



HALF YEAR REPORT

31 December 2023

THIS DOCUMENT SHOULD BE READ IN CONJUNCTION WITH THE
30 JUNE 2023 ANNUAL REPORT OF COMPANY
LODGED ON 3 NOVEMBER 2023



ASX Code: SRK

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

REGISTERED OFFICE

Suite 1, Level 1
680 Murray Street,
West Perth, Western Australia 6005

T | +61 8 9214 9700
F | +61 8 9214 9701
E | info@strikeresources.com.au
W | www.strikeresources.com.au

SHARE REGISTRY

Automic
Level 5, 126 Phillip Street
Sydney, New South Wales 2000

Local T | 1300 288 664
T | +61 2 9698 5414
E | hello@automicgroup.com.au
W | www.automic.com.au

GPO Box 5193
Sydney NSW 2001

Investor Portal
<https://investor.automic.com.au>

CONTENTS

Directors' Report	2
Auditor's Independence Declaration	14
Consolidated Statement of Profit or Loss and Other Comprehensive Income	15
Consolidated Statement of Financial Position	16
Consolidated Statement of Changes in Equity	17
Consolidated Statement of Cash Flows	18
Notes to Consolidated Financial Statements	19
Directors' Declaration	28
Auditors' Independent Review Report	29
List of Mineral Concessions	31
JORC Mineral Resources	32
JORC Code Competent Persons' Statements	33
Securities Information	35

Visit www.strikeresources.com.au for

- Market Announcements
- Financial Reports
- Corporate Governance
- Forms
- Email Subscription

CORPORATE DIRECTORY

BOARD

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

COMPANY SECRETARY

Victor Ho
Email: cosec@strikeresources.com.au

PRINCIPAL AND REGISTERED OFFICE

Suite 1, Level 1
680 Murray Street
West Perth, Western Australia 6005
Telephone: +61 8 9214 9700
Facsimile: +61 8 9214 9701
Email: info@strikeresources.com.au
Website: www.strikeresources.com.au

AUDITORS

In.Corp Audit & Assurance Pty Ltd
(formerly known as Rothsay Audit & Assurance Pty Ltd)
Level 1, Lincoln House
4 Ventnor Avenue
West Perth, Western Australia 6005
Telephone: +61 8 9486 7094
Website: <https://australia.incorp.asia/>

STOCK EXCHANGE

Australian Securities Exchange
Perth, Western Australia

ASX CODE

SRK

SHARE REGISTRY

Automic
Level 5, 126 Philip Street
Sydney, New South Wales 2000

GPO Box 5193
Sydney NSW 2001

Local Telephone: 1300 288 664
Telephone: +61 2 9698 5414
Email: hello@automicgroup.com.au
Website: www.automic.com.au

Investor Portal: <https://investor.automic.com.au>

DIRECTORS' REPORT

The Directors present their report on Strike Resources Limited ABN 94 088 488 724 (**Company** or **SRK**) and its controlled entities (the **Consolidated Entity** or **Strike**) for the financial half year ended 31 December 2023 (**balance date**).

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

The Company has prepared a consolidated financial report incorporating the entities that it controlled during the financial half year.

OPERATING RESULTS

	December 2023	December 2022
Consolidated	\$	\$
Total revenue and other income	174,097	204,273
Total expenses	(1,899,188)	(6,258,942)
Loss before tax	(1,725,091)	(6,054,669)
Income tax expense	-	-
Loss after tax	(1,725,091)	(6,054,669)

FINANCIAL POSITION

	December 2023	June 2023
Consolidated	\$	\$
Cash	1,784,879	2,640,955
Financial assets at fair value through profit or loss	2,400	1,980
Mine development	-	15,688,267
Investment in Associate entity	649,518	669,878
Receivables	115,523	140,922
Other assets	380,876	465,765
Liabilities	(13,512,078)	(13,826,613)
	(10,578,882)	5,781,154
Assets classified as held for sale	15,815,831	-
Liabilities directly associated with assets classified as held for sale	(848,606)	-
Net assets	4,388,343	5,781,154
Issued capital	160,453,332	160,453,332
Reserves	44,121,800	43,789,520
Accumulated losses	(200,186,789)	(198,461,698)
Total equity	4,388,343	5,781,154

As a consequence of the Company entering into an agreement (on 22 December 2023) for the sale of the Paulsens East Iron Project (which was completed on 8 March 2024), the assets and liabilities associated with the subsidiaries that owns Paulsens East have been reclassified to "held for sale" status.

DIRECTORS' REPORT

CASH FLOWS

	December 2023	December 2022
Consolidated	\$	\$
Net cash flow used in operating activities	(826,476)	(332,829)
Net cash flow used in investing activities	1,829,590	(5,680,405)
Net cash flow used in financing activities	(1,735,423)	3,527,346
Net change in cash held	(732,309)	(2,485,888)
Effect of exchange rate changes on cash held	(123,767)	(60,382)
Cash held at half year end	1,784,879	1,660,278

DIVIDENDS

The Directors have not declared a dividend in respect of the financial half year ended 31 December 2023.

SECURITIES ON ISSUE

The following securities are on issue as at balance date (31 December 2023) and currently:

Class of Security	Quoted on ASX	Unlisted
Fully paid ordinary shares	283,750,000	-
Broker's Options (\$0.33, 3 June 2024) ¹	-	1,000,000
Securities Incentive Plan (SIP) ² Options (\$0.185, 14 February 2025) ³		3,100,000
Total	283,750,000	4,100,000

The following unlisted options lapsed during the half year⁴:

Class of Unlisted Options	Exercise Price	Expiry Date	Number of options
Broker's options (\$0.15, 23 November 2023) ⁵	\$0.15	30 November 2023	1,000,000
Directors' options (\$0.185, 3 December 2023) ⁶	\$0.185	3 December 2023	12,000,000

1 Refer Strike's ASX Announcement dated 4 June 2021: Appendix 3G – Notification of Issue of 1M Broker Options

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

3 Refer Strike's ASX Announcement dated 18 February 2022: Notification regarding unquoted securities - SRK

4 Refer Strike's ASX Announcement dated 4 December 2023: Lapse of Unlisted Options and 4 December 2023: Notification of Cessation of Securities - SRK

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

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

DIRECTORS' REPORT

REVIEW OF OPERATIONS

Investment in Lithium Energy Limited (ASX:LEL)

Lithium Energy Limited (**LEL** or **Lithium Energy**) was spun out of Strike following the successful completion of LEL's \$9 million (at \$0.20 per share) initial public offering (**IPO**) under a Prospectus (dated 30 March 2021).⁷

As at 31 December 2023 and currently, Strike is the largest shareholder of LEL with 31,010,000 shares (30.1%) (30 June 2023: 31,410,000 shares; 30.49%).

The LEL share price has traded within a range of \$0.51 (on 23 November 2023) to \$0.95 (on 3 July 2023) since 1 July 2023, with a bid price of \$0.56 (as at 31 December 2023) and a current closing price of \$0.60 (as at 12 March 2024).

Lithium Energy Limited is a battery minerals company which is developing its flagship Solaroz Lithium Brine Project in Argentina and the Burke and Corella Graphite Projects in Queensland:⁸

- The Solaroz Lithium Project (LEL:90%) comprises 12,000 hectares of highly prospective lithium mineral concessions (where a JORC Indicated and Inferred Mineral Resource of lithium has been delineated⁹) located strategically within the Salar de Olaroz Basin in South America's "Lithium Triangle" in north-west Argentina. Lithium Energy shares the lithium rights in the Olaroz Salar basin with lithium carbonate producers Arcadium Lithium plc (ASX:LTM) and Lithium Argentina Corporation (TSX:LAAC). Lithium Energy has completed a Scoping Study on Solaroz and is investigating the development of a 20/40ktpa lithium carbonate equivalent (LCE) production facility using conventional evaporation ponds; Lithium Energy is also evaluating direct-lithium extraction (DLE) technologies for Solaroz.
- The Burke¹⁰ and Corella¹¹ Graphite Projects (LEL:100%) in Queensland, Australia, contains high grade JORC Indicated and Inferred Mineral Resources of graphite; Lithium Energy is investigating the proposed development of a vertically integrated battery anode material manufacturing facility in Queensland.

