Copper Strike Limited

ABN 16 108 398 983

Annual Report - 30 June 2014

Contents

Copper Strike Limited
Corporate directory
30 June 2014

Directors	Tom Eadie (Non-Executive Chairman) Brendan Jesser (Non-Executive Director) Mark Hanlon (Non-Executive Director)
Company secretary	Melanie Leydin
Registered office	Level 9 356 Collins Street Melbourne Victoria 3000 Telephone: +61 3 9640 0955 Fax: +61 3 9642 0698
Principal place of business	Level 9 356 Collins Street Melbourne Victoria 3000 Telephone: +61 3 9640 0955 Fax: +61 3 9642 0698
Share register	Security Transfer Registrars Pty Ltd Alexandra House Suite 1, 770 Canning Highway Applecross WA 6153
Auditor	Grant Thornton Audit Pty Ltd The Rialto, Level 30 525 Collins Street Melbourne Victoria 3000
Solicitors	Baker & McKenzie Level 19 181 William Street Melbourne Victoria 3000
Stock exchange listing	Copper Strike Limited shares are listed on the Australian Securities Exchange (ASX code: CSE)
Website	www.copperstrike.com.au

The Year in Review

Late in the year, the Company restructured the Board of Directors and embarked on a number of cash conservation measures in order to preserve the cash of the Company. The primary focus of the Board has become to have the Copper Strike share price more fully reflect the value of its 11 million share investment in Syrah Resources Limited (ASX: SYR). This stake currently has a pre-tax value of over $50 million.

With respect to the Board changes:

- Mr Barrie Laws and Mr John Dunlop resigned as Non-Executive Directors of the Company. Both Barrie and John were long term Directors of the Company and the Board thanks them for their role in leaving Copper Strike in such good standing;
- Mr Brendan Jesser and Mr Mark Hanlon have been appointed as Non-Executive Directors of the Company;
- Mr Tom Eadie has changed his role from Executive Chairman to Non-Executive Chairman.

The Board has implemented a number of cost-saving and asset disposal measures. Some of the more significant of these are as follows:

- The lease at the head office in Melbourne has been transferred across to a co-tenant company;
- Board roles have been restructured and all salaries have been decreased; and
- All exploration properties have been relinquished and no new exploration initiatives are being pursued at the current time.

Prior to these changes, Copper Strike's main corporate strategy, while being conscious of maintaining the value of the Syrah shares for Copper Strike shareholders, had been to investigate transactions that would effectively utilise the Company's assets and expertise in mineral exploration. Copper Strike was active in the careful assessment of several companies, projects and exploration opportunities which did not lead to any acquisitions, mergers or joint ventures.

In addition, Copper Strike made a final assessment of the Warracknabeal, Victorian, mineral sands tenements which led to their relinquishment during the financial year.

Aside from the activities mentioned above, Copper Strike conducted no exploration during the financial year.

The information in this report as it relates to geology, geochemical, geophysical and exploration results was compiled by Mr Tom Eadie, FAusIMM, who is a Competent Person and Chairman of Copper Strike Ltd. Mr Eadie has more than 20 years of experience in the activities being reported on and has sufficient expertise which is relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Eadie consents to the inclusion of this information in the form and context in which it appears in this report.

Copper Strike Limited
Directors' report
30 June 2014

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Copper Strike Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2014.

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

Mr Tom Eadie (Non-Executive Chairman)
Mr Brendan Jesser (Non-Executive Director) appointed on 6 June 2014
Mr Mark Hanlon (Non-Executive Director) appointed on 6 June 2014
Mr John Dunlop (Non-Executive Director) resigned on 6 June 2014
Mr Barrie Laws (Non-Executive Director) resigned on 6 June 2014

Principal activities
During the financial year the principal continuing activities of the consolidated entity consisted of:
- Exploration for base and precious metals with an emphasis on mineral sands, and investment activities.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations
The loss for the consolidated entity after providing for income tax amounted to $1,045,115 (30 June 2013: $256,376).

Refer to separate detailed review of operations preceding this Director's report.

Financial Position

The net assets of the consolidated entity increased by $15,110,194 to $34,805,228 as at 30 June 2014 (30 June 2013: $19,695,034). The main reason for the increase this financial year is due to the revaluation increment of $23,079,011 attributable to the value of financial assets held.

The consolidated entity's working capital, being current assets less current liabilities decreased by $1,046,944 to $842,627 (30 June 2013: $1,889,571).

The Directors believe the consolidated entity is in a strong and stable position to expand and grow its current operations.

Significant changes in the state of affairs
There were no significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year
Since 30 June 2014, the fair value of the investment in Syrah Resources Limited (ASX Code: SYR) has increased to $53,350,024 as at 11 September 2014. This is an increase of $7,810,003 since 30 June 2014.

No other matter or circumstance has arisen since 30 June 2014 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations
The consolidated entity's main corporate focus in the coming periods is to seek to complete a transaction which could effectively utilise the consolidated entity's assets and expertise in mineral exploration. No such transaction is planned that will dilute Copper Strike shareholders' leverage to Syrah Resources Limited and its excellent Balama Graphite and Vanadium Project in Mozambique.

Environmental regulation
The company held participating interests in a number of mining and exploration tenements. The various authorities granting such tenements require the tenement holder to comply with the terms of the grant of the tenement and all directions given to it under those terms of the tenement. There have been no known breaches of the Company's environmental conditions, and no such breaches have been notified by any government agencies during the year ended 30 June 2014.

Information on directors

Name:	Mr Tom Eadie
Title:	Non-Executive Chairman
Qualifications:	B.Sc (Hons). M.Sc., F.AusIMM, SA Fin
Experience and expertise:	Tom Eadie has been executive chairman of the company since its inception in 2004, and was recently appointed a non-executive chairman in June 2014. Prior to this role, Tom had twenty years' experience within the junior resources sector, including one year running Austminex NL, and at technical to senior Executive levels with major mining companies including Pasminco, Aberfoyle Resources and Cominco. At Pasminco, he was Executive General Manager - Exploration & Technology for 11 years. At Aberfoyle, he began as Chief Geophysicist before being put in charge of all mineral sands and base metal exploration. He is a past board member of the Australasian Institute of Mining and Metallurgy and the Australian Mineral Industry Research Association. Tom has a B.Sc. (Hons) from the University of British Columbia, a M.Sc. in Physics (Geophysics) from the University of Toronto and a Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia (now the Financial Services Institute of Australasia).
Other current directorships:	Syrah Resources Limited
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	3,045,714 fully paid ordinary shares
Interests in options:	None

Name:	Mr Brendan Jesser
Title:	Non-Executive Director
Experience and expertise:	Brendan has over 16 years' experience in direct financial markets, stockbroking and corporate advisory, and has supported numerous listed and unlisted mining and industrial entities by providing both capital and corporate advisory services.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	400,000 fully paid ordinary shares
Interests in options:	None

Name:	Mr Mark Hanlon
Title:	Non-Executive Director
Experience and expertise:	Mark has over ten years of experience in the resources and resource services sector as well as over ten years' experience in commercial and merchant banking. He has a broad background of senior executive experience across a wide range of industries including mining, mining services, electricity distribution, electronics contract manufacturing, paper & packaging and insurance. He has most recently been the Finance Director of ENK plc and previously held the position or equivalent position of CFO with listed companies such as Century Drilling and International Contract Manufacturing Limited. Mark is currently a Director of Rusina Mining NL and Company Secretary of VU Group Pty Ltd. He holds a Bachelor of Business in Finance and Accounting and a Master of Business in Banking and Finance.
Other current directorships:	None
Former directorships (last 3 years):	ENK plc (resigned 15 November 2012)
Special responsibilities:	None
Interests in shares:	2,013,567 fully paid ordinary shares
Interests in options:	None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships in all other types of entities, unless otherwise stated.

