not aware of any reason why Strike's operations are not presently adequate to warrant the continued quotation of its securities pursuant to Listing Rule 12.1;
- This determination does not preclude Strike from being suspended in the future pursuant to Listing Rule 12.1; and
- ASX will continue to monitor Strike's compliance with Listing Rule 12.1.

Apurimac Iron Ore Project (Peru)

(Strike – 80%)

Strike's Apurimac Iron Ore Project in Peru is recognised as one of the highest-grade, large-scale magnetite projects in the world with the potential to support the establishment of a significant iron ore operation.²⁰

Strike has previously completed two shipments (to Chinese and South American Steel Mills) of high-grade (+65% Fe) Apurimac Premium Lump shipping iron ore (DSO) in 2021.²¹

Under the Agreement with Miracle (referred to above), GII has also agreed to terminate the marketing agency and offtake arrangements granted to GII in respect of Apurimac²² in consideration for Strike transferring either directly or indirectly a 20% interest in Apurimac Ferrum S.A.C. (AF), the owner of Apurimac, to JE United Ltd (JEL) (a nominee/associate of GII). The investment structure in respect of the 20% interest in AF is pending finalisation and agreement with JEL. The Company notes that JEL will be called upon to contribute its (20%) share of funding towards the ongoing ownership costs of Apurimac and the development of Apurimac including the potential resumption of DSO mining operations.

17 Refer SRK ASX Announcement dated 6 March 2024: Results of General Meeting

18 Refer SRK ASX Announcement dated 8 March 2024: Completion of Disposal of Paulsens East Iron Ore Project

19 Refer SRK ASX Announcement dated 5 July 2024: Company Update

20 Refer SRK ASX Announcement 19 January 2015: Apurimac Mineral Resources Updated to JORC 2012 Standard

21 Refer SRK ASX Announcements dated 19 August 2021: Maiden Iron Ore Shipment from Peru and 29 October 2021: Second Iron Ore Shipment from Peru Completed

22 Refer SRK ASX Announcement dated 14 April 2021: Peru Iron Offtake Agreement Signed with US\$2 Million Prepayment

DIRECTORS' REPORT

Strike has advanced the development of Apurimac during the financial year, including:

- (a) appointing a full-time CEO for Peru operations, to advance Strike's operations in Peru, both on a short-term basis to restart production (subject to favourable production economics being attained) together with longer term aims to develop a more substantial iron ore operation at Apurimac;
- (b) undertaking a management site visit in February 2024 to meet with various stakeholders required for a recommencement of mining operations, including visits to potential crushing plants and the Port, discussions with mining services contractors, the local offices of international trading houses (who have offered joint venture, offtake and hedging facility arrangements), owners of other nearby iron ore projects close to Apurimac (who have put forward proposals to combine various aspects of mining operations such as a joint crushing facility and shared trucking operations);
- (c) engaging with local community miners in relation to undertaking mining activities within the Apurimac concessions as part of start-up activities as well as seeking to finalise trucking, crushing and Port access arrangements for the mining and export of iron ore at Apurimac;
- (d) implementing a Community Relations strategy and programme to facilitate both a potential short term start-up of mining operations as well as advance the larger and more fundamental commercial objective of expanding the current iron ore resource at Apurimac (as part of its long standing strategic objectives since the asset was acquired in 2006) to commence long term substantial iron ore production from Apurimac, including seeking approvals for a resource expansion drilling programme;
- (e) engaging a Geological Specialist to undertake a comprehensive review and assessment of past works on the Apurimac Project to determine optimal locations for small-scale production and a review of historical data to determine optimal locations and drill plans for an expansion of the current JORC Mineral Resource²⁰ at Apurimac;
- (f) expanding its logistics/administration support personnel (including staff based in Andahuaylas, near the Apurimac site, located ~450kms by air from Lima, the capital of Peru);
- (g) actively engaging with Peruvian Government departments/authorities to explore opportunities for involvement in the Government's port²³ and rail²⁴ initiatives and to identify ways to expedite the approval process for the Company's mining permits;
- (h) engaging with international trading houses for project financing, hedging and offtake agreement; and
- (i) engaging with traders who are interested in purchasing Apurimac iron ore on an "Ex-Mine Gate" basis.

For further details on Strike's staged development pathway for Apurimac, refer to SRK ASX Announcement dated 5 July 2024 entitled "Company Update"/

Investment in Lithium Energy Limited (ASX:LEL)

Lithium Energy Limited (**LEL** or **Lithium Energy**) was spun out of Strike following the successful completion of LEL's \$9 million (at \$0.20 per share) initial public offering (**IPO**) under a Prospectus (dated 30 March 2021).²⁵

23 Refer:

- SRK ASX Announcement dated 27 May 2024: Port & Rail Infrastructure Development Update in Peru
- PROVERSION Presentation dated 2 May 2024: Presentation of new port investment opportunity - New Port Terminal of San Juan de Marcona
- PROVERSION Statement dated 22 March 2024: State awards the development of the project "New Port Terminal of San Juan De Marcona"

24 Refer:

- SRK ASX Announcement dated 31 July 2024: Peruvian Government Approves Viability Study for San Juan de Marcona-Andahuaylas Railway
- Bloomberg Media Release dated 28 July 2024: Peru's Boluarte Promises Infrastructure Spree in 5-Hour Speech and refer to MSN Media Release dated 28 July 2024: Boluarte announces that China will be in charge of the largest infrastructure projects in Peru
- Ministry of Transport and Communications Press Release dated 23 July 2024: The viability of the Lima-Ica and San Juan de Marcona - Andahuaylas railways was approved'
- Ministry of Transport and Communications Press Release dated 5 July 2024: Minister Pérez Reyes presents priority projects exhibited in China
- Ministry of Transport and Communications Press Release dated 27 June 2024: Government in China promotes US\$31 billion railway project portfolio

25 Refer LEL ASX Announcement released on 17 May 2021: Prospectus

DIRECTORS' REPORT

As at 30 June 2024 and currently, Strike is the largest shareholder of LEL with 31,010,000 shares (27.7%) (30 June 2023: 31,410,000 shares; 30.49%).

The LEL share price has traded within a range of \$0.29 (on 20 September 2024) to \$0.8295 (on 3/4 July 2023) since 1 July 2023, with a bid price of \$0.37 (as at 30 June 2024) and a current closing price of \$0.31 (as at 27 September 2024).

Lithium Energy Limited is an ASX listed battery minerals company which is developing its flagship Solaroz Lithium Brine Project in Argentina and the Burke and Corella Graphite Projects in Queensland. The Solaroz Lithium Project (LEL:90%) comprises 12,000 hectares of highly prospective lithium mineral concessions (where a JORC Indicated and Inferred Mineral Resource of lithium has been delineated²⁶) located strategically within the Salar de Olaroz Basin in South America's "Lithium Triangle" in north-west Argentina. Lithium Energy shares the lithium rights in the Olaroz Salar basin with lithium carbonate producers Arcadium Lithium plc (ASX:LTM) and Lithium Argentina Corporation (TSX:LAAC). Prior to the announced sale of the Solaroz Project (settlement pending)²⁷, Lithium Energy had completed a Scoping Study on Solaroz and had been investigating the development of a 20/40ktpa lithium carbonate equivalent (LCE) production facility using conventional evaporation ponds; Lithium Energy has also been evaluating direct-lithium extraction (DLE) technologies. The Burke and Corella Graphite Projects (LEL:100%) in Queensland, Australia, contains high grade JORC Indicated and Inferred Mineral Resources of graphite.²⁸

On 3 April 2024, Lithium Energy and NOVONIX Limited (ASX:NVX) announced the merger of their adjoining Burke and Mt Dromedary Queensland Natural Graphite Deposits into Lithium Energy subsidiary, Axon Graphite Limited (Proposed ASX Code: AXG) (**Axon Graphite** or **AXG**), which will undertake a \$15 Million to \$25 Million IPO and seek admission to ASX as a dedicated vertically-integrated mine to battery anode material product manufacturing company.²⁹

On 30 April 2024, Lithium Energy announced the sale of its interest in the Solaroz Project to a subsidiary of CNGR Advanced Materials Co Ltd for US\$63 Million (~A\$97 Million³⁰) cash; completion is subject to the satisfaction (or waiver, as applicable) of a number of conditions precedent, including receipt of Lithium Energy shareholder approval (which was attained on 8 March 2024³¹), receipt of regulatory approvals (in China³² and Argentina, as required) and receipt of environmental and concession related approvals relating to Solaroz.³³

Pending completion of the sale of Solaroz, Lithium Energy will focus on advancing the Axon Graphite IPO and securing the relevant approvals required to satisfy applicable conditions relating to the sale of Solaroz.³⁴

Further information about Lithium Energy's resource projects and activities are contained in their ASX releases, including as follows:

- 30 July 2024: Quarterly Report – 30 June 2024;
- 1 May 2024: Quarterly Report – 31 March 2024; and
- 4 March 2024: Half Year Report – 31 December 2023.