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

- 4 March 2024: Half Year Report – 31 December 2023;
- 31 January 2024: Quarterly Activities and Cash Flow Reports - 31 December 2023; and
- 11 September 2023: Annual Report - 2023.

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

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

⁷ Refer LEL ASX Announcement released on 17 May 2021: Prospectus

⁸ Based on LEL ASX announcement released on 4 March 2024: Half Year Report – 31 December 2023

⁹ Refer LEL ASX Announcement dated 26 October 2023: Significant Solaroz Milestone Achieved with Upgrade to 2.4Mt LCE JORC Indicated Resource

¹⁰ Refer LEL ASX Announcement dated 5 April 2023: Burke Graphite Mineral Resource Upgrade Delivers Significant Increases in Size and Confidence

¹¹ Refer LEL ASX Announcement dated 16 June 2023: Maiden Corella Graphite Mineral Resource Delivers Doubling of Graphite Inventory

DIRECTORS' REPORT

Paulsens East Iron Ore Project (Pilbara, Western Australia)

(Strike – 100%)

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

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

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

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

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

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

Strike received a A\$2 million deposit on execution of the Agreement in December 2023 and received A\$18 million at completion on 8 March 2024¹⁸ – a A\$0.5 million deferred consideration is payable by Miracle on 30 June 2024. Strike has also discharged the US\$7.2 million loan (A\$11.26 million) owed to GII.

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

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

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

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

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

17 Refer Strike's ASX Announcement dated 6 March 2024: Results of General Meeting

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

DIRECTORS' REPORT

Apurimac Iron Ore Project (Peru)

(Strike – 100%)

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

Strike has completed two shipments (to Chinese and South American Steel Mills) of high-grade (+65% Fe) Apurimac Premium Lump shipping iron ore (**DSO**) in calendar 2021.¹⁹

Under the Agreement with Miracle (referred to above), GII has also agreed to terminate the marketing agency and offtake arrangements granted to GII in respect of Apurimac²⁰ in consideration for Strike transferring either directly or indirectly a 20% interest in Apurimac Ferrum S.A.C. (**AF**), the owner of Apurimac, to JE United Ltd (**JEL**) (a nominee/associate of GII). The investment structure in respect of the 20% interest in AF is pending finalisation and agreement with JEL. The Company notes that as a shareholder in AF, JEL will be called upon to contribute its share of funding towards the ongoing ownership costs of Apurimac and the development of Apurimac including the potential resumption of DSO mining operations.

Strike will continue to advance the development of Apurimac, including:

- (a) continuing to investigate the resumption of iron ore shipments at Apurimac, including:
 - (i) undertaking negotiations with potential purchasers of iron ore, local miners, service providers and potential funding partners; and
 - (ii) engaging with local miners, mining services providers, local community groups and leaders;
- (b) subject to various matters, including those set out in paragraph (a) above, resuming mining operations (and the sale of iron ore to local/other parties) at Apurimac;
- (c) investigating potential value-adding strategies such as procuring approvals to undertake additional resource development drilling, expanding the mineral concession portfolio and updating feasibility studies;
- (d) investigating opportunities to extract other value from Apurimac (as a strategic, large scale, high-grade iron ore deposit) via a sale (partial or whole²¹) or joint venture; and
- (e) investigating opportunities to acquire an interest or interests in complimentary iron ore mineral concessions or assets given the investment identification, exploration and project development skills of the Company.

The discharge of the GII Loan and the early termination of GII's offtake rights for iron ore mined from Apurimac provides Strike with additional flexibility in relation to either the sale of Apurimac or the potential resumption of mining operations (and the sale of iron ore to local/other parties) at Apurimac and the obtaining of project financing for the same.

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

²⁰ Refer Strike's ASX Announcement dated 14 April 2021: Peru Iron Offtake Agreement Signed with US\$2 Million Prepayment

²¹ It is likely that any future disposal of (a controlling interest in) Apurimac will require prior shareholder approval under Listing Rule 11.2 as a disposal of Strike's main undertaking

DIRECTORS' REPORT

ASX Listing Rule Requirements

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

ASX has advised that:

- (a) in accordance with paragraph 4.7 of Guidance Note 12 (Significant Changes to Activities), Strike will be afforded a period of 6 months from the date of the Agreement (being 22 December 2023) to demonstrate to the ASX that it is compliant with Listing Rule 12.1 (which obliges a listed entity to satisfy ASX on an ongoing basis that the level of its operations is sufficient, and its financial condition adequate, to warrant its continued quotation of its securities); and
- (b) it will suspend trading in Strike's securities if Strike has not demonstrated compliance with Listing Rule 12.1 to ASX's satisfaction at the end of the 6-month period (being by 21 June 2024).

The Company considers that the increased focus on the advancement of Apurimac (as set out above) will provide a sufficient level of operations to justify the continued quotation of its securities.

If Strike is unable to satisfy ASX in relation to Listing Rule 12.1, ASX will suspend trading in Strike's securities (from Monday, 24 June 2024). Strike will remain suspended from ASX until it undertakes an acquisition and re-complies with Chapters 1 and 2 of the Listing Rules, which will involve, amongst other matters, the issue of a prospectus and making a fresh application for admission to ASX).

Strike may also pursue other investment opportunities in the resource sector in Australia and overseas – the Board has considerable experience in the exploitation of resource projects (including spin-outs) and Strike may pursue investments in minerals/commodities the Board feels is appropriate for mineral exploration, evaluation and development in a similar manner to that activity undertaken by the Company to acquire and then spin-out its lithium and graphite assets to Lithium Energy Limited (ASX:LEL) in May 2021. It is likely that any future acquisitions by Strike (external to the development of Apurimac) will require Strike to re-comply with Chapters 1 and 2 of the Listing Rules.

Quarterly Reports

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

- 31 January 2023: Quarterly Activities and Cash Flow Report - 31 December 2023
- 31 October 2023: Quarterly Activities and Cash Flow Report - 30 September 2023; and
- 26 July 2023: Quarterly Activities and Cash Flow Reports – 30 June 2023.

MATERIAL BUSINESS RISKS

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

Exploration Risk: Strike's resource projects are at various stages of exploration, evaluation and development. There is no assurance that future exploration will result in the discovery of an economic resource or reserve or that it can be economically exploited. Future exploration activities may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs/recovery rates, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and personnel, local communities/indigenous and existing land/lease holder stakeholder engagements, changing government regulations and many other factors beyond the control of Strike.

DIRECTORS' REPORT

Exploration and evaluation costs are based on certain assumptions in relation to the nature, method and timing of these activities, which are subject to significant uncertainties and, accordingly, the actual costs may materially differ. Cost estimates and the underlying assumptions may not be realised in practice, which may materially and adversely affect Strike's financial performance and or position.

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

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

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

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

Future Funding: Strike's ongoing exploration, evaluation and development activities will require substantial further funding in the future. Any additional equity capital may be dilutive to shareholders and may be undertaken at lower issue prices than the current market price. Debt financing, if available, may involve restrictive covenants which limit Strike's operations and business strategy. There is no assurance that appropriate funding, if and when needed, will be available on terms satisfactory to Strike or at all. The inability to obtain funding will adversely affect Strike and may result in some or all of its projects not proceeding or their scale and/or scope being altered or defaults in licences or permits or agreements occurring, which, if not remedied, could result in forfeiture of its tenements.

