



ASX Release  
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CSE

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## Expanding Kaiser Bill deposit - now extended by 150 metres

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### Highlights

- Results received from two drill holes designed to explore for extensions to Kaiser Bill and Einasleigh deposits.
- Drilling objective at Kaiser Bill is to potentially double size of open-cuttable resource.
- Drillhole KB107, located 150 metres SW of Kaiser Bill deposit, intersected three major zones of mineralisation as follows:
  - 14m @ 0.76% copper, 4.3g/t silver and 0.07g/t gold from 300m
  - 15m @ 0.83% copper, 6.5g/t silver and 0.05g/t gold from 339m and
  - 8m @ 0.88% copper, 13.1g/t silver and 0.01g/t gold from 358m.
- At Einasleigh a second shallower hole is planned to intersect the conductive target north of the current resource as the recent drill hole did not hit target.
- Coffey Environments Australia has completed Phase 1 of environmental study. Phase 2 has been designed to complete all environmental work necessary to have Kaiser Bill and Einasleigh Mining Leases granted.
- Feasibility study continues to support strong project profitability at current prices.
- Discussions with potential strategic partners to develop Einasleigh Project are proceeding well. Copper Strike is optimistic that there will be positive developments in upcoming months.
- \$2.9 million in the bank at end May 2010 - sufficient funds to carry out current planned activities.

**Tom Eadie**  
**Managing Director**

*Copper Strike (CSE) is a mineral exploration and development company focused on finding and developing copper and related base metals in eastern Australia. The company aims to create shareholder value through the development of its advanced multi-deposit project at Einasleigh in north Queensland.*

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## Introduction

At Einasleigh, located 350 kilometres northwest of Townsville in North Queensland, Copper Strike has outlined two copper-gold-silver resources and four zinc-lead-silver resources over the last four years as shown in Table 1. Recently one hole was completed at Einasleigh and one hole at Kaiser Bill.

Deposit	Resource Category	Size (Mt)	Cu (%)	Au (g/t)	Ag (g/t)	Zn (%)	Pb (%)
Kaiser Bill	Indicated	13.5	0.84	0.13	6	-	-
	Inferred	1.5	0.85	0.08	11	-	-
Einasleigh	Indicated	0.5	4.0	0.22	18	-	-
	Inferred	0.6	1.9	0.10	8	-	-
Jackson/Stella/ Chloe Trend	Indicated	3.4	0.2	-	47	4.7	2.1
	Inferred	1.3	0.2	-	51	5.1	1.8
Railway Flat	Inferred	0.9	0.2	-	16	3.4	0.9

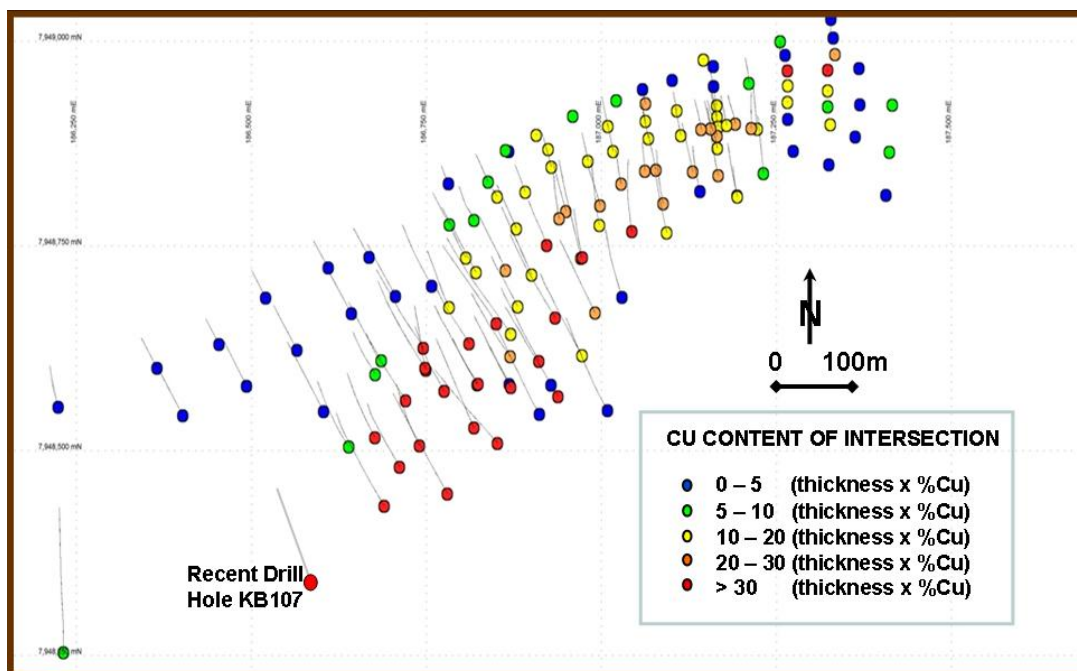
**Table 1: Copper Strike's Resources at June 2010 in the Einasleigh area. Cut-off grades: Kaiser Bill 0.4% Cu, Einasleigh 1.0% Cu, Jackson/Stella/Chloe 3.0% Zn equiv, and Railway Flat 2.0% Zn**