Information concerning Lithium Energy may be viewed from its website: www.lithiumenergy.com.au

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

26 Refer LEL ASX announcement dated 29 June 2023: Significant Maiden JORC Lithium Resource of 3.3Mt LCE at Solaroz Project in Argentina

27 Refer LEL ASX Announcement dated 30 April 2024: Sale of Solaroz Lithium Project for A\$97 Million

28 Based on LEL ASX announcement released on 30 July 2024: Quarterly Reports – 30 June 2024

29 Refer LEL ASX Announcement dated 3 April 2024: Merger of Lithium Energy and NOVONIX Natural Graphite Assets and Proposed Axon Graphite Limited Spin-Out and IPO

30 Based on an exchange rate of A\$1.00 : US\$0.65

31 Refer LEL ASX Announcement dated 8 August 2024: Results of General Meeting and LEL Notice of General Meeting, Explanatory Statement and Proxy Form dated and released on ASX on 3 July 2024

32 Refer LEL ASX Announcement dated 3 June 2024: Chinese Regulatory Approvals Secured by CNGR to Acquire Solaroz Lithium Project

33 Refer LEL ASX Announcements dated 8 August 2024: Shareholders Approve Sale of Interests in Solaroz Lithium Brine Project and 30 April 2024: Sale of Solaroz Lithium Project for A\$97 Million

34 Refer LEL ASX Announcement dated 8 August 2024: Shareholders Approve Sale of Interests in Solaroz Lithium Brine Project

DIRECTORS' REPORT

Other Projects

Strike may also pursue other investment opportunities in the resource sector in Australia and overseas if it is in the interests of the Company and shareholders, subject to the results of its Apurimac operations in Peru and the relative prospects of any new proposed project.

ASX has noted that it may require Strike to re-comply with Chapters 1 and 2 of the Listing Rules in the event Strike proposes to undertake an acquisition or transaction that warrants the application of Chapter 11 of the Listing Rules.

Quarterly Reports

Further information on Strike's activities and operations during the financial year are also contained in Strike's Quarterly Activities and Cash Flow Reports lodged on ASX dated:

- 31 July 2024: Quarterly Report - 30 June 2024
- 30 April 2024: Quarterly Report - 31 March 2024
- 31 January 2024: Quarterly Report - 31 December 2023
- 31 October 2023: Quarterly Report - 30 September 2023

MATERIAL BUSINESS RISKS

Strike's exploration and development operations will be subject to the normal risks of mineral exploration and development, and any revenues will be subject to factors beyond Strike's control. The material business risks that may affect Strike are summarised below:

Exploration Risk: Strike's resource projects are at various stages of exploration, evaluation and development. There is no assurance that future exploration will result in the discovery of an economic resource or reserve or that it can be economically exploited. Future exploration activities may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs/recovery rates, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and personnel, local communities/indigenous and existing land/lease holder stakeholder engagements, changing government regulations and many other factors beyond the control of Strike. Exploration and evaluation costs are based on certain assumptions in relation to the nature, method and timing of these activities, which are subject to significant uncertainties and, accordingly, the actual costs may materially differ. Cost estimates and the underlying assumptions may not be realised in practice, which may materially and adversely affect Strike's financial performance and or position.

Resource Estimation Risk: Resource estimates are expressions of judgement based on knowledge, experience and industry practice. These estimates were appropriate when made but may change significantly when new information becomes available. Resource estimates which depend on interpretations may require adjustment. Adjustments to resource estimates could affect Strike's future plans and ultimately its financial performance. Mineral and commodity price fluctuations, as well as increased production costs or reduced throughput and/or recovery rates, may render resources containing relatively lower grades uneconomic and may materially affect resource estimations.

Title Risk: Mining tenements are granted subject to a number of conditions, compliance with which is necessary to ensure continued title to those tenements. These conditions may include payment of annual rents, meeting prescribed expenditure and/or work commitments, and annual reporting requirements. Failure to meet tenement conditions may cause loss of title to tenure and/or the imposition of fines. Mining tenements may only be granted for a specified term and may be subject to periodic renewal or extension. In some cases, mining tenements may only be renewed or extended a limited number of times for a limited period of time. After completing their permitted number of renewals and extensions of term, an exploration tenement may expire at the end of their respective term, unless an application to convert those tenements to a mining licence (or another form of mining tenure) is lodged and successfully granted. The renewal or extension of the term of a granted tenement or grant of a tenement application is also subject to the discretion of the relevant government official/authority or their authorised delegates (as applicable) and may be

DIRECTORS' REPORT

subject to renewal/grant conditions. Renewal/grant conditions may include increased expenditure and/or work commitments or compulsory relinquishment of tenement areas. Strike cannot guarantee that renewals or extensions of its mining tenements (where applicable) will be granted on a timely basis, or at all. The inability to obtain the grant of tenements, or renewals or extensions, and the imposition of new conditions, or the inability or failure to meet any conditions may adversely affect the operations, financial position and/or performance of Strike.

Feasibility and Development Risks: There is risk associated with the successful commercial exploitation of resource discoveries. Such exploitation would involve securing necessary approvals from relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied or in a timely manner. Advancing exploitation may involve the participation of other parties/stakeholders whose interests and objectives may differ from Strike's. There is a complex, multidisciplinary process involved to evaluate and assess development pathways and undertake feasibility-related studies to support a development proposal. Evaluations/assessments and studies and associated technical works may not achieve the results expected. Even if supported by a positive feasibility study, a project may not be successfully developed for a range of technical, commercial and or financial reasons.

Commodity Pricing Risk: The commercial prospects of Strike (in relation to the development of its current iron ore projects) is dependent principally upon the demand for iron ore and steel products, in particular in China, which is the predominant export market for junior iron ore producers.

Key Personnel: In formulating its exploration and evaluation programmes, feasibility-related studies and development strategies, Strike relies on the experience and expertise of its directors, senior executives and other senior management. There is a risk that key personnel may leave their employment, which may adversely affect the business, at least in the short term. Recruiting and retaining qualified, skilled and experienced key personnel in the minerals/commodities sectors and geography in which Strike operates may also be challenging in a strong and competitive resources sector.

Future Funding: Strike's ongoing exploration, evaluation and development activities will require substantial further funding in the future. Any additional equity capital may be dilutive to shareholders and may be undertaken at lower issue prices than the current market price. Debt financing, if available, may involve restrictive covenants which limit Strike's operations and

business strategy. There is no assurance that appropriate funding, if and when needed, will be available on terms satisfactory to Strike or at all. The inability to obtain funding will adversely affect Strike and may result in some or all of its projects not proceeding or their scale and/or scope being altered or defaults in licences or permits or agreements occurring, which, if not remedied, could result in forfeiture of its tenements.

Foreign Jurisdiction: Strike holds its interest in the Apurimac Project in Peru through its 100% shareholdings in Peruvian registered companies. The overseas companies are subject to risks normally associated with the conduct of business in foreign countries. Risks pertaining to Peru may include, among other things, political risk, economic environments, disruptions to logistics, access to infrastructure and services (water, power and gas), labour disputes, corruption, civil disturbances and crime, changes in law or policies, opposition to mining from environmental or other non-governmental organisations or changes in political attitudes towards mining activities.

Foreign Exchange Risk: The expenditure of Strike is and will be in Australian, United States and Peruvian currencies, exposing the Company to fluctuations and volatility of the rates of exchange between the Australian dollar, United States dollar and Peruvian Soles as determined in international markets. Strike does not currently undertake any hedging of foreign currency items, however as operations develop and expand, more sophisticated foreign exchange risk management strategies may be adopted.

Access Risk: There may be areas of Strike's projects over which indigenous rights exist or are claimed by indigenous owners. Similarly, Strike's tenements may encroach on existing land or lease holders. As such, Strike's ability to gain access to the tenements or to progress from the exploration phase to the development and mining phases of operations, may require reaching agreement with these stakeholders to facilitate access and development, which is not assured, on terms satisfactory to Strike, or at all. Negotiations with stakeholders may also result in a delay with the development of Strike's projects.

Regulatory Risk: Strike's operations are subject to various Federal, State/Provincial and local laws and regulations, including those relating to exploration, development and mining permit and licence requirements, industrial relations, environment, land use, royalties, water, native title/indigenous and cultural heritage, mine safety and occupational work, health and safety. Approvals, licences and permits required to comply with such rules may be subject to the discretion of the applicable government officials/authorities. No assurance can be given

DIRECTORS' REPORT

that Strike will be successful in maintaining such authorisations in full force and effect without modification or revocation. To the extent such approvals are required and not retained or obtained in a timely manner or at all, Strike may be curtailed or prohibited from continuing or proceeding with exploration and production. Strike's business and results of operations could be adversely affected if applications lodged for relevant licences are not granted.

Environmental Risk: The operations and activities of Strike are subject to environmental laws and regulations. Strike is unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase Strike's cost of doing business or affect its operations in any area. However, there can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige Strike to incur significant expenses and undertake significant investments which could have a material adverse effect on Strike's business, financial condition and performance.

Climate Change Risk: The operations and activities of Strike may be subject to local or international compliance regulations related to climate change mitigation efforts, specific taxation or penalties for carbon emissions or environmental damage, and other possible restraints on industry that may further impact Strike and its profitability. Climate change may also cause certain physical and environmental risks that cannot be predicted by Strike, including events such as increased severity of weather patterns, incidence of extreme weather events and longer-term physical risks such as shifting climate pattern.

Pandemic and other Public Health Risks: Future health pandemics (such as COVID-19) and other possible outbreaks of viruses/disease may have a significant adverse effect on Strike's business. The spread of such diseases amongst management, employees, contractors, suppliers and logistic networks, as well as any health-related government-imposed quarantine and isolation requirements, may reduce the ability to operate and have detrimental financial implications. More broadly, Strike may also be affected by the macroeconomic effects and likely ensuing financial volatility in the economies where the Company operates.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of Strike, save as otherwise disclosed in this Directors' Report or the financial statements and notes thereto, including:

- (a) The sale of Paulsens East, which was completed on 8 March 2024.