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

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

DIRECTORS' REPORT

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

Regulatory Risk: Strike's operations are subject to various Federal, State/Provincial and local laws and regulations, including those relating to exploration, development and mining permit and licence requirements, industrial relations, environment, land use, royalties, water, native title/indigenous and Aboriginal cultural heritage, mine safety and occupational work, health and safety. Approvals, licences and permits required to comply with such rules may be subject to the discretion of the applicable government officials/authorities. No assurance can be given that Strike will be successful in maintaining such authorisations in full force and effect without modification or revocation. To the extent such approvals are required and not retained or obtained in a timely manner or at all, Strike may be curtailed or prohibited from continuing or proceeding with exploration and production. Strike's business and results of operations could be adversely affected if applications lodged for relevant licences are not granted. Mineral tenements are also subject to periodic renewal, which may be subject to the discretion of the relevant government official/authority or renewal conditions (such as increased expenditure and work commitments and/or compulsory relinquishment of tenement areas). The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of Strike.

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

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

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

FUTURE DEVELOPMENTS

Strike intends to (subject to, amongst other matters, market conditions, Strike's financial position and commitments and the relative prospects of Strike's resource projects) advance the evaluation and development of its Apurimac Iron Ore Project in Peru. The likely outcomes of these activities depend on a range of technical and economic factors (including underlying commodity prices) and also industry, geographic and other strategy specific issues. In the opinion of the Directors, it is not possible or appropriate to make a prediction on the results of these activities, the future course of markets or the forecast of the likely results of Strike's activities.

DIRECTORS' REPORT

ENVIRONMENTAL REGULATION

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

BOARD OF DIRECTORS

On 5 December 2023, Malcom Richmond retired as a Non-Executive Director of the Company²². On behalf of the Company and all Strike shareholders, the Board would like to thank Malcolm for his valuable contribution as a Non-Executive Director for the last 17 years, four of which years he also acted as the Company's Chairman (between 2011 and 2015).

William Johnson has transitioned from Managing Director to an Executive Director after the completion of the disposal of Paulsens East on 8 March 2024.

Farooq Khan	Executive Chairman
<i>Appointed</i>	18 December 2015; Director since 1 October 2015
<i>Qualifications</i>	BJuris, LLB (Western Australia)
<i>Experience</i>	Farooq Khan is a qualified lawyer having previously practised principally in the field of corporate law. Mr Khan has extensive experience in the securities industry, capital markets and the executive management of ASX-listed companies. In particular, Mr Khan has guided the establishment and growth of a number of public listed companies in the investment, mining and financial services sector. He has considerable experience in the fields of capital raisings, mergers and acquisitions and investments.
<i>Special responsibilities</i>	Member of the Audit Committee Member of the Remuneration and Nomination Committee
<i>Relevant Interests in securities</i>	1,813,231 shares (held jointly)
<i>Other current directorships in listed entities</i>	Executive Chairman of: Orion Equities Limited (ASX:OEQ) (since 23 October 2006) Bentley Capital Limited (ASX:BEL) (since 2 December 2003) Executive Chairman and Managing Director of: Queste Communications Ltd (ASX:QUE) (since 10 March 1998) Executive Director of Lithium Energy Limited (ASX:LEL) (since 14 January 2021)

²² Refer Strike's ASX Announcement dated 11 December 2023: Retirement of Director

DIRECTORS' REPORT

William Johnson Executive Director

<i>Appointed</i>	Managing Director between 25 March 2013 and 8 March 2024; Director since 14 July 2006
<i>Qualifications</i>	MA (Oxon), MBA , MAICD
<i>Experience</i>	William Johnson holds a Masters Degree in Engineering Science from Oxford University, England and an MBA from Victoria University, New Zealand. His 40+ years business career spans multiple industries and countries, with executive/CEO experience in mineral exploration and investment (Australia, Peru, Chile, Saudi Arabia, Oman, North Africa and Indonesia), telecommunications infrastructure investment (New Zealand, India, Thailand and Malaysia) and information technology and Internet ventures (New Zealand, Philippines and Australia). Mr Johnson is a highly experienced public company director and has considerable depth of experience in corporate governance, business strategy and operations, investment analysis, finance and execution.
<i>Special responsibilities</i>	None
<i>Relevant Interests in securities</i>	349,273 shares (held jointly)
<i>Other current directorships in listed entities</i>	Executive Director of: Bentley Capital Limited (ASX:BEL) (since 1 January 2016; Director since March 2009) Executive Chairman of Lithium Energy Limited (ASX:LEL) (since 14 January 2021)

Matthew Hammond Non-Executive Director

<i>Appointed</i>	25 September 2009
<i>Qualifications</i>	BA (Hons) (Bristol)
<i>Experience</i>	Mr Hammond is currently a key advisor and works for a family office. Between 2011 and 2022, he was the Group Managing Director and CFO of VK Company (formerly Mail.ru Group), a leading European Internet communication and entertainment services group, which is listed on the London Stock Exchange. Prior to that he was Group Strategist for Metalloinvest Holdings, where he had broad-ranging responsibilities for part of the non-core asset portfolio and advised the Metalloinvest Board on strategic acquisitions and investments. He began his career at Credit Suisse and was Sector Head in Equity Research and in Private Bank Ultra High Net Worth Client Advisory advising on portfolio allocation, strategic M&A and individual investments. As a Technology Analyst at Credit Suisse, he was ranked #1 in the Extell and Institutional Investor surveys 8 times.
<i>Special responsibilities</i>	Chairman of the Remuneration and Nomination Committees Member of the Audit Committee
<i>Relevant Interests in securities</i>	750,000 Directors' options (\$0.185, 3 December 2023) ²³
<i>Other current directorships in listed entities</i>	-

23 Refer Strike's ASX Announcement dated 20 January 2021: Change of Director's Interest Notice – M Hammond

DIRECTORS' REPORT

Victor Ho	Executive Director and Company Secretary
<i>Appointed</i>	Director since 24 January 2014; Company Secretary since 30 September 2015
<i>Qualifications</i>	BCom, LLB (<i>Western Australia</i>), CTA
<i>Experience</i>	Victor Ho has been in Executive roles with a number of ASX-listed companies across the investments, resources and technology sectors over the past 24+ years. Mr Ho is a Chartered Tax Adviser (CTA) and previously had 9 years' experience in the taxation profession with the Australian Tax Office (ATO) and in a specialist tax law firm. Mr Ho has been actively involved in the investment management of listed investment companies (as an Executive Director and/or a member of the Investment Committee), the structuring and execution of a number of corporate, M&A and international joint venture (in South America (Peru, Chile and Argentina), Indonesia and the Middle East (Saudi Arabia and Oman)) transactions, capital raisings, resources project (debt) financing, spin-outs/demergers and IPO's/re-listings on ASX and capital management initiatives and has extensive experience in public company administration, corporations' law, ASIC/ASX compliance and investor/shareholder relations.
<i>Special responsibilities</i>	Secretary of Audit Committee and Remuneration and Nomination Committee
<i>Relevant Interests in securities</i>	-
<i>Other current directorships in listed entities</i>	Executive Director (also Company Secretary) of: - Orion Equities Limited (ASX:OEQ) (Secretary since 2 August 2000 and Director since 4 July 2003) - Queste Communications Ltd (ASX:QUE) (Secretary since 30 August 2000 and Director since 3 April 2013) Company Secretary of Bentley Capital Limited (ASX:BEL) (since 5 February 2004) Company Secretary of Lithium Energy Limited (ASX:LEL) (since 14 January 2021)

DIRECTORS' REPORT

AUDITOR'S INDEPENDENCE DECLARATION

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

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001 (Cth)* forms part of this Directors Report and is set out on page 14. This relates to the Auditor's Independent Review Report, where the Auditor states that they have issued an independence declaration.