## Kaiser Bill recent drilling

The Kaiser Bill drill hole, KB107, is located approximately 150 metres southwest of the currently defined resource. The southwest corner of the deposit is the thickest and highest grade portion of the deposit as shown in Figure 1. Of the 23 "best" holes at Kaiser Bill (the red holes; ie. those with a thickness x copper grade product greater than 30 metre-percent), 18 of them are in the southwest portion of the deposit.

The KB107 result suggests that the deposit was intersected down-dip from the core part of the deposit. A hole has now been targeted to hit the interpreted thicker, higher grade, up-dip position on the same section. Results in KB107 were as expected from the deeper margins of the deposit:

- 14m @ 0.76% copper, 4.3g/t silver and 0.07g/t gold from 300m
- 2m @ 0.71% copper, 2.8g/t silver and 0.10g/t gold from 327m
- 2m @ 0.54% copper, 2.5g/t silver and 0.08g/t gold from 332m
- 15m @ 0.83% copper, 6.5g/t silver and 0.05g/t gold from 339m and
- 8m @ 0.88% copper, 13.1g/t silver and 0.01g/t gold from 358m.



**Figure 1: Map of Kaiser Bill drilling showing the location of the recent drill hole KB107. Most of the most strongly mineralised holes are in the southwestern corner of the deposit. KB107 extends this strong trend for a further 150 metres.**

## Kaiser Bill future drill programme

Copper Strike will begin a five to eight hole drill programme, contingent on results, immediately. The first hole will target the core part of the deposit up-dip from the intersection in KB107. Following holes will focus on extending the deposit to the southwest in steps of 100-150 metres, as well as outlining the up-dip and down-dip limits of the deposit.

The drill programme is starting today with the objective of demonstrating that there is the potential to double the size of the Kaiser Bill deposit down to a depth of approximately 350 metres. A second objective of the programme is to convert a significant percentage of this new zone to Inferred Resource.

