



28 April 2021

QUARTERLY REPORT ON ACTIVITIES January to March 2021

Overview

Copper Strike Limited ("**Copper Strike**" or the "**Company**") is pleased to provide an update on its activities for the quarter ending 31 March 2021.

The Company's operating costs continue to be tightly controlled.

Copper Strike currently has no exploration interests.

Corporate Activities

As at 31 March 2021 Copper Strike owns 9.14 million shares in Syrah Resources Limited.

The Board continues to review potential project acquisition opportunities in the Materials (or other) sectors and will provide a further update to the market in due course.

Placement

On 8 February 2021, the Company announced that it had received firm commitments to raise a total of \$1.2 million (before costs) at an issue price of \$0.095 (9.5 cents) per share, which comprised an unconditional non-brokered placement of \$1.05 million to sophisticated and professional investors and a conditional placement to Directors, of \$0.15 million, which was approved by shareholders at the General Meeting held on 30 March 2021.

Funds raised under the Placement will be used for general working capital purposes including costs associated with the potential acquisition of suitable project(s) in the Materials (or other) sectors including due diligence and any potential re-compliance costs.

On 17 February 2021, the Company issued a total of 11,605,262 fully paid ordinary shares, with 11,052,631 shares at an issue price of \$0.095 (9.5 cents) per Share in relation to the Tranche 1 unconditional non-brokered Placement, raising \$1.05 million, and 552,631 Shares at a deemed issue price of \$0.095 (9.5 cents) per share in relation to the Capital Raising fee, in accordance with the announcements made on 8 February 2021.

Also on 17 February 2021, the Company issued a total of 4,420,000 Tranche 1 corporate advisor unlisted options, as announced in the Appendix 3B's (Proposed Issue of Securities) on 8 February 2021, with 2,210,000 options exercisable at \$0.14 (14 cents) each, expiring on 31 January 2024, and 2,210,000 options exercisable at \$0.17 (17 cents) each, expiring 31 January 2024.

On 6 April 2021, the Company issued a total of 580,000 Tranche 2 corporate advisor unlisted options, as announced in the Appendix 3B's (Proposed Issue of Securities) on 8 February 2021, with 290,000 options exercisable at \$0.14 (14 cents) each, expiring on 31 January 2024, and 290,000 options exercisable at \$0.17 (17 cents) each, expiring on 31 January 2024.



Also on 6 April 2021, the Company issued 1,578,947 fully paid ordinary shares at an issue price of \$0.095 (9.5 cents) per Share in relation to the Tranche 2 placement to Directors, as approved by shareholders at the General Meeting of the Company held on 30 March 2021. This Tranche 2 placement raised \$0.15 million in accordance with the announcements made on 8 February 2021.

Corporate Advisor Appointment

During the quarter, the Company announced that it had appointed Canaccord Genuity (Australia) Limited as Corporate Advisor, to assist the Company with its on-going capital markets strategy requirements, and in particular, to assist with the potential acquisition of suitable project(s) in the Materials (or other) sectors.

Listing Rule 12.1

As announced on 11 December 2020, the Company was advised by ASX, that in their opinion, Copper Strike's current operations are not sufficient to warrant the continued quotation of its securities.

The ASX has stated that it will afford the Company until 9 June 2021 to demonstrate to ASX that Copper Strike is compliant with Listing Rule 12.1. If the Company does not demonstrate compliance with this rule to ASX's satisfaction by 9 June 2021, ASX may suspend the Company's securities from official quotation.

Syrah Shareholding

Key Points from the Syrah Quarterly Activities Report – March 2021. Refer to the Syrah March 2021 quarterly activities and cash flow report for further details.

- Natural graphite production at Balama recommenced ahead of schedule – 5kt produced and 2kt of prior sales shipped from product inventory in the quarter.
- Completed transfer of quota for 5% Mozambique Government interest in Balama in accordance with the Mining Agreement.
- Syrah advancing strongly to become a vertically integrated producer of natural graphite Active Anode Material ("AAM") to service ex-Asia markets.
- Furnace installed and commissioned at Vidalia – further delivery of on-specification AAM to potential customers for qualification enabled from fully integrated commercial scale AAM facility at Vidalia.
- Potential battery manufacturer and OEM customers engaged in qualification of AAM – Syrah receiving positive feedback on quality and performance.
- Completed Front-End Engineering and Design and transitioned to initial Detailed Design for expansion to 10ktpa AAM production capacity at Vidalia.
- Progressing evaluation of strategic and financial partnership options for Vidalia.
- Strong demand growth for natural graphite end uses, with EV sales up 140% in Q1 2021 versus Q1 2020.
- Strong quarter end cash balance of US\$78 million.



Administration

As at 31 March 2021, Copper Strike had approximately \$1,146,000 in cash and cash equivalents. Copper Strike's operating expenditure for the quarter amounted to \$72,000.

Payments to related parties and their associates during the quarter was \$21,000, as outlined in Section 6 of the accompanying Appendix 5B. These payments are related to Directors fees and superannuation paid during the March 2021 quarter.

-Ends-

This announcement was authorised for release by the Copper Strike Board of Directors.

For further information please contact:

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Non-Executive Chairman
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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

COPPER STRIKE LIMITED

ABN

16 108 398 983

Quarter ended ("current quarter")

31 March 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(21)	(89)
	(e) administration and corporate costs	(51)	(179)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(72)	(268)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,050	1,050
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(7)	(7)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	50	50
	Cash received for shares not yet issued		
3.10	Net cash from / (used in) financing activities	1,093	1,093

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	125	321
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(72)	(268)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,093	1,093

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,146	1,146

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,146	125
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,146	125

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	21
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	N/A		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(72)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(72)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,146
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1,146
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	15.92
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A.	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 April 2021.....

Authorised by: The Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.