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



Farooq Khan
Executive Chairman

13 March 2024

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

To the Directors of Strike Resources Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2023 there have been:

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

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

In.Corp Audit & Assurance Pty Ltd



Daniel Dalla
Director

Perth, 13 March 2024

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

Level 1
6-10 O'Connell Street
SYDNEY NSW 2000

Suite 11, Level 1
4 Ventnor Avenue
WEST PERTH WA 6005

GPO BOX 542
SYDNEY NSW 2001

T +61 2 8999 1199
E team@incorpadvisory.au
W incorpadvisory.au

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the half year ended 31 December 2023

	Note	31 Dec 23	31 Dec 22
	2	\$	\$
REVENUE			
Other income			
Net gain on financial assets at fair value through profit or loss		163,197	1,056
Interest revenue		10,900	5,811
Other income		-	197,406
TOTAL REVENUE AND OTHER INCOME		174,097	204,273
EXPENSES	3		
Share of Associate entity's net loss		(299,772)	(3,594,843)
Mining expenses		(154,526)	(371,039)
Personnel expenses		(623,404)	(863,531)
Corporate expenses		(247,865)	(229,146)
Occupancy expenses		(22,600)	(48,920)
Finance expenses		(561,002)	(538,471)
Foreign exchange loss/(gain)		172,323	(374,991)
Administration expenses		(162,342)	(238,001)
LOSS BEFORE INCOME TAX		(1,725,091)	(6,054,669)
Income tax expense		-	-
LOSS FOR THE HALF YEAR		(1,725,091)	(6,054,669)
OTHER COMPREHENSIVE INCOME			
Other Comprehensive Income, Net of Tax			
Exchange differences on translation of foreign operations		(27,132)	(167,290)
Share of other comprehensive loss of associate		359,412	(425,265)
TOTAL COMPREHENSIVE LOSS FOR THE HALF YEAR		(1,392,811)	(6,647,224)
LOSS PER SHARE FOR LOSS ATTRIBUTABLE TO THE ORDINARY EQUITY HOLDERS OF THE COMPANY:			
Basic and diluted loss per share (cents)	5	(0.61)	(2.18)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2023

	Note	31 Dec 23 \$	30 Jun 23 \$
CURRENT ASSETS			
Cash and cash equivalents	6	1,784,879	2,640,955
Financial assets at fair value through profit or loss		2,400	1,980
Receivables		115,523	140,922
Other current assets		327,503	386,298
		<u>2,230,305</u>	<u>3,170,155</u>
Assets classified as held for sale	7	15,815,831	-
TOTAL CURRENT ASSETS		18,046,136	3,170,155
NON-CURRENT ASSETS			
Investment in Associate entity	11	649,518	669,878
Mine development	8	-	15,688,267
Property, plant and equipment		53,373	79,467
TOTAL NON-CURRENT ASSETS		702,891	16,437,612
TOTAL ASSETS		18,749,027	19,607,767
CURRENT LIABILITIES			
Payables	9	13,209,749	1,987,733
Provisions		302,329	1,032,760
		<u>13,512,078</u>	<u>3,020,493</u>
Liabilities directly associated with assets classified as held for sale	7	848,606	-
TOTAL CURRENT LIABILITIES		14,360,684	3,020,493
NON-CURRENT LIABILITIES			
Borrowings	9	-	10,806,120
TOTAL NON-CURRENT LIABILITIES		-	10,806,120
TOTAL LIABILITIES		14,360,684	13,826,613
NET ASSETS		4,388,343	5,781,154
EQUITY			
Issued capital		160,453,332	160,453,332
Reserves			
Profits reserve		28,968,834	28,968,834
Share-based payments reserve	10	13,402,658	13,402,658
Foreign currency translation reserve		1,750,308	1,418,028
Accumulated losses		(200,186,789)	(198,461,698)
TOTAL EQUITY		4,388,343	5,781,154

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half year ended 31 December 2023

	Issued capital	Share-based payments reserve	Profits reserve	Foreign currency translation reserve	Accumulated losses	Total
	\$	\$	\$	\$	\$	\$
BALANCE AT 1 JUL 2022	159,420,982	13,402,658	24,402,692	1,907,821	(187,013,093)	12,121,060
Loss for the half year	-	-	-	-	(6,054,669)	(6,054,669)
Other comprehensive income	-	-	-	(592,555)	-	(592,555)
Total comprehensive income for the half year	-	-	-	(592,555)	(6,054,669)	(6,647,224)
Issue of shares	1,100,000	-	-	-	-	1,100,000
Cost of issued shares	(67,650)	-	-	-	-	(67,650)
BALANCE AT 31 DEC 2022	160,453,332	13,402,658	24,402,692	1,315,266	(193,067,762)	6,506,186
BALANCE AT 1 JUL 2023	160,453,332	13,402,658	28,968,834	1,418,028	(198,461,698)	5,781,154
Loss for the half year	-	-	-	-	(1,725,091)	(1,725,091)
Other comprehensive income	-	-	-	332,280	-	332,280
Total comprehensive income for the half year	-	-	-	332,280	(1,725,091)	(1,392,811)
Transactions with owners in their capacity as owners:	-	-	-	-	-	-
BALANCE AT 31 DEC 2023	160,453,332	13,402,658	28,968,834	1,750,308	(200,186,789)	4,388,343

CONSOLIDATED STATEMENT OF CASH FLOWS

For the half year ended 31 December 2023

	31 Dec 23 \$	31 Dec 22 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(778,137)	(418,870)
Payments for mining production	(48,339)	(111,365)
Other receipts	-	197,406
NET CASH USED IN OPERATING ACTIVITIES	(826,476)	(332,829)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	10,900	5,811
Deposit received	2,000,000	-
Proceeds from sale of iron ore	-	8,978,798
Payment for mine development	(424,087)	(14,647,143)
Payment for purchases of mining equipment	-	(17,645)
Payment for purchases of office equipment	-	(226)
Proceeds from realisation of share investments	242,777	-
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES	1,829,590	(5,680,405)
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan from third party	-	2,494,996
Loan interest repayment	(1,735,423)	-
Issue of shares	-	1,100,000
Cost of issuing shares	-	(67,650)
NET CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES	(1,735,423)	3,527,346
NET INCREASE/(DECREASE) IN CASH HELD	(732,309)	(2,485,888)
Cash and cash equivalents at beginning of financial half year	2,640,955	4,206,548
Effect of exchange rate changes on cash held	(123,767)	(60,382)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL HALF YEAR	1,784,879	1,660,278

6

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half year ended 31 December 2023

1. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The half year financial statements are a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. These half year financial statements do not include notes of the type normally included in the annual financial statements and should be read in conjunction with the most recent annual financial statements and the Company's ASX announcements released from 1 July 2023 to the date of this report.

Basis of Preparation

The financial report has been prepared on a going concern and accrual basis and is based on historical costs modified by the revaluation of financial assets and financial liabilities for which the fair value basis of accounting has been applied. The Directors are not aware of any material uncertainties related to events or conditions that may cast significant doubt upon the Consolidated Entity's ability to continue as a going concern. The Directors have a reasonable belief that the going concern assumption for the Consolidated Entity is appropriate based on, inter alia, the following matters: (a) the current cash position of the Consolidated Entity relative to its fixed and discretionary expenditure commitments; (b) the ability of the Directors to suspend or reduce personnel, corporate and administration expenses to conserve the Consolidated Entity's cash; (c) the underlying prospects and liquidity of the Consolidated Entity's significant (31.01 million) shareholding in Lithium Energy Limited (ASX:LEL), which may be sold to realise cash; (d) the discretionary nature of the Consolidated Entity's expenditure commitments vis a vis its resource projects (subject to maintaining relevant mineral tenements/concessions in good standing if the Consolidated Entity wishes to retain the same); (e) the contingent nature of the Consolidated Entity's contingent liabilities; and (f) the ability of the Consolidated Entity to undertake a capital raising; and (g) the Company entering into a Share and Asset Purchase Agreement (dated 22 December 2023) for the sale of 100% of the Paulsens East Iron Ore Project, which disposal was approved by shareholders at General Meeting on 6 March 2024 and completed on 8 March 2024, with the Company receiving \$18 million cash consideration (with a \$0.5 million deferred consideration receivable on 30 June 2024).

All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half year financial statements are consistent with those adopted and disclosed in the Consolidated Entity's financial statements for the financial year ended 30 June 2023.