FUTURE DEVELOPMENTS

Strike intends to (subject to, amongst other matters, market conditions, Strike's financial position and commitments and the relative prospects of Strike's resource projects) advance the evaluation and development of its Apurimac Iron Ore Project in Peru. The likely outcomes of these activities depend on a range of technical and economic factors (including underlying commodity prices) 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 Strike's activities.

ENVIRONMENTAL REGULATION

Strike holds mineral tenements/concession licences issued by the relevant mining and environmental protection authorities of the various countries in which it operates (from time to time). In the course of its mineral exploration, evaluation and development activities, Strike adheres to licence conditions and environmental regulations imposed upon it by various authorities (as applicable). Strike 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 Strike's licence conditions and environmental regulations during the financial year and up to the date of this report.

DIRECTORS' REPORT

BOARD OF DIRECTORS

On 5 December 2023, Malcom Richmond (appointed 25 October 2006) retired as a Non-Executive Director of the Company.³⁵ On behalf of the Board and all Strike shareholders, the Company would like to thank Malcolm for his valuable contribution as a Non-Executive Director for the last 17 years, four of which years he also acted as the Company's Chairman (between 2011 and 2015). Malcolm has brought unparalleled knowledge and understanding of the Australia iron ore sector to the Company and during his tenure as a Director, has played a significant role in guiding the Company through a number of industry cycles.

On 8 March 2024, William Johnson transitioned from Managing Director to an Executive Director, after the completion of the sale of the Paulsen East Project.³⁶

On 27 September 2024, Matthew Hammond resigned as a Non-Executive Director of the Company.³⁷ Matthew has been a valued Director for the past 15 years and in that time, the Board and the Company has had the benefit of his extensive corporate and commercial experience and counsel.

Farooq Khan	Executive Chairman
<i>Appointed</i>	18 December 2015; Director since 1 October 2015
<i>Qualifications</i>	BJuris, LLB (<i>Western Australia</i>)
<i>Experience</i>	Farooq Khan is a qualified lawyer having previously practised principally in the field of corporate law. Mr Khan 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 sector. He has considerable experience in the fields of capital raisings, mergers and acquisitions and investments.
<i>Special responsibilities</i>	Member of the Audit Committee Member of the Remuneration and Nomination Committee
<i>Relevant Interests in shares and options</i>	1,813,231 shares (held jointly)
<i>Other current directorships in listed entities</i>	Executive Chairman of: <ul style="list-style-type: none"> Orion Equities Limited (ASX:OEQ) (since 23 October 2006) Bentley Capital Limited (ASX:BEL) (since 2 December 2003) Executive Chairman and Managing Director of: <ul style="list-style-type: none"> Queste Communications Ltd (ASX:QUE) (since 10 March 1998) Executive Director of Lithium Energy Limited (ASX:LEL) (since 14 January 2021)

35 Refer SRK ASX Announcement dated 11 December 2023: Retirement of Director

36 Refer SRK ASX Announcement dated 30 April 2024: Quarterly Reports - 31 March 2024

37 Refer SRK ASX Announcement dated 30 September 2024: Resignation of Director

DIRECTORS' REPORT

William Johnson Executive Director

<i>Appointed</i>	Executive Director since 8 March 2024; Managing Director between 25 March 2013 and 8 March 2024; Director since 14 July 2006
<i>Qualifications</i>	MA (Oxon), MBA, MAICD
<i>Experience</i>	William Johnson holds a Masters Degree in Engineering Science from Oxford University, England and an MBA from Victoria University, New Zealand. His 40+ years business career spans multiple industries and countries, with executive/CEO experience in mineral exploration and investment (Australia, Peru, Chile, Saudi Arabia, Oman, North Africa 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 corporate governance, business strategy and operations, investment analysis, finance and execution.
<i>Special responsibilities</i>	Chairman of the Remuneration and Nomination Committees (from 27 September 2024)
<i>Relevant Interests in shares and options</i>	349,273 shares (held jointly)
<i>Other current directorships in listed entities</i>	Executive Director of: <ul style="list-style-type: none"> Bentley Capital Limited (ASX:BEL) (since 1 January 2016; Director since March 2009) Executive Chairman of Lithium Energy Limited (ASX:LEL) (since 14 January 2021)

Victor Ho Executive Director and Company Secretary

<i>Appointed</i>	Director since 24 January 2014; Company Secretary since 30 September 2015
<i>Qualifications</i>	BCom, LLB (Western Australia), CTA
<i>Experience</i>	Victor Ho has been in Executive roles with a number of ASX-listed companies across the investments, resources and technology sectors over the past 24+ years. Mr Ho is a Chartered Tax Adviser (CTA) and previously had 9 years' experience in the taxation profession with the Australian Tax Office (ATO) and in a specialist tax law firm. Mr Ho has been actively involved in the investment management of listed investment companies (as an Executive Director and/or a member of the Investment Committee), the structuring and execution of a number of corporate, M&A and international joint venture (in South America (Peru, Chile and Argentina), Indonesia and the Middle East (Saudi Arabia and Oman) transactions, capital raisings, resources project (debt) financing, spin-outs/demergers and IPO's/re-listings on ASX and capital management initiatives and has extensive experience in public company administration, corporations' law, ASIC/ASX compliance and investor/shareholder relations.
<i>Special responsibilities</i>	Chairman of Audit Committee (from 27 September 2024) Secretary of Audit Committee and Remuneration and Nomination Committee
<i>Relevant Interests in shares and options</i>	-
<i>Other positions held in listed entities</i>	Executive Director (also Company Secretary) of: <ul style="list-style-type: none"> 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) Company Secretary of Lithium Energy Limited (ASX:LEL) (since 14 January 2021)

DIRECTORS' REPORT

Matthew Hammond Non-Executive Director

<i>Appointed</i>	25 September 2009; Resigned 27 September 2024
<i>Qualifications</i>	BA (Hons) (Bristol)
<i>Experience</i>	Mr Hammond is currently a key advisor and works for a family office. Between 2011 and 2022, he was the Group Managing Director and CFO of VK Company (formerly Mail.ru Group), 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.
<i>Special responsibilities</i>	Chairman of the Remuneration and Nomination Committees (until resignation as a Director) Member of the Audit Committee (until resignation as a Director)
<i>Relevant Interests in shares and options</i>	-
<i>Other current directorships in listed entities</i>	-

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:

Name of Director	Board Meetings		Audit Committee		Remuneration Committee	
	Attended	Max. Possible Meetings	Attended	Max. Possible Meetings	Attended	Max. Possible Meetings
Farooq Khan	13	13	1	1	-	-
William Johnson	13	13	-	-	-	-
Malcolm Richmond ^(a)	2	2	1	1	-	-
Matthew Hammond	13	13	1	1	-	-
Victor Ho ^(b)	13	13	1	1	-	-

Notes:

- (a) Mr Richmond retired as a Director on 5 December 2023.
- (b) Mr Ho attended Audit Committee meetings as Secretary of the Audit Committee

Audit Committee

The Audit Committee was established in March 2010 and currently comprises Victor Ho (as Chairman) and Farooq Khan.

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: www.strikeresources.com.au/corporate/corporate-governance/.

Remuneration and Nomination Committee

The Remuneration and Nomination Committee was established in August 2010 and currently comprises William Johnson (as Chairman) and Farooq Khan.

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 Executive Chairman and Executive Directors, including equity-based remuneration and assist the Executive Chairman 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: www.strikeresources.com.au/corporate/corporate-governance/.

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 (8) 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	Chairman since 18 December 2015; Director since 1 October 2015
William Johnson	Executive Director	Executive Director since 8 March 2024; Managing Director between 25 March 2013 and 8 March 2024; Director since 14 July 2006
Victor Ho	Director and Company Secretary	Director since 24 January 2014; Company Secretary since 30 September 2015
Malcolm Richmond	Non-Executive Director	Retired as Director on 5 December 2023; appointed Director on 25 October 2006 and served as Chairman between 3 February 2011 and 18 December 2015
Matthew Hammond	Non-Executive Director	Resigned as Non-Executive Director on 27 September 2024; appointed Director on 25 September 2009

(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 Strike'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 Strike 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 Executive Chairman 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/Executive Directors 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 Executive Chairman to determine the remuneration (including equity-based remuneration) of 'Senior Management' (being executive direct reports to the Executive Chairman 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: www.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: www.strikeresources.com.au/corporate/corporate-governance/.

Company Constitution: The Company's Constitution³⁸ also contain provisions in relation to the remuneration of the Managing Director, Executive Directors and Non-Executive Directors.

38 Refer SRK ASX Announcement released on 1 February 2006: Constitution

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 can be paid a maximum aggregate base remuneration of \$500,000³⁹ per annum inclusive of employer superannuation contributions where applicable, in such quantum and to be divided as the Board determines appropriate.

The Board has determined the following fixed cash remuneration for current Key Management Personnel as follows (as at 30 June 2024):

- (a) Mr Farooq Khan (Executive Chairman) - a base salary of \$175,000 per annum plus employer superannuation contributions;
- (b) Mr William Johnson (Executive-Director) - a base salary of \$100,000 per annum plus employer superannuation contributions;
- (c) Mr Victor Ho (Executive Director and Company Secretary) - a base salary of \$175,000 per annum plus employer superannuation contributions; and
- (d) Mr Matthew Hammond (Non-Executive Director) - a base fee of \$45,000 per annum.