'Former directorships (in the last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships in all other types of entities, unless otherwise stated.

Company secretary
Melanie Leydin has 23 years' experience in the accounting profession and is a director and company secretary for a number of oil and gas, junior mining and exploration entities listed on the Australian Securities Exchange. She is a Chartered Accountant and a Registered Company Auditor. She graduated from Swinburne University in 1997, became a Chartered Accountant in 1999 and since February 2000 has been the principal of chartered accounting firm, Leydin Freyer specialising in outsourced company secretarial and financial duties for resources and biotechnology sectors.

Meetings of directors
The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2014, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
Mr Tom Eadie	7	7
Mr Brendan Jesser	1	1
Mr Mark Hanlon	1	1
Mr Barrie Laws	7	7
Mr John Dunlop	7	7

Held: represents the number of meetings held during the time the director held office.

Remuneration report (audited)
The remuneration report, which has been audited, outlines the director and executive remuneration arrangements for the consolidated entity and the company, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration
The objective of the consolidated entity's and company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and conforms with the market best practice for delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:
- competitiveness and reasonableness
- acceptability to shareholders
- alignment of executive compensation
- transparency

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the consolidated entity and company depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the consolidated entity and company.

Alignment to shareholders' interests:
- has economic profit as a core component of plan design
- focuses on sustained growth in shareholder wealth, growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracts and retains high calibre executives

Alignment to program participants' interests:
- rewards capability and experience
- reflects competitive reward for contribution to growth in shareholder wealth

In accordance with best practice corporate governance, the structure of non-executive directors and executive remunerations are separate.

Non-executive directors remuneration
Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, the directors. Non-executive directors' fees and payments are reviewed annually by the Board. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to determination of his own remuneration.

Executive remuneration
The consolidated entity and company aims to reward executives with a level and mix of remuneration based on their position and responsibility, which is both fixed and variable.

The executive remuneration and reward framework has four components:
- base pay and non-monetary benefits
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board, based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Executives can receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the consolidated entity and adds additional value to the executive.

In determining the level and make-up of executive remuneration, the Board negotiates a remuneration to reflect the market salary for a position and individual of comparable responsibility and experience. Due to the limited size of the company and of its operations and financial affairs, the use of a separate remuneration committee is not considered appropriate. Remuneration is regularly compared with the external market by participation in industry salary surveys and during recruitment activities generally. If required, the Board may engage an external consultant to provide independent advice in the form of a written report detailing market levels of remuneration for comparable Executive roles.

The long-term incentives ('LTI') includes long service leave.

Consolidated entity performance and link to remuneration
The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. The achievement of this aim has been through the issue of options to directors and executives to encourage alignment of personal and shareholder interests. The options provide an incentive to the recipients to remain with the Company and continue to work to enhance the company's value.

Employee share option plan

Copper Strike Limited operates an ownership-based scheme for executives and senior employees of the consolidated entity. In accordance with the provisions of the plan, as approved by shareholders at a previous annual general meeting, executives and senior employees may be granted options to purchase parcels of ordinary shares at an exercise price determined by the Board. Each employee share option converts into one ordinary share of Copper Strike Limited on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The number of options granted is determined by the Board.

The purpose of the plan is to provide eligible employees with an incentive to remain with the company and to improve the longer term performance of the company and its return to shareholders. It is intended that the plan will enable the company to retain and attract skilled and experienced employees and provide them with the motivation to make the company more successful.

As at 30 June 2014 there were no options currently on issue under the plan.

Voting and comments made at the company's 2013 Annual General Meeting ('AGM')
The company received 93% of 'for' votes in relation to its remuneration report for the year ended 30 June 2013. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration
Details of the remuneration of the key management personnel of the consolidated entity are set out in the following tables.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2014	Cash salary and fees $	Bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
Mr B Jesser *	2,083	-	-	193	-	-	2,276
Mr M Hanlon *	2,083	-	-	193	-	-	2,276
Mr B Laws *	41,633	-	-	4,163	-	-	45,796
Mr J Dunlop *	41,633	-	-	4,163	-	-	45,796
Mr T Eadie **	3,125	-	-	289	-	-	3,414
Executive Directors:							
Mr T Eadie **	266,054	-	-	26,606	-	285,909	578,569
Other Key Management Personnel:							
Ms M Leydin ***	84,000	-	-	-	-	-	84,000
	440,611	-	-	35,607	-	285,909	762,127

* Mr Brendan Jesser and Mr Mark Hanlon were appointed as Directors of the Company on 6 June 2014. Mr John Dunlop and Mr Barrie Laws resigned as Directors of the Company on 6 June 2014

** Mr Tom Eadie was terminated from his role as Executive Chairman of the Company, and was appointed as a Non-Executive Chairman on 6 June 2014. Tom Eadie will also receive a termination payment of $285,909 under the terms of his executive director agreement, of which the amount has been accrued as at 30 June 2014. The payout is proposed to be issued in shares at the 2014 AGM and subject to shareholder approval.

*** Fees paid to Leydin Freyer Corp Pty Ltd in respect of Company Secretarial and Accounting services.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2013	Cash salary and fees $	Bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
Mr B Laws	44,740	-	-	4,474	-	-	49,214
Mr J Dunlop	44,740	-	-	4,474	-	-	49,214
Executive Directors:							
Mr Tom Eadie	285,909	-	-	28,591	-	-	314,500
Other Key Management Personnel:							
Ms M Leydin *	84,000	-	-	-	-	-	84,000
	459,389	-	-	37,539	-	-	496,928

* Fees paid to Leydin Freyer Corporate Pty Ltd in respect of Company Secretarial and Accounting services.

Service agreements
Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Mr T Eadie
Title:	Managing Director
Agreement commenced:	1 August 2005
Term of agreement:	This contract was terminated on 6 June 2014. Tom entered into a non-executive agreement on 6 June 2014.
Details:	(i) Mr Eadie may resign from his position and thus terminate this contract by giving 3 months written notice.(ii) The Company may terminate this employment agreement by providing 12 months written notice.(iii) The Company may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs the CEO is only entitled to that portion of remuneration which is fixed, and only up to the date of termination.(iv) On termination of the agreement Mr Eadie will be entitled to be paid those outstanding amounts owing to him up until the termination date.

There were no other service agreements with key management personnel.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares
There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2014.

Options
There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2014.

There were no options over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 30 June 2014.