New, revised or amending Accounting Standards and Interpretations adopted

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

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

2. REVENUE

	31 Dec 23	31 Dec 22
The Consolidated Entity's operating loss before income tax includes the following items of revenue:	\$	\$
Other income		
Net gain on financial assets at fair value through profit or loss	163,197	1,056
Interest revenue	10,900	5,811
Other income	-	197,406
	174,097	204,273

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half year ended 31 December 2023

3. EXPENSES

	31 Dec 23	31 Dec 22
	\$	\$
The Consolidated Entity's operating loss before income tax includes the following items of expenses:		
Share of Associate entity's net loss	299,772	3,594,843
Mine development expenses	154,526	371,039
Personnel expenses		
Salaries, fees and employee benefits	623,404	863,531
Corporate expenses		
Professional fees	142,657	77,363
ASX and CHESS fees	33,571	55,386
ASIC fees	1,750	1,965
Accounting, taxation and related administration	53,186	70,661
Audit	8,500	13,000
Share registry	4,305	7,427
Other corporate expenses	3,896	3,344
Occupancy expenses	22,600	48,920
Finance expenses	561,002	538,471
Foreign exchange loss/(gain)	(172,323)	374,991
Administration expenses		
Insurance	44,482	66,569
Office administration	28,862	29,717
Travel, accommodation and incidentals	1,500	3,780
Depreciation	19,971	20,669
Other administration expenses	67,527	117,266
	1,899,188	6,258,942

4. SEGMENT INFORMATION

	Peru	Australia	Total
	\$	\$	\$
31 Dec 23			
Other	-	174,097	174,097
Total segment revenues and other income	-	174,097	174,097
Share of Associate entity's net loss	-	299,772	299,772
Mining expenses	36,640	117,886	154,526
Personnel expenses	8,968	614,436	623,404
Corporate expenses	15,517	232,348	247,865
Finance expenses	676	560,326	561,002
Depreciation expense	279	19,692	19,971
Other expenses	(7,193)	(159)	(7,352)
Total segment profit/(loss)	(54,887)	(1,670,204)	(1,725,091)
Adjusted EBITDA	(54,608)	(1,091,732)	(1,146,340)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half year ended 31 December 2023

4. SEGMENT INFORMATION (continued)

	Peru \$	Australia \$	Total \$
Total segment assets	335,169	2,598,027	2,933,196
Total segment liabilities	117,012	13,395,066	13,512,078
31 Dec 22			
Other	-	204,273	204,273
Total segment revenues	-	204,273	204,273
Share of Associate entity's net loss	-	3,594,843	3,594,843
Mining expenses	95,098	275,941	371,039
Personnel expenses	-	863,531	863,531
Corporate expenses	60,873	168,273	229,146
Finance expenses	1,713	536,758	538,471
Depreciation expense	-	20,669	20,669
Other expenses	5,074	636,169	641,243
Total segment loss	(162,758)	(5,891,911)	(6,054,669)
Adjusted EBITDA	(162,758)	(5,343,774)	(5,506,532)
30 Jun 23			
Total segment assets	427,527	19,180,240	19,607,767
Total segment liabilities	197,539	13,629,074	13,826,613

The assets and liabilities in relation to wholly-owned subsidiaries, Strike Iron Ore Holdings Pty Ltd and Paulsens East Iron Ore Pty Ltd, which were sold on 8 March 2024 pursuant to an agreement dated 22 December 2023 (refer Note 7), were not allocated to an operating segment and is within the Australian segment.

5. LOSS PER SHARE	31 Dec 23 cents	31 Dec 22 cents
Basic and diluted loss per share	(0.61)	(2.18)
The following represents the loss and weighted average number of shares used in the EPS calculations:		
Net loss after income tax	(1,725,091)	(6,054,669)
	Shares	Shares
Weighted average number of ordinary shares	283,750,000	277,157,534

6. CASH AND CASH EQUIVALENTS	31 Dec 23 \$	30 Jun 23 \$
Cash at bank	1,784,879	2,640,955

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half year ended 31 December 2023

7. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE	31 Dec 23	30 Jun 23
	\$	
Assets classified as held for sale		
Mine development expenditure	15,798,706	-
Other current assets	10,804	-
Property, plant and equipment	6,321	-
	<u>15,815,831</u>	<u>-</u>
Liabilities directly associated with assets classified as held for sale		
Payables	98,606	-
Provisions	750,000	-
	<u>848,606</u>	<u>-</u>

On 22 December 2023, the Company entered into a Share and Asset Purchase Agreement (Agreement) with certain parties including Miracle Iron Holdings Pty Ltd (Miracle) for the sale of 100% of the shares in wholly-owned subsidiary, Strike Iron Ore Holdings Pty Ltd (SIOH) in consideration of a cash purchase price of A\$20.5 million. SIOH is the parent of Paulsens East Iron Ore Pty Ltd, the owner and operator of the Paulsens East Iron Ore Project (located in Western Australia). On 8 March 2024, the Company completed the sale of SIOH under the Agreement (refer also Note 14).

8. MINE DEVELOPMENT	31 Dec 23	30 Jun 23
	\$	\$
Mine development expenditure	-	<u>15,688,267</u>
Movements in Mine development expenditure		
Opening balance	15,688,267	9,890,168
Mine development costs	110,439	14,026,895
Asset retirement costs	-	750,000
Pre- production receipts from sale of iron ore	-	(8,978,796)
	<u>15,798,706</u>	<u>15,688,267</u>
Classification as assets held for sale (refer to Note 7)	(15,798,706)	
Closing balance	<u>-</u>	<u>15,688,267</u>

Capitalised Mine development expenditure pertains to the Paulsens East Iron Ore Project (located in Western Australia), where the Consolidated Entity has completed a feasibility study and undertaken Stage 1 Production (involving the mining of surface detritals materials and the export of a maiden (66,618 tonne) shipment of Paulsens East Lump direct shipping iron ore (DSO) from Utah Point (Port Hedland) in September 2022). Mine development represents the costs incurred in preparing mines for production and includes plant and equipment under construction and operating costs incurred before production commences. Pre-production revenues are offset against capitalised pre-production costs. On 22 December 2023, the Company entered into a Share and Asset Purchase Agreement (Agreement) with certain parties including Miracle Iron Holdings Pty Ltd (Miracle) for the sale of 100% of the shares in wholly-owned subsidiary, Strike Iron Ore Holdings Pty Ltd (SIOH). SIOH is the parent of Paulsens East Iron Ore Pty Ltd, the owner and operator of the Paulsens East Iron Ore Project. On 8 March 2024, the Company completed the sale of SIOH under the Agreement (refer also Note 14).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half year ended 31 December 2023

9. PAYABLES

	31 Dec 23	30 Jun 23
	\$	\$
Current		
Trade payables	224,375	292,656
Loan from third party	10,547,778	1,186,979
Deposit from sale of iron ore project	2,000,000	-
Directors' short term incentive benefit	90,000	90,000
Other creditors and accruals	347,596	418,098
	13,209,749	1,987,733
Non-current		
Loan from third party	-	10,806,120

Loan from third party

The Consolidated Entity has entered into a project finance loan facility agreement to borrow US\$7.2 million to fund the Stage 1 Production at the Paulsens East Iron Ore Project (**Facility**). As at reporting date, the Facility (~A\$10.67 Million, based on an exchange rate of A\$1:00:US\$0.675) has been fully drawn. The Facility is secured over the Project assets (including the tenements) and shares in the subsidiary companies that hold the Project. The applicable interest rate is 10% pa (with payment of interest commencing on 30 June 2023 and at the end of each quarter thereafter) with 50% of the principal repayable on 31 July 2024 and the balance due on 31 October 2024. The Facility (comprising US\$7.2 million principal and US\$0.133 million accrued interest) was discharged on 8 March 2024 at a cost of A\$11.257 million, pursuant to completion of the Agreement in respect of the sale of Paulsens East (refer Notes 7 and 14).