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

- 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
- 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: Relevant Key Management Personnel have an opportunity to earn annual short-term incentive (STI) cash amounts if predefined key performance indicators (KPI's) are achieved. The STI/KPI's are reviewed annually (where applicable). No STI benefits have been set for or paid to Key Management Personnel during the financial year. During the financial year, the Company paid STI benefits earned and resolved to be paid in the 2022 financial year.

Long-Term Benefits: The Company does not have any long-term incentive (LTI) cash bonus schemes (or equivalent) in place for Key Management Personnel. The Company reserves the right to implement LTI remuneration measures for Key Management Personnel if appropriate in the future.

Equity-Based Benefits: There were no equity-based benefits granted to Key Management Personnel during the financial year. There were no shares issued as a result of the exercise of options issued to Key Management Personnel during the financial year. The Company may propose the issue of securities to Key Management Personnel in the future (as an equity-based incentive benefit), which will be put to shareholders for approval at that time (as required under the ASX Listing Rules and/or Corporations Act 2001 (Cth), as applicable).

³⁹ As approved by shareholders at the Annual General Meeting held on 25 November 2009; refer Strike's Notice of Annual General Meeting released on ASX on 27 October 2009 and SRK ASX Announcement dated 25 November 2009: Results of Annual General Meeting

REMUNERATION REPORT

Securities Incentive Plan: The Company adopted a Securities Incentive Plan (the **Plan** or **SIP**), which was approved by shareholders at the Company's AGM held on 4 December 2020. The purpose of the Plan is to:

- (a) assist in the reward, retention, and motivation of 'Eligible Participants' (which includes employees, Executive and Non-Executive Directors and contractors – not limited to Key Management Personnel);
- (b) link the reward of Eligible Participants to shareholder value creation; and
- (c) align the interests of Eligible Participants with shareholders of the Company by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of securities (which includes a share, a right to a share, an option over an issued or unissued security and a convertible security).

Under the Plan, the Board may offer to eligible persons the opportunity to subscribe for such number of securities in the Company on such terms and conditions as the Board may decide and otherwise pursuant to the rules of the Plan. The maximum number of securities issued under the Plan is limited to 5% of Strike's issued share capital. A summary of the Plan is in Annexure A to the Notice of Annual General Meeting and Explanatory Statement dated 20 October 2020 and released on ASX on 4 November 2020.

There were no SIP Options granted to Key Management Personnel during the financial year.

Post-Employment Benefits: The Company does not presently provide retirement benefits to Key Management Personnel other than compulsory superannuation contributions. 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), LTI(s) or equity-based benefits that may be provided to Key Management Personnel, the 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.

	2024	2023	2022	2021	2020
Profit/(Loss) Before Income Tax (\$)	754,523	(6,882,463)	(4,589,491)	3,859,875	(1,401,713)
Basic Earnings/(Loss) per share (cents)	0.27	(2.48)	(1.70)	1.66	(0.83)
Dividends Paid (total)	-	-	-	-	-
VWAP Share Price on ASX for financial year (\$)	0.052	0.10	0.17	0.176	0.051
Closing Bid Share Price on ASX at 30 June (\$)	0.036	0.06	0.11	0.265	0.045

REMUNERATION REPORT

(3) 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 Remuneration	Other Current Terms
Farooq Khan (Executive Chairman)	25 January 2021 (date of executive employment agreement) 18 December 2015 (commencement date) 1 January 2021 (date of effect of current remuneration)	\$175,000 plus employer superannuation contributions (11% of base salary for 2023/24 and 11.5% from 1 July 2024)	<ul style="list-style-type: none"> No fixed term or fixed rolling terms of service. Commitment to a minimum prescribed hours per week over the course of a 5 day working week plus reasonable additional time required by the Company. 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. Six months' notice of termination by the Company (or payment of six month's salary in lieu thereof) and one month's notice by executive. Immediate termination without notice if executive commits any act of serious misconduct. Employment terminates upon cessation as officer of the Company, with entitlement to payment of six month's salary (save for voluntary resignation or immediate termination for serious misconduct). Permitted to continue as a Director of other existing ASX-listed companies – concurrent role as Director of any other company is not prohibited if it does not interfere with the proper performance of duties. Entitlement to performance-related cash bonuses as agreed with the Company from time to time.
William Johnson (Executive Director)	22 April 2013 (date of employment agreement) 11 March 2013 (commencement date) 1 July 2023 (date of effect of current remuneration)	\$100,000 plus employer superannuation contributions (11% of base salary for 2023/24 and 11.5% from 1 July 2024)	<ul style="list-style-type: none"> No fixed term or fixed rolling terms of service. 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. Six months' notice of termination by executive. Company may terminate without notice with payment of six month's salary. Immediate termination without notice and without payment in lieu of notice if executive commits any serious act of misconduct. Save with the agreement of the Board, 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 STI payments as set by the Board.
Victor Ho (Executive Director and Company Secretary)	25 January 2021 (date of executive employment agreement) 30 September 2015 (commencement date) 1 January 2021 (date of effect of current remuneration)	\$175,000 plus employer superannuation contributions (11% of base salary for 2023/24 and 11.5% from 1 July 2024)	<ul style="list-style-type: none"> No fixed term or fixed rolling terms of service. Commitment to a minimum prescribed hours per week over the course of a 5 day working week plus reasonable additional time required by the Company. 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. Six months' notice of termination by the Company (or payment of six month's salary in lieu thereof) and one month's notice by executive. Immediate termination without notice if executive commits any act of serious misconduct. Employment terminates upon cessation as officer of the Company, with entitlement to payment of six month's salary (save for voluntary resignation or immediate termination for serious misconduct). Permitted to continue as a Director/Company Secretary of other existing ASX-listed companies – concurrent role as Director/Company Secretary of any other company is not prohibited if it does not interfere with the proper performance of duties. Entitlement to performance-related cash bonuses as agreed with the Company from time to time.

REMUNERATION REPORT

(4) 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:

2024 Key Management Personnel	Performance- related %	Short-term Benefits		Post- Employment Benefits	Other Long-term Benefits	Equity- Based Benefits	Total \$
		Cash salary and fees \$	STI benefits ^(a) \$	Superannuation \$	Long service leave \$	Shares & options \$	
Directors:							
William Johnson	-	100,000	-	20,900	-	-	120,900
Farooq Khan	-	175,000	-	25,025	-	-	200,025
Malcolm Richmond ^(a)	-	19,286	-	2,121	-	-	21,407
Matthew Hammond	-	45,000	-	-	-	-	45,000
Victor Ho (also Company Secretary)	-	175,000	-	25,025	-	-	200,025

Note:

- (a) During the financial year, the Company paid STI benefits earned and resolved to be paid in the 2022 financial year – these benefits were disclosed in the 2022 remuneration report.
- (b) Mr Richmond retired as a Director on 5 December 2023.

2023 Key Management Personnel	Performance - related %	Short-term Benefits		Post- Employment Benefits	Other Long-term Benefits	Equity- Based Benefits	Total
		Cash salary and fees \$	STI benefits \$	Superannuation \$	Long service leave \$	Shares & options \$	
Directors:							
William Johnson	-	300,000	-	31,500	-	-	331,500
Farooq Khan	-	175,000	-	18,375	-	-	193,375
Malcolm Richmond	-	41,250	-	4,331	-	-	45,581
Matthew Hammond	-	45,000	-	-	-	-	45,000
Victor Ho (also Company Secretary)	-	175,000	-	18,375	-	-	193,375

(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) Securities held by Key Management Personnel

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

Shares

Key Management Personnel	Balance at 30 June 2023	Received as part of remuneration	Net Other Change	Balance at 30 June 2024
Farooq Khan	1,813,231	-	-	1,813,231
William Johnson	349,273	-	-	349,273
Victor Ho	-	-	-	-
Malcolm Richmond ^(a)	-	-	-	-
Matthew Hammond	-	-	-	-

Note:

- (a) Mr Richmond retired as a Director on 5 December 2023.

REMUNERATION REPORT

Directors' Options (\$0.185, 3 December 2023)

During the financial year, all 12,000,000 Directors' Options (\$0.185, 3 December 2023) lapsed on their expiry.⁴⁰

Key Management Personnel	Balance at 30 June 2023	Received as part of remuneration	Net Other Change	Balance at 30 June 2024
Farooq Khan	3,750,000	-	(3,750,000) ⁴¹	-
William Johnson	4,500,000	-	(4,500,000) ⁴²	-
Victor Ho	2,250,000	-	(2,250,000) ⁴³	-
Malcolm Richmond	750,000	-	(750,000) ⁴⁴	-
Matthew Hammond	750,000	-	(750,000) ⁴⁵	-

Notes:

- (a) The Directors' Options were granted on 4 December 2020 (after receipt of shareholder approval at the Company's AGM held on 4 December 2020⁴⁶), each with an exercise price of \$0.21, an expiry date of 2 December 2023 and were subject to vesting conditions. These Executive Options lapsed on 3 December 2023.⁴⁰
- (b) The terms and conditions of the Directors' Options are set out in Annexure B to Strike's Notice of Annual General Meeting and Explanatory Statement dated 20 October 2020 and released on ASX on 4 November 2020.
- (c) The disclosures of holdings above are in accordance with the accounting standards which require disclosure of securities 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).