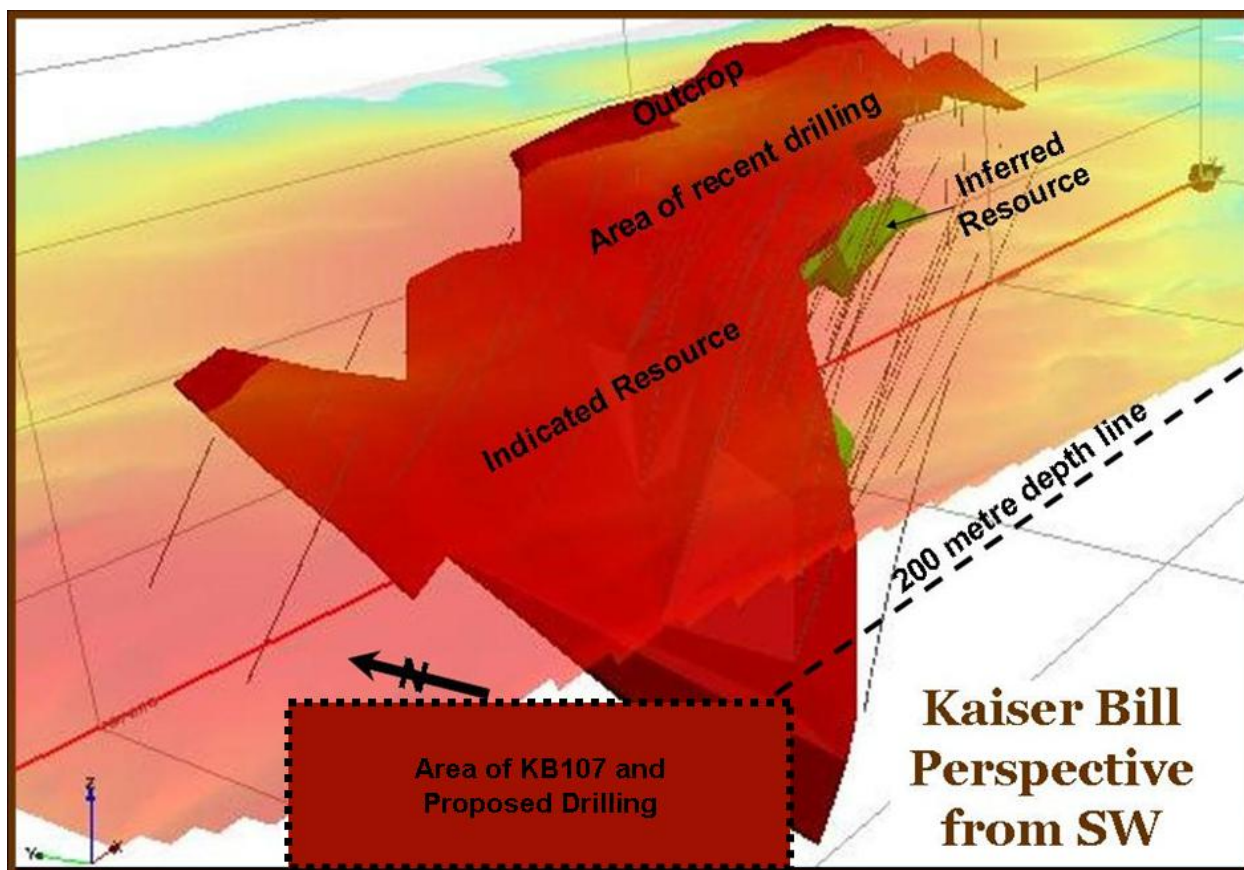


Figure 2: Perspective view of Kaiser Bill deposit from southwest. The Indicated Resource is shown in red. KB107 and planned drilling are targeted at extending deeper, thicker, higher grade part of deposit between 150 and 350 metres deep with aim to potentially double Kaiser Bill resource.

## Einisleigh Copper Mine drilling

One hole has been completed north of the Einisleigh deposit. This hole was directed at a conductive geophysical target that looks very similar to the geophysical response over the Einisleigh deposit (see Figure 3). The hole did not intersect any conductive mineralisation. The current interpretation is that the hole went beneath the target which is thought to be a southerly plunging lens of mineralisation similar in orientation to the Einisleigh deposit itself.

A follow up hole is planned to test the target at a shallower depth and is scheduled for July.