10. SHARE-BASED PAYMENTS

The Consolidated Entity has the following share-based payment arrangements:

Grant date	Expiry date	Fair value at grant date (\$)	Exercise price (\$)	Opening balance	During the period			Closing balance	Vested and exercisable at period end
					Granted	Exercised	Lapsed		
Financial year 30 June 2024									
01-Dec-20	30-Nov-23	0.066	0.150	1,000,000	-	-	(1,000,000)	-	-
04-Dec-20	03-Dec-23	0.063	0.185	12,000,000	-	-	(12,000,000)	-	-
04-Jun-21	03-Jun-24	0.104	0.330	1,000,000	-	-	-	1,000,000	1,000,000
15-Feb-22	14-Feb-25	0.115	0.185	3,100,000	-	-	-	3,100,000	-
				17,100,000	-	-	(13,000,000)	4,100,000	1,000,000
Weighted average exercise price				0.19	-	-	-	0.22	
Financial year 30 June 2023									
01-Dec-20	30-Nov-23	0.066	0.150	1,000,000	-	-	-	1,000,000	1,000,000
04-Dec-20	03-Dec-23	0.063	0.185	12,000,000	-	-	-	12,000,000	-
04-Jun-21	03-Jun-24	0.104	0.330	1,000,000	-	-	-	1,000,000	1,000,000
15-Feb-22	14-Feb-25	0.115	0.185	3,100,000	-	-	-	3,100,000	-
				17,100,000	-	-	-	17,100,000	2,000,000
Weighted average exercise price				0.19	-	-	-	0.19	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half year ended 31 December 2023

10. SHARE-BASED PAYMENTS (continued)

The following options lapsed during the half year:

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

11. INVESTMENT IN ASSOCIATE ENTITY	Ownership interest		31 Dec 23	30 Jun 23
	31 Dec 23	30 Jun 23	\$	\$
Lithium Energy Limited (ASX:LEL)	30.10%	30.49%	649,518	669,878
Movements in carrying amounts				
Opening balance			669,878	5,540,968
Sale of ordinary shares			(80,000)	(600,500)
Share of net loss after tax			(299,772)	(4,311,597)
Share of other comprehensive loss			359,412	41,007
			649,518	669,878
Fair value (at market price on ASX) of investment in Associate entity			17,985,800	27,012,600
Net asset value of investment			9,764,320	9,795,216
Summarised statement of profit or loss and other comprehensive income				
Revenue			920,956	514,731
Expenses			(1,904,930)	(12,581,582)
Loss before income tax			(983,974)	(12,066,851)
Income tax expense			-	-
Loss after income tax			(983,974)	(12,066,851)
Other comprehensive income/(loss)			1,193,907	134,484
Total comprehensive income			209,933	(11,932,367)
Summarised statement of financial position				
Current assets			2,533,264	10,064,558
Non-current assets			30,323,833	23,255,630
Total assets			32,857,097	33,320,188
Current liabilities			421,670	1,196,495
Total liabilities			421,670	1,196,495
Net assets			32,435,427	32,123,693

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2023

12. COMMITMENTS

(a) Mineral Tenements/Concessions – Commitments

(i) Australian Tenements

The Consolidated Entity is required to pay rates, rent and other annual fees to relevant Regulatory Authorities of the State (and Local) Government in respect of its granted Australian tenements. The total amount of these commitments will depend upon the number and area of granted tenements held/retained. The total amount of these commitments will depend upon the number and area of granted tenements held/retained.

(ii) Peruvian Mineral Concessions

The Consolidated Entity is required to pay annual licence fees to the Peruvian Government in respect of its granted Peruvian mineral concessions. The total amount of this commitment will depend upon the number and area of concessions held/retained and the length of time of each concession held.

13. CONTINGENCIES

(a) Directors' Deeds

The Company has entered into Access, Indemnity and Insurance Deeds with the Directors which, inter alia, indemnify them against liability incurred in discharging their duties as officers. As at the reporting date, no claims have been made under any such indemnities and, accordingly, it is not possible to quantify the potential financial obligation of the Consolidated Entity under these indemnities.

(b) Paulsens East Tenement - Royalty

The Consolidated Entity had a liability to pay Orion Equities Limited (ASX:OEQ) a royalty of 2% of gross revenues (exclusive of GST) from any commercial exploitation of any minerals from the Paulsens East Iron Ore Project tenements (which includes Mining Lease M47/1583) in Western Australia (**Paulsens East**). This royalty entitlement stemmed from the Consolidated Entity's acquisition of a portfolio of tenements (including the Paulsens East tenements) from Orion in September 2005.¹

On 22 December 2023, CXM Pty Ltd (**CXM**) (a wholly-owned subsidiary of Orion) agreed to terminate and provide releases under this royalty, pursuant to an agreement whereby Strike Resources Limited (ASX:SRK) (**Strike**) had agreed to sell Paulsens East to Miracle Iron Holdings Pty Ltd (**Miracle**)², in consideration of Miracle paying \$2 million to CXM on completion of the sale (with a further \$3 million payment deferred to 30 June 2024). On 8 March 2024, CXM received \$2 million from Miracle at completion of the sale³.

(c) Government Royalties

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

1 Refer to the following ASX announcements: Orion's announcement dated 23 September 2005: CXL Retains a 25% Free Carried Interest in NT Uranium Tenements, Strike's announcement dated 20 September 2005: Acquisition of Uranium Tenements and Strike's announcement dated 11 August 2008: Acquisition of Outstanding Interests in Berau Coal and Paulsens East Iron Ore Projects

2 Refer Strike's ASX announcement dated 3 January 2024: Proposed Divestment of Paulsens East Iron Ore Project

3 Refer also Strike's ASX announcement dated 8 March 2024: Completion of Disposal of Paulsens East Iron Ore Project

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2023

13. CONTINGENCIES (continued)

(d) Native Title Mining Agreement

On 14 August 2020, the Company and Paulsens East Iron Ore Pty Ltd (a subsidiary of the Company) (PEIOPL) entered into a Native Title Mining Agreement (**Native Title Agreement**) with the PKKP Aboriginal Corporation RNTBC (**PKKPAC**). The PKKPAC holds native title on trust for the benefit of the Puutu Kunti Kurrama and Pinikura People (**PKKP**), the traditional owners of the land on which the Consolidated Entity's Paulsens East Iron Ore Project is located in the West Pilbara region of Western Australia. The Native Title Agreement provides an agreed framework for PEIOPL to undertake its mining activities (that minimises the impact on Aboriginal Cultural Heritage with safeguards for the care and protection of the lands and rights of the PKKP) and includes a package of financial and business development related benefits for the PKKP, including upfront and milestone payments, a production payment based on the value of iron ore sales, an annual training and development allowance and opportunities for PKKP members to contract for the provision of certain support operations related to the Paulsens East Iron Ore Project. The Company will assign its interest in the Native Title Agreement to Miracle Iron Holdings Pty Ltd as a consequence of the sale of PEIOPL to Miracle², which completed on 8 March 2024³.

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

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

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

- (i) **Resource Milestone Payment:** US\$2 million on the delineation of at least 500 Mt of JORC Mineral Resources at an average grade of at least 55% Fe with at least 275 Mt of contained iron having an average grade of at least 52.5% Fe, on the Apurimac Project mineral concessions.
- (ii) **Approvals Milestone Payment:** Up to US\$3 million on AF receiving all formal government environmental and community approvals for the construction and operation of an iron ore mine and required infrastructure with a design capacity of at least 10Mtpa of iron ore product, relating to the Apurimac Project mineral concessions.
- (iii) **Construction Milestone Payment:** Up to US\$5 million on formal approval of the AF Board to commence construction of an iron ore project or the commencement of bulk earthworks for an iron ore mine or processing plant, in either case with a design capacity of at least 10Mtpa of iron ore product, relating to the Apurimac Project mineral concessions.