(7) Engagement of Remuneration Consultants

The Company has not engaged any remuneration consultants to provide remuneration recommendations in relation to Key Management Personnel during the financial 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 (who are not Directors) where applicable.

(8) Voting and Comments on the Remuneration Report at the 2023 AGM

At the Company's most recent (2023) AGM, a resolution to adopt the prior year (2023) Remuneration Report was passed on a poll with 96.1% of votes in favour of adopting the Remuneration Report.⁴⁷ No comments were made on the Remuneration Report at the 2023 AGM.

This concludes the audited Remuneration Report.

40 Refer SRK ASX Announcement dated 4 December 2023: Lapse of Unlisted Options and Notification of cessation of securities -SRK

41 Refer SRK ASX Announcement dated 5 December 2023: Change of Director's Interest Notice – F Khan

42 Refer SRK ASX Announcement dated 5 December 2023: Change of Director's Interest Notice – W Johnson

43 Refer SRK ASX Announcement dated 5 December 2023: Change of Director's Interest Notice – V Ho

44 Refer SRK ASX Announcement dated 5 December 2023: Change of Director's Interest Notice – M Hammond

45 Refer SRK ASX Announcement dated 5 December 2023: Change of Director's Interest Notice – M Richmond

46 Refer Strike's Notice of Annual General Meeting and Explanatory Statement (Resolutions 6 to 10) dated 20 October 2020 and released on ASX on 4 November 2020 and SRK ASX Announcements dated 4 December 2020: Results of 2020 Annual General Meeting and 4 December 2020: Proposed Issue of Securities

47 Refer Strike's Notice of Annual General Meeting and Explanatory Statement (Resolution 2) dated and released on ASX on 26 October 2023 and SRK ASX Announcements dated 30 November 2023: Results of 2023 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:

- 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
- 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.

AUDITOR

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

Auditor	Audit & Review Fees \$	Non-Audit Services \$	Total \$
In.Corp Audit & Assurance Pty Ltd	28,700	-	28,700

On 15 January 2024, Rothsay Audit & Assurance Pty Ltd ABN 14 129 769 151 changed its name to In.Corp Audit & Assurance Pty Ltd.

In.Corp Audit & Assurance Pty Ltd continues in office in accordance with section 327C of the *Corporations Act 2001 (Cth)*.

DIRECTORS' REPORT

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 23. This relates to the Independent Auditor's Report, where the Auditor states 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 25), 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
Executive Chairman

30 September 2024

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION
307C OF THE CORPORATIONS ACT 2001**

To the Directors of Strike Resources Limited

As lead auditor of Strike Resources Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in relation to Strike Resources Limited and the entities it controlled during the year.

In.Corp Audit & Assurance Pty Ltd
ABN 14 129 769 151

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SYDNEY NSW 2000

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In.Corp Audit & Assurance Pty Ltd



Daniel Dalla
Director

Sydney, 30 September 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2024

	Note	2024	2023
	2	\$	\$
REVENUE			
Other income			
Net gain on sale of subsidiaries		5,077,850	-
Net gain on financial assets at fair value through profit or loss		163,797	1,800,616
Interest revenue		124,430	15,030
Other income		-	197,406
TOTAL REVENUE AND OTHER INCOME		5,366,077	2,013,052
EXPENSES	3		
Share of Associate entity's net loss		(800,041)	(4,311,597)
Mining expenses		(758,291)	(527,174)
Personnel expenses		(1,207,475)	(1,692,914)
Corporate expenses		(476,569)	(325,711)
Occupancy expenses		(46,972)	(78,724)
Finance expenses		(763,913)	(1,115,608)
Foreign exchange loss		(238,070)	(395,055)
Administration expenses		(320,223)	(448,732)
PROFIT/(LOSS) BEFORE INCOME TAX		754,523	(6,882,463)
Income tax expense	5	-	-
PROFIT/(LOSS) FOR THE YEAR		754,523	(6,882,463)
OTHER COMPREHENSIVE INCOME			
Other Comprehensive Income, Net of Tax			
Exchange differences on translation of foreign operations		(44,566)	(530,800)
Share of other comprehensive loss of associate		210,163	41,007
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		920,120	(7,372,256)
EARNINGS/(LOSS) PER SHARE FOR LOSS ATTRIBUTABLE TO THE ORDINARY EQUITY HOLDERS OF THE COMPANY:			
Basic and diluted loss per share (cents)	6	0.27	(2.48)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2024

	Note	2024 \$	2023 \$
CURRENT ASSETS			
Cash and cash equivalents	7	6,714,999	2,640,955
Financial assets at fair value through profit or loss		3,000	1,980
Receivables	10	585,252	140,922
Other current assets		366,506	386,298
TOTAL CURRENT ASSETS		7,669,757	3,170,155
NON-CURRENT ASSETS			
Investment in Associate entity	21	-	669,878
Resource project	11	149,550	-
Mine development	12	-	15,688,267
Property, plant and equipment		36,211	79,467
TOTAL NON-CURRENT ASSETS		185,761	16,437,612
TOTAL ASSETS		7,855,518	19,607,767
CURRENT LIABILITIES			
Payables	13	883,074	1,987,733
Provisions	14	271,170	1,032,760
TOTAL CURRENT LIABILITIES		1,154,244	3,020,493
NON-CURRENT LIABILITIES			
Borrowings	13	-	10,806,120
TOTAL NON-CURRENT LIABILITIES		-	10,806,120
TOTAL LIABILITIES		1,154,244	13,826,613
NET ASSETS		6,701,274	5,781,154
EQUITY			
Issued capital	15	160,453,332	160,453,332
Reserves	16		
Profits reserve		28,968,834	28,968,834
Share-based payments reserve		13,402,658	13,402,658
Foreign currency translation reserve		1,583,625	1,418,028
Accumulated losses		(197,707,175)	(198,461,698)
TOTAL EQUITY		6,701,274	5,781,154

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2024

	Issued capital	Share-based payments reserve	Profits reserve	Foreign currency translation reserve	Accumulated losses	Total
	\$	\$	\$	\$	\$	\$
BALANCE AT 1 JUL 2022	159,420,982	13,402,658	24,402,692	1,907,821	(187,013,093)	12,121,060
Loss for the year	-	-	-	-	(6,882,463)	(6,882,463)
Profits reserve transfer			4,566,142		(4,566,142)	-
Other comprehensive income	-	-	-	(489,793)	-	(489,793)
Total comprehensive income for the year	-	-	4,566,142	(489,793)	(11,448,605)	(7,372,256)
Issue of shares	1,100,000	-	-	-	-	1,100,000
Cost of issued shares	(67,650)	-	-	-	-	(67,650)
BALANCE AT 30 JUN 2023	160,453,332	13,402,658	28,968,834	1,418,028	(198,461,698)	5,781,154
BALANCE AT 1 JUL 2023	160,453,332	13,402,658	28,968,834	1,418,028	(198,461,698)	5,781,154
Profit for the year	-	-	-	-	754,523	754,523
Other comprehensive income	-	-	-	165,597	-	165,597
Total comprehensive income for the year	-	-	-	165,597	754,523	920,120
Transactions with owners in their capacity as owners:	-	-	-	-	-	-
BALANCE AT 30 JUN 2024	160,453,332	13,402,658	28,968,834	1,583,625	(197,707,175)	6,701,274

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2024

		2024	2023
	Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(2,627,985)	-
Payments for resource projects		(206,458)	-
Payments for mining production		-	(1,501,345)
Other receipts		-	197,406
NET CASH USED IN OPERATING ACTIVITIES	7(a)	(2,834,443)	(1,303,939)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		124,430	15,030
Proceeds from disposal of subsidiaries		20,000,000	-
Pre-production receipts from sale of iron ore		-	8,978,796
Payment for mine development		(425,194)	(15,599,877)
Payment for purchases of office equipment		-	(1,356)
Proceeds from realisation of share investments		242,777	2,400,000
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES		19,942,013	(4,207,407)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan repayment to third party		(11,051,866)	-
Loan from third party		-	3,099,006
Loan interest repayment		(1,940,662)	-
Issue of shares		-	1,100,000
Cost of issuing shares		-	(67,650)
NET CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES		(12,992,528)	4,131,356
NET INCREASE/(DECREASE) IN CASH HELD		4,115,042	(1,379,990)
Cash and cash equivalents at beginning of financial year		2,640,955	4,206,548
Effect of exchange rate changes on cash held		(40,998)	(185,603)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	7	6,714,999	2,640,955

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

1. ABOUT THIS FINANCIAL REPORT

1.1 Background

This financial report covers the consolidated financial statements of the consolidated entity consisting of Strike Resources Limited (ASX:SRK) (the **Company** or **SRK**), 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 Profit or Loss and other comprehensive income that is most relevant to understanding performance and shareholder returns for the year:

Notes

- 2 Revenue
- 3 Expenses
- 4 Segment information
- 5 Tax
- 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
- 9 Fair value measurement of financial instruments

- (c) **Other Assets and Liabilities:** Provides information on other balance sheet assets and liabilities that do materially affect performance or give rise to material financial risk:

Notes

- 10 Receivables
- 11 Resource projects
- 12 Mine development
- 13 Payables
- 14 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

- 15 Issued capital
- 16 Reserves
- 17 Shared-based payments
- 18 Capital risk management

- (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

- 19 Parent entity information
- 20 Investment in controlled entities
- 21 Investment in associate entity
- 22 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

- 23 Auditor's remuneration
- 24 Contingencies
- 25 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, Australian 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**).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

Reporting Basis and Financial Statement Presentation

The financial report has been prepared on a going concern and accrual 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.