Additional information
The earnings of the consolidated entity for the five years to 30 June 2014 are summarised below:

	2010 $	2011 $	2012 $	2013 $	2014 $
Revenue and other income	102,654	1,439,780	1,947,451	186,690	101,013
Net profit/(loss) before tax	(1,206,614)	(1,148,995)	854,302	(418,965)	(1,492,908)
Net profit/(loss) after tax	(1,206,614)	(1,148,995)	2,065,697	(256,376)	(1,045,115)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2010	2011	2012	2013	2014
Share price at financial year start ($)	0.12	0.12	0.12	0.22	0.15
Share price at financial year end ($)	0.12	0.12	0.22	0.15	0.26
Basic earnings per share (cents per share)	(1.14)	(0.91)	1.76	(0.24)	(0.98)

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
Mr T Eadie	3,045,714	-	-	-	3,045,714
Mr B Jesser *	-	-	400,000	-	400,000
Mr M Hanlon *	-	-	2,013,567	-	2,013,567
Mr J Dunlop **	-	-	4,667	(4,667)	-
	3,045,714	-	2,418,234	(4,667)	5,459,281

* Mr Brendan Jesser and Mr Mark Hanlon were appointed as Directors of the Company on 6 June 2014 and the additions noted in the table above relate to their initial disclosure of Directors interests.

** Mr John Dunlop acquired 4,667 fully paid ordinary shares on-market on 12 March 2014, and resigned as a Director on 6 June 2014.

This concludes the remuneration report, which has been audited.

Shares under option
There were no unissued ordinary shares of Copper Strike Limited under option outstanding at the date of this report.

Shares issued on the exercise of options
There were no ordinary shares of Copper Strike Limited issued on the exercise of options during the year ended 30 June 2014 and up to the date of this report.

Indemnity and insurance of officers
The company has indemnified the directors of the company for costs incurred, in their capacity as a director, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

Indemnity and insurance of auditor
The company has not otherwise, during or since the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to 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 part of those proceedings.

Non-audit services
There were no non-audit services provided during the financial year by the auditor.

Officers of the company who are former audit partners of Grant Thornton Audit Pty Ltd
There are no officers of the company who are former audit partners of Grant Thornton Audit Pty Ltd.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

Auditor
Grant Thornton Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

E T Eadie
Non-Executive Chairman

12 September 2014
Melbourne

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Auditor's Independence Declaration
To the Directors of Copper Strike Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Copper Strike Limited for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

B. L. Taylor
Partner - Audit & Assurance

Melbourne, 12 September 2014

Copper Strike Limited
Corporate governance statement
30 June 2014

The Board of Directors ('the Board') of Copper Strike Limited (the 'company') is responsible for the corporate governance of the consolidated entity. The Board guides and monitors the business and affairs of the company on behalf of the shareholders by whom they are elected and to whom they are accountable.

The table below summarises the company's compliance with the ASX Corporate Governance Council's Revised Principles and Recommendations.

Principles and Recommendations		Compliance	Comply
Principle 1 – Lay solid foundations for management and oversight			
1.1	Establish the functions reserved to the Board and those delegated to manage and disclose those functions.	The Board is responsible for the overall corporate governance of the company. The Board has adopted a Board charter that formalises its roles and responsibilities and defines the matters that are reserved for the Board and specific matters that are delegated to management. The Board has adopted a Delegations of Authority that sets limits of authority for senior executives. On appointment of a director, the company issues a letter of appointment setting out the terms and conditions of appointment to the Board.	Complies.
1.2	Disclose the process for evaluating the performance of senior executives.	The Board meets annually to review the performance of executives. The senior executives' performance is assessed against performance of the Company as a whole.	Complies.
1.3	Provide the information indicated in *Guide to reporting on Principle 1.*	A Board charter has been disclosed on the company's website and is summarised in this Corporate Governance Statement. A performance evaluation process is included in the Board Charter, which has been disclosed on the company's website and is summarised in this Corporate Governance Statement.	Complies. Complies.
Principle 2 – Structure the Board to add value			
2.1	A majority of the Board should be independent directors.	The majority of the Board's directors are independent directors of the company. Mr Tom Eadie is a Non-Executive Director and Chairman. Mr Brendan Jesser is an independent Non-Executive Director. Mr Mark Hanlon is an independent Non-executive Director.	Complies.
2.2	The chair should be an independent director.	Mr Tom Eadie is the Chairman and is not an independent Non-Executive Director.	Whilst the Board recognises that it is desirable for the Chairman to be an Independent Director, the

Principles and Recommendations		**Compliance**	**Comply**
			Company's current size dictates that this is the most efficient mode of operation at the current time. The Board will review the appointment of an Independent Chairperson should the Company's size and growth warrant this.
2.3	The roles of chair and chief executive officer should not be exercised by the same individual.	As noted, Mr Tom Eadie is the Non-Executive Director and the Company Chairman.	For similar reasons expressed in relation to recommendation 2.2, the existing arrangement is the most efficient mode of operation at the current time for the Company's size. The Board will review the appointment of a separate Chairperson should the Company's size and growth warrant this.
2.4	The Board should establish a nomination committee.	The company has not established a Nomination and Remuneration Committee.	It is not a Company policy to have a nomination committee, given the size and scale of Copper Strike Limited. The role of a nomination committee is carried out by the full Board. The full board considers the appointment of new Directors, on an informal basis. The Board's policy for the appointment of new Directors to the Board can be accessed at www.copperstrike.com.au.
2.5	Disclose the process for evaluating the performance of the Board, its committees and individual directors.	The company conducts the process for evaluating the performance of the Board, its committees and individual directors as outlined in the Board Charter which is available on the company's website. The Board's induction program provides incoming directors with information that will enable them to carry out their duties in the best interests of the company. This includes supporting ongoing education of directors for the benefit of the company.	Complies.
2.6	Provide the information indicated in the *Guide to reporting on Principle 2.*	This information has been disclosed (where applicable) in the directors' report attached to this Corporate Governance Statement. Mr Brendan Jesser and Mr Mark Hanlon are independent directors of the company. A director is considered independent when he substantially satisfies the test for	Complies.

Principles and Recommendations		Compliance	Comply
		independence as set out in the ASX Corporate Governance Recommendations. Members of the Board are able to take independent professional advice at the expense of the company. Mr Tom Eadie, Non-Executive Chairman, was appointed to the Board at incorporation of the Company in November 2004 originally as an Executive Director. Mr Tom Eadie became a Non-Executive Director in June 2014. Mr Brendan Jesser, Non-Executive Director, was appointed to the Board in June 2014. Mr Mark Hanlon, Non-Executive Director, was appointed to the Board in June 2014. The Board has undertaken a review of the mix of skills and experience on the Board in light of the company's principal activities and direction, and has considered diversity in succession planning. The Board considers the current mix of skills and experience of members of the Board and its senior management is sufficient to meet the requirements of the company. In accordance with the information suggested in *Guide to Reporting on Principle 2*, the company has disclosed full details of its directors in the director's report attached to this Corporate Governance Statement. Other disclosure material on the Structure of the Board has been made available on the company's website.	
Principle 3 – Promote ethical and responsible decision making			
3.1	Establish a code of conduct and disclose the code or a summary of the code.	The Board has adopted a code of conduct. The code establishes a clear set of values that emphasise a culture encompassing strong corporate governance, sound business practices and good ethical conduct. The code is available on the company's website.	Complies.
3.2	Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the Board to establish measurable objectives for achieving gender diversity and for the Board to assess annually both the objectives and progress in achieving	The Board has undertaken a review of the mix of skills and experience on the Board in light of the company's principal activities and direction. The Board has prepared a Diversity Policy that considers the benefits of diversity, ways to promote a culture of diversity, factors to be taken into account in the selection process of candidates for Board and senior management positions in the company, education programs to develop skills and experience in preparation for Board and senior management positions, processes to include review and appointment of directors, and identify key measurable	Complies.