The Consolidated Entity has royalty payment obligations as follows:

- (i) 1.5% of the net profits from sales of iron ore mined and iron ore products produced from the Apurimac Project mineral concessions.
- (ii) 2% of the proceeds of sales of other metals (on a net smelter return basis) mined from the Apurimac Project mineral concessions.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2023

13. CONTINGENCIES (continued)

(f) Legal Disputes Over Peru Mineral Concessions

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

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

14. EVENTS OCCURRING AFTER THE REPORTING PERIOD

(a) Sale of Paulsens East Iron Ore Project

On 8 March 2024, the Company completed the sale of wholly-owned subsidiary Strike Iron Ore Holdings Pty Ltd (**SIOH**), which, in turn, owns Paulsens East Iron Ore Pty Ltd (**PEIOPL**), the owner and operator of the Paulsens East Iron Ore Project to Miracle Iron Holdings Pty Ltd (**Miracle**). The Company received a \$2 million deposit on execution of the Share and Asset Purchase Agreement (on 22 December 2023)² and received \$18 million at completion on 8 March 2024³ – a A\$0.5 million deferred consideration is payable by Miracle on 30 June 2024.

(b) Discharge of US\$7.2 Million Loan

On 8 March 2024, the Company discharged a loan (comprising US\$7.2 million principal and US\$0.133 million accrued interest) owed to Good Importing International Pty Ltd (**GII**)⁴ at a cost of A\$11.257 million.

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

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

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Strike Resources Limited made pursuant to sub-section 303(5) of the *Corporations Act 2001 (Cth)*, we state that:

In the opinion of the Directors:

- (1) The financial statements and notes of the Consolidated Entity are in accordance with the *Corporations Act 2001 (Cth)*, including:
 - (a) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2023 and of its performance for the financial half year ended on that date; and
 - (b) complying with Australian Accounting Standard AASB 134 "Interim Financial Reporting", *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- (2) There are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable.

On behalf of the Board,



Farooq Khan
Executive Chairman

13 March 2024

STRIKE RESOURCES LIMITED
INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Strike Resources Limited

Conclusion

We have reviewed the accompanying half-year financial report of Strike Resources Limited and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes to the financial statements including a summary of significant accounting policies, other explanatory information, and the directors' declaration.

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

- a) giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report.

We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including independence standards)* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical requirements in accordance with the Code.

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

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

Level 1
6-10 O'Connell Street
SYDNEY NSW 2000

Suite 11, Level 1
4 Ventnor Avenue
WEST PERTH WA 6005

GPO BOX 542
SYDNEY NSW 2001

T +61 2 8999 1199
E team@incorpadvisory.au
W incorpadvisory.au

STRIKE RESOURCES LIMITED

INDEPENDENT AUDITOR'S REVIEW REPORT (continued)

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the company's financial position as at 31 December 2023 and its performance for the half year ended on that date, and complying with AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

In.Corp Audit & Assurance Pty Ltd



Daniel Dalla
Director

Perth, 13 March 2024

LIST OF MINERAL CONCESSIONS

Paulsens East Iron Ore Project (Western Australia)

(Strike – 100%)

The following mineral concessions were held as at 31 December 2023:

Tenement No.	Grant Date	Expiry Date	Area (Ha)	Area (km ²)
Mining Lease M 47/1583	4/9/2020	3/9/2041	381.87	~3.82
Misc. Licence L 47/927	12/11/2020	11/11/2041	78.74	~0.79
Misc. Licence L 47/938	10/12/2020	9/12/2041	95.97	~0.96
Misc. Licence L 08/195	7/1/2021	6/1/2042	22.44	~0.22
Misc. Licence L 08/190	15/7/2021	14/7/2024	199.60	~2
Misc. Licence L 47/934	15/7/2021	14/7/2024	357.09	~3.57
Misc. Licence L 47/980	15/7/2021	14/7/2024	62.60	~0.63
Misc. Licence L 47/981	16/7/2021	15/7/2024	465.04	~46.5
Misc. Licence L 47/981	15/8/2023	14/8/2044	184.98	~1.85

The following tenement applications are pending grant:

Tenement Type and No.	Application Date	Area (Ha)	Area (km ²)
Misc. Licence L 08/271	12/8/2021	47.55	~0.48
Prospecting Licence P 08/813	29/4/2022	47.00	0.47
Exploration Licence E 47/5055	03/11/2023	949.77	~9.50

On 8 March 2024, the Company completed the sale of wholly-owned subsidiary Strike Iron Ore Holdings Pty Ltd, which, in turn, owns Paulsens East Iron Ore Pty Ltd, the owner and operator of the Paulsens East Iron Ore Project.¹

Apurimac Iron Ore Project (Peru)

(Strike – 100%)

The following mineral concessions were held as at 31 December 2023 and currently:

Concession Name	Area (Ha)	Province	Code	Title	File No
Opaban I	999	Andahuaylas	5006349X01	No 8625-94/RPM Dec 16, 1994	20001465
Opaban III	990	Andahuaylas	5006351X01	No 8623-94/RPM Dec 16, 1994	20001464
Cristoforo 22	379	Andahuaylas	010165602	RP2849-2007-INGEMMET/PCD/PM Dec 13, 2007	11067786
Ferrum 31	327	Andahuaylas	010552807	RP 1266-2008-INGEMMET/PCD/PM May 12, 2008	11076509
Wanka 01	100	Andahuaylas	010208110	RP 3445-2010-INGEMMET/PCD/PM Oct 18,2010	11102187

¹ Refer Strike's ASX announcement dated 8 March 2024: Completion of Disposal of Paulsens East Iron Ore Project

JORC MINERAL RESOURCES

Paulsens East Iron Ore Project (Australia)

(Strike – 100%)

The Paulsens East Iron Ore Project has a JORC Code (2012 Edition) compliant Indicated Mineral Resource (based on a 58% Fe lower cut-off wireframe):

Mineral Resources Category	Fe% Cut-Off Grade	Million Tonnes	Fe%	SiO ₂ %	Al ₂ O ₃ %	P%	S%	LOI%
Indicated	>58	9.6	61.1	6.0	3.6	0.08	0.01	2.1

Refer Strike's ASX Announcement dated 4 September 2019: Significant Upgrade of JORC Mineral Resource into Indicated Category at Paulsens East Iron Ore Project

Part of the above JORC Indicated Mineral Resource has been converted to a maiden JORC Probable Ore Reserve (adopting a cut-off grade of 55% Fe to produce a marketable product):

Ore Reserves Category	Fe% Cut-Off Grade	Million Tonnes	Fe%	SiO ₂ %	Al ₂ O ₃ %	P%
Probable	>55	6.2	59.9	7.43	3.77	0.086

Refer Strike's ASX Announcement dated 30 October 2020: Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

On 8 March 2024, the Company completed the sale of wholly-owned subsidiary Strike Iron Ore Holdings Pty Ltd, which, in turn, owns Paulsens East Iron Ore Pty Ltd, the owner and operator of the Paulsens East Iron Ore Project.¹

Apurimac Iron Ore Project (Peru)

(Strike – 100%)

The Apurimac Project has a JORC Code (2012 Edition) compliant Mineral Resource of 269.4 Mt, consisting of:

- a 142.2 Mt Indicated Mineral Resource at 57.8% Fe; and
- a 127.2 Mt Inferred Mineral Resource at 56.7% Fe.

Category	Concession	Density t/m ³	Mt	Fe%	SiO ₂ %	Al ₂ O ₃ %	P%	S%
Indicated	Opaban 1	4	133.71	57.57	9.46	2.54	0.04	0.12
Indicated	Opaban 3 *	4	8.53	62.08	4.58	1.37	0.07	0.25
Inferred	Opaban 1	4	127.19	56.7	9.66	2.7	0.04	0.2
Total Indicated and Inferred			269.4	57.3	9.4	2.56	0.04	0.16

Refer Strike's ASX Announcement dated 20 January 2015: Apurimac Mineral Resources Updated to JORC 2012 Standard

* The Opaban 3 Mineral Resource has been diminished by production and sales of 50,095 tonnes of lump iron ore grading 65.78% Fe, 2.42% SiO₂, 0.72% Al₂O₃, 0.057% P and 0.09% S.