1.3 Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of the Company as at 30 June 2024 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 New, revised or amending Accounting Standards and Interpretations adopted

The Consolidated Entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not mandatory have not been early adopted. These are not expected to have a material impact on the Consolidated Entity's financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

2. REVENUE

	2024	2023
	\$	\$
The Consolidated Entity's operating profit/(loss) before income tax includes the following items of revenue:		
Other income		
Net gain on sale of subsidiaries	5,077,850	-
Net gain on financial assets at fair value through profit or loss	163,797	1,800,616
Interest revenue	124,430	15,030
Other income	-	197,406
	5,366,077	2,013,052

3. EXPENSES

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

Share of Associate entity's net loss	800,041	4,311,597
Mine development expenses	279,589	527,174
Write off of tenements sold	478,702	-
Personnel expenses		
Salaries, fees and employee benefits	1,106,650	1,548,277
Superannuation	100,825	144,637
Corporate expenses		
Professional fees	224,387	85,322
ASX and CHESS fees	38,906	61,124
ASIC fees	6,893	7,291
Accounting, taxation and related administration	161,451	124,558
Audit	28,700	32,000
Share registry	9,668	12,072
Other corporate expenses	6,564	3,344
Occupancy expenses	46,972	78,724
Finance expenses	763,913	1,115,608
Foreign exchange loss/(gain)	238,070	395,055
Administration expenses		
Insurance	75,052	102,365
Office administration	57,322	65,196
Travel, accommodation and incidentals	44,195	4,730
Depreciation	40,093	84,264
Other administration expenses	103,561	192,177
	4,611,554	8,895,515

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

4. SEGMENT INFORMATION

	Peru \$	Australia \$	Total \$
2024			
Other	-	5,366,077	5,366,077
Total segment revenues and other income	-	5,366,077	5,366,077
Share of Associate entity's net loss	-	800,041	800,041
Mining expenses	99,878	658,413	758,291
Personnel expenses	48,298	1,159,177	1,207,475
Corporate expenses	61,955	414,614	476,569
Finance expenses	1,577	762,336	763,913
Depreciation expense	2,395	37,698	40,093
Other expenses	(9,410)	574,582	565,172
Total segment profit/(loss)	(204,693)	959,216	754,523
Adjusted EBITDA	(202,298)	1,757,787	1,555,489
Total segment assets	576,377	7,279,141	7,855,518
Total segment liabilities	149,142	1,005,102	1,154,244
2023			
Other	-	2,013,052	2,013,052
Total segment revenues	-	2,013,052	2,013,052
Share of Associate entity's net loss	-	4,311,597	4,311,597
Mining expenses	128,506	398,668	527,174
Personnel expenses	4,304	1,688,610	1,692,914
Corporate expenses	78,774	246,937	325,711
Finance expenses	2,670	1,112,938	1,115,608
Depreciation expense	-	84,264	84,264
Other expenses	(137,091)	975,338	838,247
Total segment loss	(77,163)	(6,805,300)	(6,882,463)
Adjusted EBITDA	(77,163)	(5,617,790)	(5,694,953)
Total segment assets	427,527	19,180,240	19,607,767
Total segment liabilities	197,539	13,629,074	13,826,613

The assets and liabilities in relation to wholly-owned subsidiaries, Strike Iron Ore Holdings Pty Ltd and Paulsens East Iron Ore Pty Ltd, which were sold on 8 March 2024 pursuant to an agreement dated 22 December 2023 (refer Note 12), were not allocated to an operating segment and is within the Australian segment.

Accounting policy

The operating segments are reported in a manner consistent with the internal reporting provided to the Executive Chairman. The Executive Chairman 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 operated only in Australia and Peru during the financial year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

5. TAX

	2024	2023
	\$	\$
(a) The components of tax expense comprise:		
Current tax	-	-
Deferred tax	-	-
	-	-
(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 30% (2023: 30%)	226,357	(2,064,739)
Adjust tax effect of:		
Non-deductible expenses	71,229	34,139
Current year tax losses not recognised	-	2,030,600
Prior year tax losses utilised	(297,586)	-
Income tax attributable to entity	-	-
(c) Unrecognised deferred tax balances		
Unrecognised deferred tax asset - revenue losses	9,797,848	10,015,779
Unrecognised deferred tax asset - other	4,623,503	4,623,503
	14,421,351	14,639,282

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.

6. EARNINGS/(LOSS) PER SHARE

	2024	2023
	cents	cents
Basic and diluted earnings/(loss) per share	0.27	(2.48)
The following represents the profit/(loss) and weighted average number of shares used in the EPS calculations:		
Net profit/(loss) after income tax	754,523	(6,882,463)
	Shares	Shares
Weighted average number of ordinary shares	283,750,000	277,157,534

7. CASH AND CASH EQUIVALENTS

	2024	2023
	\$	\$
Cash at bank	6,714,999	2,640,955

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

7. CASH AND CASH EQUIVALENTS (continued)

	2024	2023
	\$	\$
(a) Reconciliation of operating profit/(loss) after income tax to net cash used in operating activities		
Profit/(Loss) after income tax	754,523	(6,882,463)
Add non-cash items:		
Depreciation	40,093	84,264
Write off of equipment	81	-
Write off of tenements sold	478,702	-
Share of Associate entity's net loss	800,041	4,311,597
Net gain on sale of subsidiaries	(5,077,850)	-
Net gain on financial assets at fair value through profit or loss	(163,797)	(1,800,616)
Adjustment for movement in foreign exchange	238,070	395,055
Changes in assets and liabilities:		
Receivables	(68,760)	161,193
Other current assets	19,792	(5,217)
Mine development	(217,819)	1,219,336
Payables	363,198	4,970
Provisions	(761,590)	104,696
Loan from third party	760,873	1,103,246
	(2,834,443)	(1,303,939)

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:

		2024	2023
	Note	\$	\$
Cash and cash equivalents	7	6,714,999	2,640,955
Financial assets at fair value through profit or loss		3,000	1,980
Receivables		585,252	140,922
		7,303,251	2,783,857
Payables	13	(883,074)	(1,987,733)
Loan from third party	13	-	(10,806,120)
Net financial assets		6,420,177	(10,009,996)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

8. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk

Market risk is the risk that the fair value and/or future cash flows from a financial instrument or asset 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.

(i) Commodity price risk

The Consolidated Entity is exposed to commodity price risk whereby fluctuations in the prices of commodities (i.e. iron ore), driven by market factors, can affect its financial performance. Volatile fluctuations in commodity prices creates significant business challenges that affects credit availability, production costs and product pricing. This price volatility creates an imperative for the Consolidated Entity to manage the impact of commodity price fluctuations across its value chain to effectively manage its financial performance and profitability.

(ii) 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 generally 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:

	2024	2023
	USD	USD
Cash and cash equivalents	55,746	858,130
Loan from third party	-	(7,991,002)
Payables	(149,142)	(134,432)
Net financial assets/(liabilities)	(93,396)	(7,267,304)

The Consolidated Entity has performed a sensitivity analysis on its exposure to exchange risk. Management's assessment is based upon an analysis of current and future market positions. The analysis (below) demonstrates the effect on the current year results and equity if the Australian dollar strengthened or declined by 10% against the foreign currency detailed above.

	Impact on post-tax profit		Impact on equity	
	2024	2023	2024	2023
	\$	\$	\$	\$
Increase 10%	(9,340)	(726,730)	(9,340)	(726,730)
Decrease 10%	9,340	726,730	9,340	726,730

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

8. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(iii) 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 4.19% (2023: 0.4%).

The table (below) 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 equity	
	2024	2023	2024	2023
	\$	\$	\$	\$
Increase by 25bps	16,787	6,602	16,787	6,602
Decrease by 25bps	(16,787)	(6,602)	(16,787)	(6,602)

(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's non-cash assets can be realised to meet trade and other payables arising in the normal course of business. The financial liabilities disclosed in the table above 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 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 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:

	2024	2023
	\$	\$
Cash and cash equivalents		
AA-	6,658,290	2,601,000
No external credit rating available	56,709	39,955
	6,714,999	2,640,955
Receivables (due within 30 days)		
No external credit rating available	585,252	140,922

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

9. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value hierarchy

AASB 13 (Fair Value Measurement) requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- (i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- (ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- (iii) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial assets at fair value through profit or loss:

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Listed securities at fair value				
2024	3,000	-	-	3,000
2023	1,980	-	-	1,980

There have been no transfers between the levels of the fair value hierarchy during the financial year.

(a) Valuation techniques

The fair value of the listed securities traded in active markets is based on closing bid prices at the end of the reporting period. These investments are included in Level 1.

The fair value of any assets that are not traded in an active market are determined using certain valuation techniques. The valuation techniques maximise the use of observable market data where it is available, or independent valuation and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

(b) Fair values of other financial assets and liabilities

		2024	2023
	Note	\$	\$
Cash and cash equivalents	7	6,714,999	2,640,955
Receivables	10	585,252	140,922
		7,300,251	2,781,877
Payables	13	(883,074)	(12,793,853)
		6,417,177	(10,011,976)

Due to their short-term nature, the carrying amounts of cash, current receivables and current payables is assumed to approximate their fair value.