Principles and Recommendations		**Compliance**	**Comply**
	them.	diversity performance objectives for the Board, CEO and senior management.	
3.3	Companies should disclose in each annual report the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them.	The Company will report, where appropriate, in each annual report the measurable objectives for achieving gender diversity set by the Board.	Complies
3.4	Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.	The Board currently comprises of 3 male Directors and one female in a senior management role being the Company Secretary. The total proportion of females in the company is 25% being 1 out of 4 employees.	Complies
3.5	Provide the information indicated in Guide to reporting on Principle 3.	This information is available on the Company's website.	Complies
Principle 4 – Safeguard integrity in financial reporting			
4.1	The Board should establish an audit committee.	The Board has not established an audit and risk committee.	The Board has not formed a separate audit committee given the size and scale of the Company. The functions of an audit committee are performed by the whole Board. All items that are dealt with by an audit committee are dealt with at Board meeting.
4.2	The audit committee should be structured so that it consists of only non-executive directors, a majority of independent directors, is chaired by an independent chair who is not chair of the Board and have at least 3 members.	Refer to comments above under 4.1.	Refer to comments above under 4.1.
4.3	The audit committee should have a formal charter.	Refer to comments above under 4.1.	Refer to comments above under 4.1.

Principles and Recommendations		Compliance	Comply
4.4	Provide the information indicated in *Guide to reporting on Principle 4.*	In accordance with the information suggested in *Guide to Reporting on Principle 2,* this has been disclosed in the directors' report attached to this Corporate Governance Statement and is summarised in this Corporate Governance Statement. Refer to comments above under 4.1.	Complies.
Principle 5 – Make timely and balanced disclosure			
5.1	Establish written policies designed to ensure compliance with ASX Listing Rules disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.	The company has adopted a continuous disclosure policy, to ensure that it complies with the continuous disclosure regime under the ASX Listing Rules and the Corporations Act 2001. This policy is available on the company's website.	Complies.
5.2	Provide the information indicated in the *Guide to reporting on Principle 5.*	The company's continuous disclosure policy is available on the company's website.	Complies.
Principle 6 – Respect the rights of shareholders			
6.1	Design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose that policy or a summary of that policy.	The company has adopted a shareholder communications policy. The company uses its website (www.copperstrike.com.au), annual report, market announcements, media disclosures and webcasting to communicate with its shareholders, as well as encourages participation at general meetings. This policy is available on the company's website.	Complies.
6.2	Provide the information indicated in the *Guide to reporting on Principle 6.*	The company's shareholder communications policy is available on the company's website.	Complies.
Principle 7 – Recognise and manage risk			
7.1	Establish policies for the oversight and management of material business risks and disclose a summary of these policies.	The Company has established policies for the oversight and management of material business risks which is available at the corporate governance statement on the Company's website at www.copperstrike.com.au under the "Corporate" tag which has the appropriate sub heading.	Complies.
7.2	The Board should require management to design and implement the risk management and internal	The Board believes the risk management and internal control systems designed and implemented by the Directors and the Financial Officer are adequate given the size and nature	Management has not formally reported to the Board as to the effectiveness of the Company's management of

Principles and Recommendations		**Compliance**	**Comply**
	control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The Board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.	of the Company's activities. The Board informally reviews the internal control structure.	its material business risks. Given the nature and size of the Company and the Board's ultimate responsibility to manage the risks of the Company this is not considered critical. The Company intends to develop the risk reporting framework into a detailed policy as its operations continue to grow.
7.3	The Board should disclose whether it has received assurance from the chief executive officer and chief financial officer that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating efficiently and effectively in all material respects in relation to the financial reporting risks.	The Board has received a statement from the chief executive officer and chief financial officer that the declaration provided in accordance with section 295A of the Corporations Act 2001 is founded on a sound system of risk management and internal control and that the system is operating efficiently and effectively in all material respects in relation to the financial reporting risks.	Complies.
7.4	Provide the information indicated in *Guide to reporting on Principle 7.*	The Company has established policies for the oversight and management of material business risks which is available at the corporate governance statement on the Company's website at www.copperstrike.com.au under the "Corporate" tag which has the appropriate sub heading.	Complies.
Principle 8 – Remunerate fairly and responsibly			
8.1	The Board should establish a remuneration committee.	The Board has not established a Nomination and Remuneration Committee and has not adopted a remuneration charter.	It is not a Company policy to have a nomination committee, given the size and scale of Copper Strike Limited. The role of a nomination committee is carried out by the full Board. The full board considers the appointment of new Directors, on an informal basis. The Board's policy for the appointment of new Directors to the Board can be accessed at www.copperstrike.com.au

Principles and Recommendations		**Compliance**	**Comply**
8.2	Clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.	The company complies with the guidelines for executive remuneration packages and non-executive director remuneration. No senior executive is involved directly in deciding their own remuneration.	Complies.
8.3	Provide the information indicated in *the Guide to reporting on Principle 8.*	The information has been disclosed in the Annual Report.	Complies.

Copper Strike Limited's corporate governance practices were in place for the financial year ended 30 June 2014 and to the date of signing the directors' report.

Various corporate governance practices are discussed within this statement. For further information on corporate governance policies adopted by Copper Strike Limited, refer to our website: www.copperstrike.com.au

Copper Strike Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2014

	Note	Consolidated 2014 $	Consolidated 2013 $
Revenue	5	101,013	141,690
Other income	6	-	45,000
Expenses			
Administration expenses		(398,670)	(337,366)
Exploration expenses written off		(597,371)	(117,066)
Employee benefits expense		(597,219)	(148,980)
Depreciation and amortisation expense	7	(661)	(2,243)
Loss before income tax benefit		(1,492,908)	(418,965)
Income tax benefit	8	447,793	162,589
Loss after income tax benefit for the year attributable to the owners of Copper Strike Limited		(1,045,115)	(256,376)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Gain on the revaluation of available-for-sale financial assets, net of tax		16,155,309	-
Loss on the revaluation of available-for-sale financial assets, net of tax		-	(2,243,501)
Other comprehensive income for the year, net of tax		16,155,309	(2,243,501)
Total comprehensive income for the year attributable to the owners of Copper Strike Limited		15,110,194	(2,499,877)
		Cents	**Cents**
Basic earnings per share	34	(0.98)	(0.24)
Diluted earnings per share	34	(0.98)	(0.24)

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

Copper Strike Limited
Statement of financial position
As at 30 June 2014

	Note	Consolidated 2014 $	2013 $
Assets			
Current assets			
Cash and cash equivalents	9	1,210,263	1,970,774
Trade and other receivables	10	44,372	47,389
Other	11	3,735	12,939
Total current assets		1,258,370	2,031,102
Non-current assets			
Available-for-sale financial assets	12	45,549,021	22,470,010
Property, plant and equipment	13	-	661
Exploration and evaluation	15	-	445,552
Deferred tax	16	1,838,703	1,523,866
Other non-current assets	17	18,008	17,759
Total non-current assets		47,405,732	24,457,848
Total assets		48,664,102	26,488,950
Liabilities			
Current liabilities			
Trade and other payables	18	348,261	69,769
Employee benefits	19	67,482	71,762
Total current liabilities		415,743	141,531
Non-current liabilities			
Deferred tax	20	13,443,131	6,652,385
Total non-current liabilities		13,443,131	6,652,385
Total liabilities		13,858,874	6,793,916
Net assets		34,805,228	19,695,034
Equity			
Issued capital	21	11,221,853	11,221,853
Reserves	22	30,067,816	13,912,507
Accumulated losses		(6,484,441)	(5,439,326)
Total equity		34,805,228	19,695,034