¹ Refer Strike's ASX announcement dated 8 March 2024: Completion of Disposal of Paulsens East Iron Ore Project

JORC CODE COMPETENT PERSONS' STATEMENTS

JORC Code (2012) Competent Person Statement - Paulsens East Iron Ore Project

The information in this document that relates to **Mineral Resources** (Hematite Ridge and Detritals) **and related Exploration Results/Exploration Targets** (as the case may be, as applicable) in relation to the Paulsens East Iron Ore Project (Pilbara, Western Australia) is extracted from the following ASX market announcements made by Strike Resources Limited on:

- 4 February 2022: Updated Paulsens East Feasibility Study – Optimised Staged Production and Lower Capex and Opex Costs;
- 30 October 2020: Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns;
- 4 September 2019: Significant Upgrade of JORC Mineral Resource into Indicated Category at Paulsens East Iron Ore Project.

The information in the original announcements that relates to these Mineral Resources and related Exploration Results (as applicable) is based on, and fairly represents, information and supporting documentation prepared by Mr Philip Jones (BAppSc (Geol), MAIG, MAusIMM), who is a Member of the Australasian Institute of Mining and Metallurgy (**AusIMM**) and the Australian Institute of Geoscientists (**AIG**). Mr Jones is an independent contractor to Strike Resources Limited. Mr Jones has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being 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' (the **JORC Code**). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

The information in this document that relates to **Ore Reserves** in relation to the Paulsens East Iron Ore Project (Pilbara, Western Australia) is extracted from the following ASX market announcement made by Strike Resources Limited on:

- 4 February 2022: Updated Paulsens East Feasibility Study – Optimised Staged Production and Lower Capex and Opex Costs;
- 30 October 2020: Paulsens East Feasibility Study Demonstrates Significant Cashflow Generation and Financial Returns

The information in the original announcements that relates to these Ore Reserves is based on and fairly represents information and supporting documentation compiled by Mr Harry Warries (MSc – Mine Engineering, FAusIMM), who is a Fellow of AusIMM. Mr Warries is the Principal of Mining Focus Consultants Pty Ltd, a Consultant to Strike Resources Limited. Mr Warries has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

JORC Code (2012) Competent Person Statement - Apurimac Iron Ore Project

The information in this document that relates to **Mineral Resources** in relation to the Apurimac Iron Ore Project (Peru) is extracted from the following ASX market announcement made by Strike Resources Limited on:

- 20 January 2015: Apurimac Mineral Resources Updated to JORC 2012 Standard.

The information in the original announcement that relates to these Mineral Resources and other Exploration Results (as applicable) is based on, and fairly represents, information and supporting documentation prepared by Mr Ken Hellsten, B.Sc. (Geology), who is a Fellow of AusIMM. Mr Hellsten was a principal consultant to Strike Resources Limited and was also formerly the Managing Director of Strike Resources Limited (between 24 March 2010 and 19 January 2013). Mr Hellsten has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

JORC CODE COMPETENT PERSONS' STATEMENTS

The Strike ASX market announcements referred to above may be viewed and downloaded from the Company's website: www.strikeresources.com.au or the ASX website: www.asx.com.au under ASX code "SRK".

FORWARD LOOKING STATEMENTS

This document contains "forward-looking statements" and "forward-looking information", including statements and forecasts which include without limitation, expectations regarding future performance, costs, production levels or rates, mineral reserves and resources, the financial position of Strike, industry growth and other trend projections. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "is expecting", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes", or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might", or "will" be taken, occur or be achieved. Such information is based on assumptions and judgements of management regarding future events and results. The purpose of forward-looking information is to provide the audience with information about management's expectations and plans. Readers are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Strike and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, changes in market conditions, future prices of minerals/commodities, the actual results of current production, development and/or exploration activities, changes in project parameters as plans continue to be refined, variations in grade or recovery rates, plant and/or equipment failure and the possibility of cost overruns.

Forward-looking information and statements are based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date such statements are made, but which may prove to be incorrect. Strike believes that the assumptions and expectations reflected in such forward-looking statements and information are reasonable. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Strike does not undertake to update any forward-looking information or statements, except in accordance with applicable securities laws.

SECURITIES INFORMATION

as at 31 December 2023

Securities on Issue

Class of Security	Quoted on ASX	Unlisted
Fully paid ordinary shares	283,750,000	-
Broker's Options (\$0.33, 3 June 2024) ¹	-	1,000,000
Securities Incentive Plan (SIP) Options (\$0.185, 14 February 2025) ²	-	3,100,000
Total	283,750,000	4,100,000

Distribution of Fully Paid Ordinary Shares

Spread	of	Holdings	Number of Holders	Number of Shares	% of Total Issued Capital
1	-	1,000	347	132,317	0.047%
1,001	-	5,000	744	2,342,331	0.825%
5,001	-	10,000	475	3,821,396	1.347%
10,001	-	100,000	931	39,498,031	12.863%
100,001	-	and over	316	240,955,925	84.918%
TOTAL			2,813	283,750,000	100.00%

Unmarketable Parcels

Spread	of	Holdings	Number of Holders	Number of Shares	% of Total Issued Capital
1	-	9,803	1,419	4,826,591	1.7%
9,804	-	over	1,394	278,923,409	98.3%
TOTAL			2,813	283,750,000	100.00%

An unmarketable parcel is considered, for the purposes of the above table, to be a shareholding of 9,803 shares or less (being a value of \$500 or less in total), based upon the Company's closing share price of \$0.051 on 31 December 2023.

1 Refer Strike's ASX Announcement dated 4 June 2021: Appendix 3G – Notification of Issue of 1M Broker Options

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

SECURITIES INFORMATION

as at 31 December 2023

Top Twenty, Ordinary Fully Paid Shareholders

Rank	Holder name	Shares Held	% Issued Capital
1	BENTLEY CAPITAL LIMITED	56,739,857	19.99
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	26,607,902	9.38
3	GOOD IMPORTING INTERNATIONAL PTY LTD	13,082,910	
	MR ZHOUFENG ZHANG	1,239,556	
	MS HONG XU	601,873	
	Sub-total	14,924,339	5.26
4	ORION EQUITIES LIMITED	10,000,000	3.52
5	MRS AMBREEN CHAUDHRI	10,000,000	3.52
6	IRIS SYDNEY HOLDINGS PTY LTD	4,000,000	1.41
7	MR STEVEN JAMES CLUNE & MRS LISA MICHELLE CLUNE	3,282,273	1.16
8	O'SHEA & BROWN PTY LTD	3,000,000	1.06
9	MR RICHARD DAVID SIMPSON	2,752,241	0.97
10	MR HONGWEI YAO	2,671,798	0.94
11	LAVISH LIMOUSINES PTY LTD	2,304,754	0.81
12	DOLMAT PTY LTD	2,010,000	0.71
13	CITICORP NOMINEES PTY LIMITED	1,894,157	0.67
14	MR FAROOQ KHAN & MS ROSANNA DECAMPO	1,813,231	0.64
15	MR ANTHONY JAMES BAKER	1,800,000	0.63
16	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	1,781,475	0.63
17	BNP PARIBAS NOMINEES PTY LTD	1,689,725	0.60
18	MR DAVID JOHN DWYER + MRS LYNETTE MAREE DWYER	1,641,435	0.58
19	PRINT LOGIC WA PTY LTD	1,300,000	0.46
20	JALDARA PTY LTD	1,256,093	0.44
TOTAL		151,469,280	53.39 %

Substantial Shareholders

Substantial Shareholders	Registered Shareholder	Shares Held	% Voting Power ³
Bentley Capital Limited (ASX:BEL)	Bentley Capital Limited	56,739,857	19.99%
Windfel Properties Limited and Associates	HSBC Custody Nominees (Australia) Limited	25,825,000	9.10%
Good Importing International Pty Ltd and Associates	Good Importing International Pty Ltd	13,082,910	
	Mr Zhoufeng Zhang	1,239,556	
	Ms Hong Xu	601,873	5.26%
Orion Equities Limited (ASX:OEQ)	Orion Equities Limited	10,000,000	
	Bentley Capital Limited	56,739,857	23.52%
Queste Communications Ltd (ASX:QUE)	Orion Equities Limited	10,000,000	
	Bentley Capital Limited	56,739,857	23.52%

³ Voting power reflects current registered shareholdings and percentage voting power based on current issued capital