10. RECEIVABLES

	2024	2023
	\$	\$
Deferred consideration	500,000	-
Deposits	24,362	60,855
Other receivables	60,890	80,067
	585,252	140,922

Risk exposure

The Consolidated Entity's exposure to credit and interest rate risks is discussed in Note 8.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

11. RESOURCE PROJECT

	2024	2023
	\$	\$
Opening Balance	-	-
Capitalised costs	149,550	-
Closing Balance	149,550	-

12. MINE DEVELOPMENT

Mine development expenditure	-	15,688,267
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Movements in Mine development expenditure

Opening balance	15,688,267	9,890,168
Mine development costs	110,439	14,026,895
Write off of tenements sold	(15,798,706)	-
Asset retirement costs	-	750,000
Pre- production receipts from sale of iron ore	-	(8,978,796)
Closing balance	-	15,688,267

Capitalised Mine development expenditure pertained to the Paulsens East Iron Ore Project (located in Western Australia). Mine development represents the costs incurred in preparing mines for production and includes plant and equipment under construction and operating costs incurred before production commences. On 22 December 2023, the Company entered into a Share and Asset Purchase Agreement (Agreement) with certain parties including Miracle Iron Holdings Pty Ltd (Miracle) for the sale of 100% of the shares in wholly-owned subsidiary, Strike Iron Ore Holdings Pty Ltd (SIOH). SIOH is the parent of Paulsens East Iron Ore Pty Ltd, the owner and operator of the Paulsens East Iron Ore Project. On 8 March 2024, the Company completed the sale of SIOH under the Agreement (refer also Note 13).

13. PAYABLES

	2024	2023
	\$	\$
Current		
Trade payables	412,922	292,656
Loan from third party	-	1,186,979
Directors' short term incentive benefit	-	90,000
Other creditors and accruals	470,152	418,098
	883,074	1,987,733
Non-current		
Loan from third party	-	10,806,120

Loan from third party

The Consolidated Entity had entered into a project finance loan facility agreement to borrow US\$7.2 million to fund the Stage 1 Production at the Paulsens East Iron Ore Project (**Facility**). The Facility (comprising US\$7.2 million principal and US\$0.133 million accrued interest) was fully discharged on 8 March 2024 at a cost of A\$11.26 million, pursuant to completion of the Agreement in respect of the sale of Paulsens East (refer Notes 12).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

14. PROVISIONS

	2024	2023
	\$	\$
Provision for Environmental rehabilitation	-	750,000
Employee benefits - annual leave	89,056	109,337
Employee benefits - long service leave	182,114	173,423
	271,170	1,032,760

15. ISSUED CAPITAL

283,750,000 (2023: 283,750,000) fully paid ordinary shares

160,453,332 **160,453,332**

		Number	
Movement in fully paid ordinary shares	Date of issue	of shares	\$
At 1 July 2022		270,000,000	159,420,982
Issue of shares at 8 cents	23-Dec-22	13,750,000	1,100,000
Cost of share issue			(67,650)
At 30 June 2023		283,750,000	160,453,332

There was no movement during the year.

16. RESERVES

	2024	2023
	\$	\$
Profits reserve	28,968,834	28,968,834
Share-based payments reserve	13,402,658	13,402,658
Foreign currency translation reserve	1,583,625	1,418,028
	43,955,117	43,789,520

(a) Share-based payments reserve

The Share-based payments reserve recognises the consideration (net of expenses) received by the Company on the issue of options. In relation to options issued to Directors and personnel for nil consideration, the fair value of these options (refer Note 17) are recognised in the Share-based payments reserve.

(b) Profits reserve

An increase in the Profits reserve will arise when the Company or its subsidiaries generates a net profit (after tax) for a relevant financial period (i.e. half year or full year) which the Board determines to credit to the company's Profits reserve. Dividends may be paid out of (and debited from) a company's Profits reserve, from time to time.

(c) Foreign currency translation reserve

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

17. SHARE-BASED PAYMENTS

Grant date	Expiry date	Fair value						Vested and	
		at grant date (\$)	Exercise price (\$)	Opening balance	During the period			Closing balance	exercisable at period end
					Granted	Exercised	Lapsed		
Financial year 30 June 2024									
01-Dec-20	30-Nov-23	0.066	0.150	1,000,000	-	-	(1,000,000)	-	-
04-Dec-20	03-Dec-23	0.063	0.185	12,000,000	-	-	(12,000,000)	-	-
04-Jun-21	03-Jun-24	0.104	0.330	1,000,000	-	-	(1,000,000)	-	-
15-Feb-22	14-Feb-25	0.115	0.185	3,100,000	-	-	-	3,100,000	-
				17,100,000	-	-	(14,000,000)	3,100,000	-
Weighted average exercise price				0.19	-	-	-	0.29	
Financial year 30 June 2023									
01-Dec-20	30-Nov-23	0.066	0.150	1,000,000	-	-	-	1,000,000	1,000,000
04-Dec-20	03-Dec-23	0.063	0.185	12,000,000	-	-	-	12,000,000	-
04-Jun-21	03-Jun-24	0.104	0.330	1,000,000	-	-	-	1,000,000	1,000,000
15-Feb-22	14-Feb-25	0.115	0.185	3,100,000	-	-	-	3,100,000	-
				17,100,000	-	-	-	17,100,000	2,000,000
Weighted average exercise price				0.19	-	-	-	0.19	

The following options lapsed during the year:

- (a) On 30 November 2023, 1,000,000 Broker's options (each with an exercise price of \$0.15) lapsed on expiry.
- (b) On 3 December 2023, 12,000,000 Directors' options (each with an exercise price of \$0.185) lapsed on expiry.
- (c) On 3 June 2024, 1,000,000 Broker's options (each with an exercise price of \$0.185) lapsed on expiry.

18. 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.

19. PARENT ENTITY INFORMATION

The following information provided relates to the Company, Strike Resources Limited, as at 30 June 2024.

	2024	2023
	\$	\$
Statement of profit or loss and other comprehensive income		
Profit/(Loss) for the year	(16,400,511)	4,566,142
Other comprehensive income		-
Total comprehensive income for the year	(16,400,511)	4,566,142

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

19. PARENT ENTITY INFORMATION (continued)

	2024	2023
	\$	\$
Statement of financial position		
Current assets		
Cash and cash equivalents	6,659,493	2,584,122
Other	4,759,484	137,379
Non current assets	8,098,801	44,789,983
Total assets	19,517,778	47,511,484
Current liabilities	1,005,102	605,197
Non-Current liabilities	-	11,993,100
Total liabilities	1,005,102	12,598,297
Net assets	18,512,676	34,913,187
Issued capital	160,453,332	160,453,332
Options reserve	13,402,658	13,402,658
Profits reserve	28,968,834	24,402,692
Accumulated losses	(184,312,148)	(163,345,495)
Equity	18,512,676	34,913,187

20. INVESTMENT IN CONTROLLED ENTITIES

Investment in controlled entities	Incorporated	Ownership interest	
		2024	2023
Strike Finance Pty Ltd	Australia	100%	100%
Paulsens East Iron Ore Pty Ltd	Australia	-	100%
Strike Iron Ore Holdings Pty Ltd	Australia	-	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%

21. INVESTMENT IN ASSOCIATE ENTITY

	Ownership interest		2024	2023
	2024	2023	\$	\$
Lithium Energy Limited (ASX:LEL)	30.10%	30.49%	-	669,878
Movements in carrying amounts				
Opening balance			669,878	5,540,968
Sale of ordinary shares			(80,000)	(600,500)
Share of net loss after tax			(800,041)	(4,311,597)
Share of other comprehensive loss			210,163	41,007
			-	669,878
Fair value (at market price on ASX) of investment in Associate entity			11,473,700	27,012,600
Net asset value of investment			8,826,410	9,795,216

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

21. INVESTMENT IN ASSOCIATE ENTITY (continued)

	2024	2023
	\$	\$
Summarised statement of profit or loss and other comprehensive income		
Revenue	174,871	514,731
Expenses	(4,998,425)	(12,581,582)
Loss before income tax	(4,823,554)	(12,066,851)
Income tax expense	-	-
Loss after income tax	(4,823,554)	(12,066,851)
Other comprehensive income/(loss)	698,126	134,484
Total comprehensive income	(4,125,428)	(11,932,367)
Summarised statement of financial position		
Current assets	28,725,997	10,064,558
Non-current assets	3,821,773	23,255,630
Total assets	32,547,770	33,320,188
Current liabilities	3,227,922	1,196,495
Total liabilities	3,227,922	1,196,495
Net assets	29,319,848	32,123,693

22. RELATED PARTY TRANSACTIONS

(a) Transactions with key management personnel

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 2024. The total remuneration paid to KMP of the Consolidated Entity during the year is as follows:

	2024	2023
	\$	\$
Directors		
Short-term employee benefits	709,286	736,250
Post-employment benefits	73,071	72,581
	782,357	808,831

(b) Transactions with other related parties

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

23. AUDITOR'S REMUNERATION

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

	2024	2023
	\$	\$
Audit of financial statements		
In.Corp Audit & Assurance Pty Ltd	28,700	32,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

24. CONTINGENCIES

(a) Directors' Deeds

The Company has entered into Access, Indemnity and Insurance Deeds with the Directors which, inter alia, indemnify them against liability incurred in discharging their duties as officers. 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.

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

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 SRK ASX Announcement dated 31 December 2012: Strike Moves to 100% Ownership of AF.