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

Copper Strike Limited
Statement of changes in equity
For the year ended 30 June 2014

Consolidated	Contributed equity $	Accumulated losses $	Reserves $	Total equity $
Balance at 1 July 2012	11,221,853	(5,182,950)	16,156,008	22,194,911
Loss after income tax benefit for the year	-	(256,376)	-	(256,376)
Other comprehensive income for the year, net of tax	-	-	(2,243,501)	(2,243,501)
Total comprehensive income for the year	-	(256,376)	(2,243,501)	(2,499,877)
Balance at 30 June 2013	11,221,853	(5,439,326)	13,912,507	19,695,034

Consolidated	Contributed equity $	Accumulated losses $	Reserves $	Total equity $
Balance at 1 July 2013	11,221,853	(5,439,326)	13,912,507	19,695,034
Loss after income tax benefit for the year	-	(1,045,115)	-	(1,045,115)
Other comprehensive income for the year, net of tax	-	-	16,155,309	16,155,309
Total comprehensive income for the year	-	(1,045,115)	16,155,309	15,110,194
Balance at 30 June 2014	11,221,853	(6,484,441)	30,067,816	34,805,228

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

Copper Strike Limited
Statement of cash flows
For the year ended 30 June 2014

	Note	Consolidated 2014 $	Consolidated 2013 $
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(668,152)	(393,905)
Interest received		25,808	69,828
Other revenue		33,652	38,576
Net cash used in operating activities	33	(608,692)	(285,501)
Cash flows from investing activities			
Payments for security deposits		-	(10,000)
Payments for exploration and evaluation		(151,819)	(494,034)
Net cash used in investing activities		(151,819)	(504,034)
Cash flows from financing activities			
Net cash from financing activities		-	-
Net decrease in cash and cash equivalents		(760,511)	(789,535)
Cash and cash equivalents at the beginning of the financial year		1,970,774	2,760,309
Cash and cash equivalents at the end of the financial year	9	1,210,263	1,970,774

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

Note 1. General information

The financial statements cover Copper Strike Limited as a consolidated entity consisting of Copper Strike Limited and its subsidiaries. The financial statements are presented in Australian dollars, which is Copper Strike Limited's functional and presentation currency.

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

Registered office	**Principal place of business**
Level 9 356 Collins Street Melbourne VIC 3000	Level 9 356 Collins Street Melbourne VIC 3000

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 12 September 2014. The directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

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

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 Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

Any significant impact on the accounting policies of the consolidated entity from the adoption of these Accounting Standards and Interpretations are disclosed below. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 10 Consolidated Financial Statements
The consolidated entity has applied AASB 10 from 1 January 2013, which has a new definition of 'control'. Control exists when the reporting entity is exposed, or has the rights, to variable returns from its involvement with another entity and has the ability to affect those returns through its 'power' over that other entity. A reporting entity has power when it has rights that give it the current ability to direct the activities that significantly affect the investee's returns. The consolidated entity not only has to consider its holdings and rights but also the holdings and rights of other shareholders in order to determine whether it has the necessary power for consolidation purposes.

AASB 11 Joint Arrangements
The consolidated entity has applied AASB 11 from 1 January 2013. The standard defines which entities qualify as joint arrangements and removes the option to account for joint ventures using proportional consolidation. Joint ventures, where the parties to the agreement have the rights to the net assets are accounted for using the equity method. Joint operations, where the parties to the agreements have the rights to the assets and obligations for the liabilities, will account for its share of the assets, liabilities, revenues and expenses separately under the appropriate classifications.

Note 2. Significant accounting policies (continued)

AASB 12 Disclosure of Interests in Other Entities
The consolidated entity has applied AASB 12 from 1 January 2013. The standard contains the entire disclosure requirement associated with other entities, being subsidiaries, associates, joint arrangements (joint operations and joint ventures) and unconsolidated structured entities. The disclosure requirements have been significantly enhanced when compared to the disclosures previously located in AASB 127 'Consolidated and Separate Financial Statements', AASB 128 'Investments in Associates', AASB 131 'Interests in Joint Ventures' and Interpretation 112 'Consolidation - Special Purpose Entities'.

AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13
The consolidated entity has applied AASB 13 and its consequential amendments from 1 January 2013. The standard provides a single robust measurement framework, with clear measurement objectives, for measuring fair value using the 'exit price' and provides guidance on measuring fair value when a market becomes less active. The 'highest and best use' approach is used to measure non-financial assets whereas liabilities are based on transfer value. The standard requires increased disclosures where fair value is used.

AASB 119 Employee Benefits (September 2011) and AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011)
The consolidated entity has applied AASB 119 and its consequential amendments from 1 January 2013. The standard eliminates the corridor approach for the deferral of gains and losses; streamlines the presentation of changes in assets and liabilities arising from defined benefit plans, including requiring remeasurements to be presented in other comprehensive income; and enhances the disclosure requirements for defined benefit plans. The standard also changed the definition of short-term employee benefits, from 'due to' to 'expected to' be settled within 12 months. Annual leave that is not expected to be wholly settled within 12 months is now discounted allowing for expected salary levels in the future period when the leave is expected to be taken.

AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirement
The consolidated entity has applied 2011-4 from 1 July 2013, which amends AASB 124 'Related Party Disclosures' by removing the disclosure requirements for individual key management personnel ('KMP'). Corporations and Related Legislation Amendment Regulations 2013 and Corporations and Australian Securities and Investments Commission Amendment Regulation 2013 (No.1) now specify the KMP disclosure requirements to be included within the directors' report.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 30.

Note 2. Significant accounting policies (continued)

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Copper Strike Limited ('company' or 'parent entity') as at 30 June 2014 and the results of all subsidiaries for the year then ended. Copper Strike Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

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

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

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

Revenue recognition
Revenue is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Rent
Rent revenue from investment properties is recognised on a straight-line basis over the lease term. Lease incentives granted are recognised as part of the rental revenue. Contingent rentals are recognised as income in the period when earned.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Note 2. Significant accounting policies (continued)

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Copper Strike Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Note 2. Significant accounting policies (continued)

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the consolidated entity will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment.

Investments and other financial assets
Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. They are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on the purpose of the acquisition and subsequent reclassification to other categories is restricted.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership.

Available-for-sale financial assets
Available-for-sale financial assets are non-derivative financial assets, principally equity securities, that are either designated as available-for-sale or not classified as any other category. After initial recognition, fair value movements are recognised in other comprehensive income through the available-for-sale reserve in equity. Cumulative gain or loss previously reported in the available-for-sale reserve is recognised in profit or loss when the asset is derecognised or impaired.

Impairment of financial assets
The consolidated entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulty of the issuer or obligor; a breach of contract such as default or delinquency in payments; the lender granting to a borrower concessions due to economic or legal reasons that the lender would not otherwise do; it becomes probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for the financial asset; or observable data indicating that there is a measurable decrease in estimated future cash flows.

Available-for-sale financial assets are considered impaired when there has been a significant or prolonged decline in value below initial cost. Subsequent increments in value are recognised in other comprehensive income through the available-for-sale reserve.