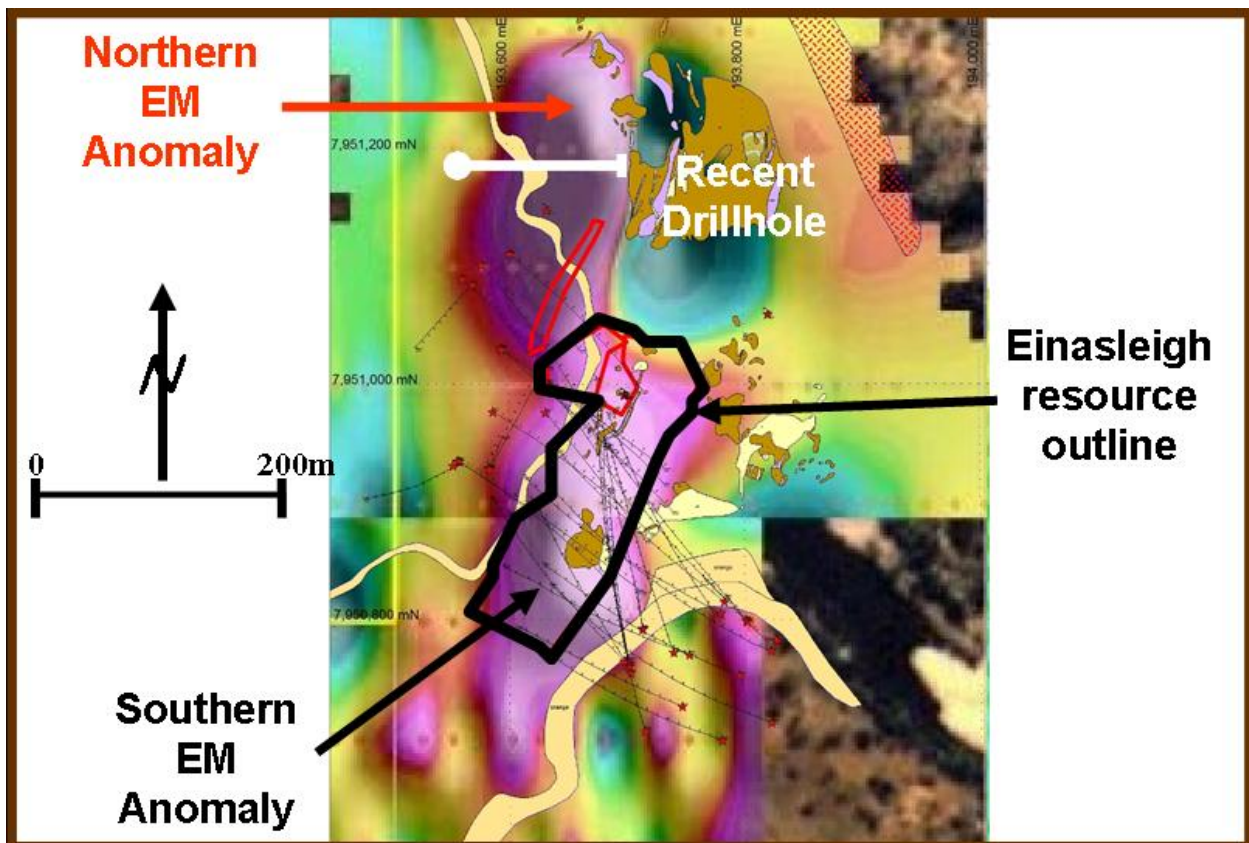


Figure 3: Copper Strike originally drilled beneath old Einasley mine because of electromagnetic anomaly shown in this figure. A very similar anomaly immediately to the north has not yet been properly assessed by drilling. The first drill hole, which was completed recently, is interpreted to have drilled beneath the target conductor.

## Corporate

The current completed Feasibility Study indicates that the Einasley Project would be very profitable at today's prices and exchange rates. It also shows that it would be vulnerable to a major drop in the price of copper. Copper Strike is pursuing the three following strategies to help move the project towards development:

1. Complete the current drill programme with the aim to make project robust for all foreseeable copper price scenarios.
2. Advance the environmental permitting to allow the granting of the Mining Leases, which would give management the ability to start the project. Coffey Environments Australia has completed Phase 1 of their environmental work which includes a detailed plan outlining steps necessary to complete all of the permitting work for Phase 2. Management is currently considering timing for Phase 2 of the programme.
3. Introduce a strategic partner. Discussions are proceeding well on several fronts. The company is optimistic that there will be some tangible progress on this front in the next few months.

At end May 2010, Copper Strike had \$2.9 million in the bank which is sufficient to carry out all planned activities.

*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 a full time employee of Copper Strike Limited. Mr. Eadie has more than 20 years experience in the activities being reported on and consents to the inclusion of this information in the form and context in which it appears in this report.*

## **Corporate Details**

### ***Issued Capital***

116,455,571 shares

2,200,000 unlisted options

Share Price \$0.07 (17 June 2010)

### ***Key Shareholders***

Citicorp Nominees 7.8%

Teck Cominco Australia 7.4%

Acorn Capital 6.1%

### ***Registered Office***

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### ***Directors & Management***

Mr Tom Eadie – Executive Chairman

Mr Barrie Laws – Non Executive Director

Mr John Dunlop – Non Executive Director

Mr Terry Lees – Exploration Manager

Mr David Ogg – Company Secretary

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