(c) 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 are without merit and will all be eventually dismissed, consistent with previous decisions by the relevant Peruvian authorities.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

25. EVENTS OCCURRING AFTER THE REPORTING PERIOD

- (a) On 11 July 2024, the Company received \$100,000 deferred consideration from the sale of Paulsens East (which completed on 8 March 2024). The Company has agreed to a temporary suspension of payment of the (\$400,000) balance of the deferred consideration pending finalisation and reconciliation of a pre-completion supplier contractual matter. The \$500,000 deferred consideration was recognised as a Receivable asset as at balance date.

No other 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.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

as at 30 June 2024

Entity name	Entity type	% of Share Capital	Place of Incorporation	Tax Residency	
				Australian or Foreign	Foreign Jurisdiction
Strike Resources Limited (SRK)					
Strike Iron Ore Holdings Pty Ltd	Body corporate	-	Australia	Australian	N/A
Paulsens East Iron Ore Pty Ltd	Body corporate	-	Australia	Australian	N/A
Strike Finance Pty Ltd	Body corporate	100%	Australia	Australian	N/A
Strike Resources Peru S.A.C.	Body corporate	100%	Peru	Foreign	Peru
Apurimac Ferrum S.A.C.	Body corporate	100%	Peu	Foreign	Peru
Ferrum Trading S.A.C	Body corporate	100%	Peu	Foreign	Peru

Notes:

- (1) SRK disposed of Strike Iron Ore Holdings Pty Ltd and Paulsens East Iron Ore Pty Ltd (which owns the Paulsens East Iron Ore Project in Western Australia) on 8 March 2024.
- (2) The Consolidated Entity Disclosure Statement (**CEDS**) has been prepared in accordance with subsection 295(3A)(a) of the *Corporations Act 2001* (Cth) and includes information for each entity that was part of the Consolidated Entity as at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.
- (3) The percentage of share capital disclosed for bodies corporate included in the CEDS represents the economic interest consolidated in the consolidated financial statements.
- (4) The Company has formed a tax-consolidated group (with effect on 1 July 2019) under Australian taxation law, with SRK as the head entity and the wholly-owned Australian subsidiaries of SRK as members.
- (5) Section 295 (3A)(vi) of the *Corporation Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997* (Cth) (**ITAA 1997**). Foreign incorporated companies can still be considered a tax resident of Australia if their central management and control is in Australia. An entity can be both, an Australian tax resident under the ITAA 1997, and a tax resident in another foreign jurisdiction under the tax law applicable in that jurisdiction.
- (6) The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency. In determining tax residency, the Consolidated Entity has applied the following interpretations:
 - (a) The Consolidated Entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5 and the advice of independent Australian tax advisers; and
 - (b) Where necessary, the Consolidated Entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.
- (7) Where the entity is not an Australian tax resident but is a foreign tax resident based on the Australian domestic law definition, then each foreign country in which the entity is a tax resident (as determined under the law of foreign jurisdictions) must be disclosed in the CEDS. However, if the entity is an Australian tax resident, this requirement does not apply and no further information needs to be provided about other tax residencies of the entity.

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 24 to 43 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 2024 and of their performance for the year ended on that date;
- (2) The Company has included in the notes to the Financial Statements an explicit and unreserved statement of compliance with the International Financial Reporting Standards;
- (3) 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;
- (4) The Directors have been given the declarations required by section 295A of the *Corporations Act 2001 (Cth)* by the Executive Chairman (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
- (5) In the Directors' opinion, the Consolidated Entity Disclosure Statement on page 44 is true and correct.

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
Executive Chairman

30 September 2024

STRIKE RESOURCES LIMITED
INDEPENDENT AUDITOR'S REPORT

To the members of Strike Resources Limited

Opinion

We have audited the financial report of Strike Resources Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the Directors' Declaration.

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

- a) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the year ended on that date; and
- b) Complying with Australian Accounting Standards and *Corporations Regulations 2001*

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report.

We are independent of the Group in accordance with 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Group, would be in the same terms if given to the directors as at the time of this auditor's report.

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

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STRIKE RESOURCES LIMITED

INDEPENDENT AUDITOR'S REPORT (continued)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our Audit Addressed the Key Audit Matter
<p>Divestment of Mining Project</p> <p>During the year, the Group disposed of its mining project and recorded a gain on disposal of \$5,077,850.</p> <p>The recognition of the gain on disposal of the mining project was considered a key audit matter due to the following:</p> <ul style="list-style-type: none"> • The recorded gain and associated consideration is considered a material transaction to the Group; and • Accounting for these types of transactions can be complex. 	<p>Our procedures in reviewing the transaction included but were not limited to the following:</p> <ul style="list-style-type: none"> • Reviewed the share and asset sale agreement to understand the key terms and structure of the consideration paid; and • Reconciled management's calculations of the gain on disposal of the subsidiary recognised in the financial report; • Reviewed the accounting treatment of the transaction; and • Assessed the adequacy of the disclosures included in the financial report. <p>Our procedures did not result in any significant findings surrounding the accounting for the transaction.</p>

STRIKE RESOURCES LIMITED

INDEPENDENT AUDITOR'S REPORT (continued)

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the director determine is necessary to enable the preparation of:

- i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

STRIKE RESOURCES LIMITED

INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2024. 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.

Opinion

In our opinion the Remuneration Report of Strike Resources Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

In.Corp Audit & Assurance Pty Ltd



Daniel Dalla
Director

Sydney, 30 September 2024

SECURITIES INFORMATION

as at 30 June 2024

SECURITIES ON ISSUE

Class of Security	Quoted on ASX	Unlisted
Fully paid ordinary shares	283,750,000	-
Securities Incentive Plan (SIP) Options (\$0.185, 14 February 2025) ¹	-	1,850,000
Total	283,750,000	1,850,000

DISTRIBUTION OF FULLY PAID ORDINARY SHARES

Spread	of	Holdings	Number of Holders	Number of Shares	% of Total Issued Capital
1	-	1,000	349	130,930	0.05%
1,001	-	5,000	718	2,251,991	0.79%
5,001	-	10,000	447	3,581,798	1.26%
10,001	-	100,000	864	33,099,685	11.67%
100,001	-	and over	307	244,685,596	86.23%
TOTAL			2,685	283,750,000	100%

UNMARKETABLE PARCELS

Spread	of	Holdings	Number of Holders	Number of Shares	% of Total Issued Capital
1	-	13,888	1,623	7,261,388	2.56%
13,889	-	over	1,062	276,488,612	97.44%
TOTAL			2,685	283,750,000	100%

An unmarketable parcel is considered, for the purposes of the above table, to be a shareholding of 13,888 shares or less (being a value of \$500 or less in total), based upon the Company's closing share price of \$0.036 on 30 June 2024.

¹ Refer SRK ASX Announcement dated 18 February 2022: Notification regarding unquoted securities - SRK

SECURITIES INFORMATION

as at 30 June 2024

TOP TWENTY, ORDINARY FULLY PAID SHAREHOLDERS

Rank	Holder name	Shares Held	% Issued Capital
1	BENTLEY CAPITAL LIMITED	56,739,857	19.996
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	26,657,902	9.39
3	GOOD IMPORTING INTERNATIONAL PTY LTD	13,082,910	
	MR ZHOUFENG ZHANG	5,239,556	
	MS HONG XU	601,873	
	Sub-total	18,941,616	6.68
4	ORION EQUITIES LIMITED	10,000,000	3.52
5	MRS AMBREEN CHAUDHRI	10,000,000	3.52
6	IRIS SYDNEY HOLDINGS PTY LTD	3,851,988	1.36
7	MR STEVEN JAMES CLUNE & MRS LISA MICHELLE CLUNE	3,282,273	1.16
8	MR HONGWEI YAO	2,671,798	0.94
9	LAVISH LIMOUSINES PTY LTD	2,304,754	0.81
10	MR MINH VU QUANG DANG & MRS THI KIM DAU NGUYEN	2,258,965	0.80
11	DOLMAT PTY LTD	2,010,000	0.71
12	MR FAROOQ KHAN & MS ROSANNA DECAMPO	1,813,231	0.64
13	CITICORP NOMINEES PTY LIMITED	1,803,812	0.64
14	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	1,772,783	0.62
15	MR RICHARD DAVID SIMPSON	1,752,241	0.62
16	MR DAVID JOHN DWYER & MRS LYNETTE MAREE DWYER	1,641,435	0.58
17	ELVIEN PTY LTD	1,500,000	0.53
18	PRINT LOGIC WA PTY LTD	1,300,000	0.46
19	JALDARA PTY LTD	1,256,093	0.44
20	MR ROBERT RODNEY PASCOE	1,215,305	0.43
TOTAL		152,774,053	53.846%

SUBSTANTIAL SHAREHOLDERS

Substantial Shareholders	Registered Shareholder	Shares Held	% Voting Power
Bentley Capital Limited (ASX:BEL)	Bentley Capital Limited	56,739,857	19.996%
Windfel Properties Limited and Associates	HSBC Custody Nominees (Australia) Limited	25,825,000	9.10%
Good Importing International Pty Ltd and Associates	Good Importing International Pty Ltd	13,082,910	
	Mr Zhoufeng Zhang	5,239,556	6.68%
	Ms Hong Xu	601,873	
Orion Equities Limited (ASX:OEQ)	Orion Equities Limited	10,000,000	
	Bentley Capital Limited	56,739,857	23.52%
Queste Communications Ltd (ASX:QUE)	Orion Equities Limited	10,000,000	
	Bentley Capital Limited	56,739,857	23.52%