Property, plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Plant & Equipment	3-5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Note 2. Significant accounting policies (continued)

Intangible assets
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Software
Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

Exploration and evaluation assets
Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

Trade and other payables
These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Note 2. Significant accounting policies (continued)

Issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Copper Strike Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2014. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 9 Financial Instruments and its consequential amendments
This standard and its consequential amendments are applicable to annual reporting periods beginning on or after 1 January 2017 and completes phases I and III of the IASB's project to replace IAS 39 (AASB 139) 'Financial Instruments: Recognition and Measurement'. This standard introduces new classification and measurement models for financial assets, using a single approach to determine whether a financial asset is measured at amortised cost or fair value. The accounting for financial liabilities continues to be classified and measured in accordance with AASB 139, with one exception, being that the portion of a change of fair value relating to the entity's own credit risk is to be presented in other comprehensive income unless it would create an accounting mismatch. Chapter 6 'Hedge Accounting' supersedes the general hedge accounting requirements in AASB 139 and provides a new simpler approach to hedge accounting that is intended to more closely align with risk management activities undertaken by entities when hedging financial and non-financial risks. The consolidated entity will adopt this standard and the amendments from 1 July 2017 but the impact of its adoption is yet to be assessed by the consolidated entity.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets
The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Income tax
The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Employee benefits provision
As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Exploration and evaluation costs
Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Note 4. Operating segments

Identification of reportable operating segments

The Company operated predominately as an explorer for base precious metals within Australia. AASB 8 requires operating segments to be identified on the basis of internal reports about the components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. The board reviews the Company as a whole in the business segment of mineral exploration within Australia and managing its investment in Syrah Resources Limited.

Note 5. Revenue

	Consolidated	
	2014	**2013**
	$	**$**
Interest revenue - bank deposits	37,470	89,756
Rent	61,042	51,776
Other revenue	2,501	158
Revenue	101,013	141,690

Note 6. Other income

	Consolidated 2014 $	Consolidated 2013 $
Gain on recognising financial assets	-	45,000

The amount of $45,000 recognised in the prior period related to the initial gain on recognising the value of Copper Strike receiving 1,000,000 fully paid ordinary shares in Superior Resources Limited (ASX Code: SPQ) for consideration in abandoning its exploration licence application EPMA 18985 in North Queensland.

Note 7. Expenses

	Consolidated 2014 $	Consolidated 2013 $
Loss before income tax includes the following specific expenses:		
Depreciation		
Plant and equipment	(661)	(1,987)
Amortisation		
Software	-	(256)
Total depreciation and amortisation	(661)	(2,243)
Charges to provisions		
Employee entitlements	(4,280)	19,882
Superannuation expense		
Defined contribution superannuation expense	(28,461)	(39,865)
Exploration costs written off	(597,371)	(117,066)

Note 8. Income tax benefit

	Consolidated 2014 $	2013 $
Income tax benefit		
Current tax	(250,545)	(262,037)
Deferred tax expense/(income) relating to the origination and reversal of temporary differences	(197,248)	137,115
Prior year (under)/over provision	-	(37,667)
Aggregate income tax benefit	(447,793)	(162,589)
Numerical reconciliation of income tax benefit and tax at the statutory rate		
Loss before income tax benefit	(1,492,908)	(418,965)
Tax at the statutory tax rate of 30%	(447,872)	(125,690)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible expenses	79	768
	(447,793)	(124,922)
Prior year over/(under) provision	-	(37,667)
Income tax benefit	(447,793)	(162,589)

Deferred tax balances were recognised for the first time in the year ended 30 June 2012 due to the likely capital gains tax payable in relation to the consolidated entity's investment in Syrah Resources Limited (ASX Code: SYR). The deferred tax balances continue to be recognised as at 30 June 2014.

During the financial year ended 30 June 2014 the consolidated entity recorded a revaluation increment on the investment of $23,079,011 (30 June 2013: revaluation decrement of $3,205,002).

The capital gain payable on this amounted to $13,426,206 (30 June 2013: $6,502,503), and a deferred tax liability therefore has been recognised. A deferred tax asset of $1,838,703 (30 June 2013: $1,523,866), predominantly made up of $1,706,865 in tax losses has also been recognised.

The tax effect of the revaluation increment has been taken through the available for sale reserve. For this reason an income tax benefit of $447,793 has been recognised in the current year.

Relevance of tax consolidation to the consolidated entity

Copper Strike Ltd and its wholly owned subsidiaries have formed a tax consolidated group with effect from 1 July 2006 and are therefore taxed as a single entity from that date. The head entity within the tax consolidated group is Copper Strike Ltd.

Nature of tax funding arrangements and tax sharing agreements

Entities within the tax consolidated group have not entered into a tax funding arrangement nor a tax sharing agreement with the head entity.

Note 9. Current assets - cash and cash equivalents

	Consolidated 2014 $	Consolidated 2013 $
Cash on hand	100	100
Cash at bank	282,561	261,622
Cash on deposit	927,602	1,709,052
	1,210,263	1,970,774

Note 10. Current assets - trade and other receivables

	Consolidated 2014 $	Consolidated 2013 $
Trade receivables	27,691	13,200
Other receivables	11,493	19,929
GST receivable	5,188	14,260
	44,372	47,389

No receivables have been impaired or provided for as at 30 June 2014.

Past due but not impaired
Customers with balances past due but without provision for impairment of receivables amount to $17,600 as at 30 June 2014 ($6,600 as at 30 June 2013).

The consolidated entity did not consider a credit risk on the aggregate balances after reviewing credit terms of customers based on recent collection practices.

The ageing of the past due but not impaired receivables are as follows:

	Consolidated 2014 $	Consolidated 2013 $
Over 6 months overdue	17,600	6,600

Note 11. Current assets - other

	Consolidated 2014 $	Consolidated 2013 $
Prepayments	3,735	12,939

Note 12. Non-current assets - available-for-sale financial assets

	Consolidated 2014 $	Consolidated 2013 $
Ordinary shares in Syrah Resources Limited	45,540,021	22,440,010
Ordinary shares in Superior Resources Limited	9,000	30,000
	45,549,021	22,470,010

Reconciliation
Reconciliation of the fair values at the beginning and end of the current financial year are set out below:

	2014 $	2013 $
Opening fair value	22,470,010	25,630,012
Additions through business combinations	-	45,000
Revaluation increments	23,079,011	-
Revaluation decrements	-	(3,205,002)
Closing fair value	45,549,021	22,470,010

Under AASB139 the investments in Syrah Resources Limited and Superior Resources Limited have been valued at fair value with subsequent movements being recognised directly to equity through the available for sale reserve.

The revaluation increment of $23,079,011 has mainly occurred due to the increase in the Syrah Resources Limited share price over the past 12 months. As at 30 June 2014 Syrah's share price closed at $4.14 (30 June 2013: $2.04).

Note 13. Non-current assets - property, plant and equipment

	Consolidated 2014 $	Consolidated 2013 $
Plant and equipment - at cost	81,732	81,732
Less: Accumulated depreciation	(81,732)	(81,071)
	-	661

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Plant & Equipment $	Total $
Balance at 1 July 2012	2,648	2,648
Depreciation expense	(1,987)	(1,987)
Balance at 30 June 2013	661	661
Depreciation expense	(661)	(661)
Balance at 30 June 2014	-	-

Note 14. Non-current assets - intangibles

	Consolidated 2014 $	Consolidated 2013 $
Software - at cost	42,006	42,006
Less: Accumulated amortisation	(42,006)	(42,006)
	-	-

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Software $	Total $
Balance at 1 July 2012	256	256
Amortisation expense	(256)	(256)
Balance at 30 June 2013	-	-
Balance at 30 June 2014	-	-

Note 15. Non-current assets - exploration and evaluation

	Consolidated 2014 $	Consolidated 2013 $
Costs carried forward in respect of areas of interest in exploration and evaluation phase	-	445,552

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Exploration & evaluation assets $	Total $
Balance at 1 July 2012	68,584	68,584
Expenditure during the year	494,034	494,034
Write off of assets	(117,066)	(117,066)
Balance at 30 June 2013	445,552	445,552
Expenditure during the year	151,819	151,819
Write off of assets	(597,371)	(597,371)
Balance at 30 June 2014	-	-

During the current financial year all of the Company's exploration assets were relinquished.

Note 16. Non-current assets - deferred tax

	Consolidated 2014 $	Consolidated 2013 $
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Tax losses	1,706,865	1,456,320
Employee benefits	22,239	24,799
Exploration expenditure	3,239	-
Accrued expenses	89,222	6,000
Capital raising costs	17,138	36,747
Deferred tax asset	1,838,703	1,523,866

Refer to Note 8 for further information regarding the recognition of the above deferred tax asset.

Note 17. Non-current assets - Other non-current assets

	Consolidated 2014 $	Consolidated 2013 $
Deposits paid	18,008	17,759

Note 18. Current liabilities - trade and other payables

	Consolidated 2014 $	Consolidated 2013 $
Trade payables	35,471	20,367
Other payables	312,790	49,402
	348,261	69,769

Refer to note 24 for further information on financial instruments.

Note 19. Current liabilities - employee benefits

	Consolidated 2014 $	Consolidated 2013 $
Employee entitlements	15,190	71,762
Long service leave	52,292	-
	67,482	71,762

Note 20. Non-current liabilities - deferred tax

	Consolidated 2014 $	Consolidated 2013 $
Deferred tax liability comprises temporary differences attributable to:		
Amounts recognised in equity:		
Exploration expenditure	-	130,427
Interest receivable	3,424	5,955
Investments	13,439,707	6,516,003
Deferred tax liability	13,443,131	6,652,385

Refer to Note 8 for further information regarding the recognition of the above deferred tax liability.

Note 21. Equity - issued capital

	Consolidated 2014 Shares	Consolidated 2013 Shares	Consolidated 2014 $	Consolidated 2013 $
Ordinary shares - fully paid	106,844,810	106,844,810	11,221,853	11,221,853

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back
There is no current on-market share buy-back.

Capital risk management
The consolidated entity's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Note 22. Equity - reserves

	Consolidated 2014 $	Consolidated 2013 $
Available-for-sale reserve	30,067,816	13,912,507

Note 22. Equity - reserves (continued)

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Available for sale $	Total $
Balance at 1 July 2012	16,156,008	16,156,008
Revaluation of available for sale investments	(3,205,002)	(3,205,002)
Tax effect of revaluation of available for sale assets	961,501	961,501
Balance at 30 June 2013	13,912,507	13,912,507
Revaluation of available for sale investments	23,079,011	23,079,011
Tax effect of revaluation of available for sale assets	(6,923,702)	(6,923,702)
Balance at 30 June 2014	30,067,816	30,067,816

Note 23. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 24. Financial instruments

Financial risk management objectives
The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by the Board. The policies employed to mitigate risk include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. The Board identifies risk and evaluates the effectiveness of its responses.

Market risk

Price risk
The consolidated entity is exposed to significant price risk in relation to its investment in Syrah Resources Limited.

	Average price increase			Average price decrease		
Consolidated - 2014	**% change**	**Effect on profit before tax**	**Effect on equity**	**% change**	**Effect on profit before tax**	**Effect on equity**
Shares in Syrah Resources Limited	50%	-	16,050,157	50%	-	(16,050,157)

	Average price increase			Average price decrease		
Consolidated - 2013	**% change**	**Effect on profit before tax**	**Effect on equity**	**% change**	**Effect on profit before tax**	**Effect on equity**
Shares in Syrah Resources Limited	50%	-	7,854,004	50%	-	(7,854,004)

Note 24. Financial instruments (continued)

Interest rate risk
The consolidated entity's only exposure to interest rate risk is in relation to deposits held. Deposits are held with reputable banking financial institutions.

Consolidated	2014 Weighted average interest rate %	2014 Balance $	2013 Weighted average interest rate %	2013 Balance $
Cash and cash equivalents	2.50%	1,210,263	2.75%	1,970,774
Net exposure to cash flow interest rate risk		1,210,263		1,970,774

Below is a sensitivity analysis of interest rates at a rate of 50 basis points on cash and cash equivalents for the 2014 financial year (2013: 55 basis points). The impact would not be material on bank balances held at 30 June 2014. The percentage change is based on expected volatility of interest rates using market data and analysis forecasts.

	Basis points increase			Basis points decrease		
Consolidated - 2014	Basis points change	Effect on profit before tax	Effect on equity	Basis points change	Effect on profit before tax	Effect on equity
Cash and cash equivalents	50	6,051	6,051	50	(6,051)	(6,051)

	Basis points increase			Basis points decrease		
Consolidated - 2013	Basis points change	Effect on profit before tax	Effect on equity	Basis points change	Effect on profit before tax	Effect on equity
Cash and cash equivalents	55	10,839	10,839	55	(10,839)	(10,839)

Credit risk
Credit risk is managed on a consolidated entity basis. Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has minimal exposure to credit risk as its only receivables relate to security deposits, interest receivable, rent receivable, and GST refunds due.

Liquidity risk
Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

The consolidated entity's working capital, being current assets less current liabilities was $842,627 at 30 June 2014 (30 June 2013: $1,889,571). During the period the consolidated entity had negative net cash flows of $760,511 (30 June 2013: negative net cash flows of $789,535). Based on this the directors are satisfied that the consolidated entity will have sufficient funds to pay its debts as and when they fall due.

Note 24. Financial instruments (continued)

Remaining contractual maturities
The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2014	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-%	35,471	-	-	-	35,471
Other payables	-%	312,790	-	-	-	312,790
Total non-derivatives		348,261	-	-	-	348,261

Consolidated - 2013	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-%	20,367	-	-	-	20,367
Other payables	-%	49,402	-	-	-	49,402
Total non-derivatives		69,769	-	-	-	69,769

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 25. Key management personnel disclosures

Directors
The following persons were directors of Copper Strike Limited during the financial year:

Mr T Eadie
Mr B Jesser
Mr M Hanlon
Mr J Dunlop
Mr B Laws

Other key management personnel
The following person also had the authority and responsibility for planning, directing and controlling the major activities of the consolidated entity, directly or indirectly, during the financial year:

Ms M Leydin

Note 25. Key management personnel disclosures (continued)

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated 2014 $	Consolidated 2013 $
Short-term employee benefits	440,611	459,389
Post-employment benefits	35,607	37,539
Share-based payments	285,909	-
	762,127	496,928

The aggregate compensation includes fees paid to Leydin Freyer Corp Pty Ltd in respect of Company Secretarial and Accounting Services. Ms M Leydin is director and principal of that Company.

Note 26. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Grant Thornton Audit Pty Ltd, the auditor of the company:

	Consolidated 2014 $	Consolidated 2013 $
Audit services - Grant Thornton Audit Pty Ltd		
Audit or review of the financial statements	29,000	31,000

Note 27. Contingent liabilities

	Consolidated 2014 $	Consolidated 2013 $
Bank guarantees	327,500	327,500

The above balance relates to an Indemnity Guarantee with ANZ as at 30 June 2014.

Note 28. Commitments

	Consolidated 2014 $	Consolidated 2013 $
Group's Commitments - Exploration Assets		
Committed at the reporting date but not recognised as liabilities, payable:		
One to five years	-	425,572
Operating Rental Leases - Commitments for expenditure		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	84,791	101,749
One to five years	-	84,791
	84,791	186,540

Note 28. Commitments (continued)

In order to maintain current rights of tenure to exploration tenements, the Company and consolidated entity is required to outlay rentals and to meet the minimum expenditure requirements of the State Mines Departments. Minimum expenditure commitments may be subject to renegotiation and with approval may otherwise be avoided by sale, farm out or relinquishment. These obligations are not provided for in the accounts, but are payable.

Note 29. Related party transactions

Parent entity
Copper Strike Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 31.

Key management personnel
Disclosures relating to key management personnel are set out in note 25 and the remuneration report in the directors' report.

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated	
	2014 **$**	**2013** **$**
Other income:		
Rent received from Syrah Resources Limited (an entity related to Tom Eadie)	55,042	32,276
Other income from Syrah Resources Limited (an entity related to Tom Eadie) in relation to payments received for part of Tom's time charged to Syrah.	-	144,146

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 30. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2014 **$**	**2013** **$**
Loss after income tax	(1,044,880)	(320,234)
Total comprehensive income	(1,044,880)	(320,234)

Note 30. Parent entity information (continued)

Statement of financial position

	Parent 2014 $	Parent 2013 $
Total current assets	1,258,270	2,031,002
Total assets	48,669,513	26,494,131
Total current liabilities	415,743	141,531
Total liabilities	13,858,874	6,858,008
Equity		
Issued capital	11,221,753	11,221,753
Available-for-sale reserve	30,067,816	13,912,507
Accumulated losses	(6,478,930)	(5,498,137)
Total equity	34,810,639	19,636,123

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2013 and 30 June 2014.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2013 and 30 June 2014.

Capital commitments - Property, plant and equipment
Refer to Note 28 for details of capital commitments. All amounts disclosed relate to the parent entity.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 2, except for the following:
- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

Note 31. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest 2014 %	Ownership interest 2013 %
Sherwood Ventures Pty Ltd	Australia	100.00%	100.00%

Note 32. Events after the reporting period

Since 30 June 2014, the fair value of the investment in Syrah Resources Limited (ASX Code: SYR) has increased to $53,350,024 as at 11 September 2014. This is an increase of $7,810,003 since 30 June 2014.

No other matter or circumstance has arisen since 30 June 2014 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 33. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated 2014 $	Consolidated 2013 $
Loss after income tax benefit for the year	(1,045,115)	(256,376)
Adjustments for:		
Depreciation and amortisation	661	2,243
Exploration costs written off	597,371	117,066
Employee entitlements	(4,280)	19,882
Gain on recognising financial assets	-	(45,000)
Tax effect on revaluation of available for sale assets taken to equity	(6,923,702)	961,501
Change in operating assets and liabilities:		
Decrease in trade and other receivables	2,768	49,431
Increase in deferred tax assets	(314,837)	(286,158)
Decrease/(increase) in prepayments	9,204	(9,490)
Increase/(decrease) in trade and other payables	278,492	(668)
Increase/(decrease) in deferred tax liabilities	6,790,746	(837,932)
Net cash used in operating activities	(608,692)	(285,501)

Note 34. Earnings per share

	Consolidated 2014 $	Consolidated 2013 $
Loss after income tax attributable to the owners of Copper Strike Limited	(1,045,115)	(256,376)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	106,844,810	106,844,810
Weighted average number of ordinary shares used in calculating diluted earnings per share	106,844,810	106,844,810
	Cents	**Cents**
Basic earnings per share	(0.98)	(0.24)
Diluted earnings per share	(0.98)	(0.24)

The Group does not currently have any options on issue, or other dilutive items as at 30 June 2014.

Copper Strike Limited
Directors' declaration
30 June 2014

In the directors' opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, the Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;

- the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

E T Eadie
Non-Executive Chairman

12 September 2014
Melbourne

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Independent Auditor's Report
To the Members of Copper Strike Limited

Report on the financial report

We have audited the accompanying financial report of Copper Strike Limited (the "Company"), which comprises the consolidated statement of financial position as at 30 June 2014, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion:

a the financial report of Copper Strike Limited is in accordance with the Corporations Act 2001, including:

- i giving a true and fair view of the consolidated entity's financial position as at
- ii 30 June 2014 and of its performance for the year ended on that date; and
- iii complying with Australian Accounting Standards and the Corporations Regulations 2001.

b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Report on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2014. 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.

Auditor's opinion on the remuneration report

In our opinion, the remuneration report of Copper Strike Limited for the year ended 30 June 2014, complies with section 300A of the Corporations Act 2001.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

B. L. Taylor
Partner - Audit & Assurance

Melbourne, 12 September 2014

Copper Strike Limited
Shareholder information
30 June 2014

The shareholder information set out below was applicable as at 8 September 2014

Distribution of equitable securities
Analysis of number of equitable security holders by size of holding:

	Number of holders of ordinary shares
1 to 1,000	143
1,001 to 5,000	316
5,001 to 10,000	238
10,001 to 100,000	509
100,001 and over	150
	1,356
Holding less than a marketable parcel	184

Equity security holders

Twenty largest quoted equity security holders
The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
GASMERE PL	5,000,888	4.68
HYDRONOMEES PL (HYDRO-CHEM S/F A/C)	4,908,260	4.59
PHILLIPS STUART L + F J (SL & FJ PHILLIPS S)	3,563,500	3.34
FELTRIM PASTORAL CO PL (STAUGHTON EXEC S/F)	3,068,933	2.87
BERDEN PL (A-LINE PARTITIONS)	3,000,000	2.81
A-LINE RETMNT FUND PL (A-LINE RETMNT FUND)	3,000,000	2.81
BORLAND JACQUELINE ANNE	2,532,832	2.37
PRINCE RAYMOND JOHN (R J PRINCE RETIRE)	2,100,000	1.97
BOND STREET CUSTS LTD (LANTER - D06433 A/C)	2,071,714	1.94
BUPRESTID PL (HANLON FAM S/F A/C)	2,013,567	1.88
HARRY HATCH	2,000,888	1.87
KITARA INV PL (KUMOVA FAM A/C)	1,847,851	1.73
FIANCE ASSOC PL (S/F A/C)	1,700,000	1.59
HSBC CUSTODY NOM AUST LTD	1,683,116	1.58
CHIODO CARLO	1,648,600	1.54
FELTRIM PASTORAL CO PL (SIMON STAUGHTON FA)	1,600,000	1.50
PHILLIPS STUART LLOYD (STUART PHILLIPS PLAN)	1,565,000	1.46
ON SITE LABORATORY SVCS P	1,540,000	1.44
BORLAND DAVID ROBINSON	1,409,036	1.32
MARSON CONST PL (MARSON RETMNT PLAN)	1,200,000	1.12
	47,454,185	44.41

Unquoted equity securities
There are no unquoted equity securities.

Copper Strike Limited
Shareholder information
30 June 2014

Substantial holders

There are no substantial holders in the company.

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.