



ASX Release
24 December 2008

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CSE

Increased Size and Grade at Kaiser Bill

Highlights

In October, Copper Strike finished a 22 hole drill programme to upgrade the resource at Kaiser Bill, part of the Einasleigh Project in north Queensland, which also includes the Einasleigh, Chloe, Jackson, Stella and Railway Flat resources. The upgraded Kaiser Bill resource will now be used for a refinement of the recently completed Einasleigh Project feasibility study.

Based on the new and previous Copper Strike drilling at Kaiser Bill, resource estimates completed by Golder Associates at a 0.4% Cu cut-off grade for a selective open pit mining scenario are:

Indicated Mineral Resource:	13.4Mt @ 0.86% Cu, 0.13g/t Au, 6.5g/t Ag
Inferred Mineral Resource:	2.2Mt @ 0.99% Cu, 0.09g/t Au, 11.3g/t Ag
Total Mineral Resource:	15.6Mt @ 0.88% Cu, 0.13g/t Au, 7.2g/t Ag.

The Mineral Resource estimate includes mineralisation modelled within the oxidised zone. At a 0.4% Cu cut-off grade the Mineral Resource can be divided according to oxidation zone, as follows:

Oxide:	0.7Mt @ 0.66% Cu, 0.07g/t Au, 6.3g/t Ag
Transition:	0.2Mt @ 0.71% Cu, 0.08g/t Au, 6.3g/t Ag
Sulphide:	14.7Mt @ 0.89% Cu, 0.13g/t Au, 7.2g/t Ag.

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.

Registered Office

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APPENDIX 1: Kaiser Bill Mineral Resource Statement

The resource estimates at Kaiser Bill were classified in accordance with the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC, 2004).

These estimates are based upon and accurately reflect data compiled and analysed under the supervision of Ian Lipton, Principal Geologist, who is a Fellow of the Australasian Institute of Mining and Metallurgy and a full time employee of Golder Associates Pty Ltd. Ian Lipton has sufficient experience which is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2004 edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Ian Lipton consents to the inclusion of this information in the form and context in which it appears in this report.

The Mineral Resources estimated by Golder Associates at a 0.4% Cu cut-off grade for a selective open pit mining scenario with a selective mining unit of 5 m by 5 m by 2.5 m, and quoted to an appropriate level of precision, are:

Indicated Mineral Resource:	13.4Mt @ 0.86% Cu, 0.13g/t Au, 6.5g/t Ag
Inferred Mineral Resource:	2.2Mt @ 0.99% Cu, 0.09g/t Au, 11.3g/t Ag
Total Mineral Resource:	15.6Mt @ 0.88% Cu, 0.13g/t Au, 7.2g/t Ag

The Inferred Mineral Resource includes:

Upper domain:	0.7Mt @ 0.87% Cu, 0.12g/t Au, 8.5g/t Ag
Lower domain:	1.5Mt @ 1.03% Cu, 0.08g/t Au, 12.5g/t Ag

The lower mineralised domain (see Figure 1) is sparsely drilled and the continuity of the mineralisation is poorly understood. As a result the apparent higher grade of the resource in the lower domain requires further verification and dilution during mining may be higher in this domain.

Key features of the resource estimate are:

- Core recovery was excellent. Core was sampled by sawing the core in half and sampling over 1 m or 2 m intervals. All RC holes and precollars were sampled by riffle splitting with the exception of eight which were sampled by spearing the sample bags.
- Samples were analysed by multi-acid digestion and inductively coupled plasma atomic emission spectrometry. Assay quality control included standard reference samples, blanks and duplicate samples for the majority of the sample batches; the results were satisfactory. No independent quality control samples were used for the first 18 drill holes.
- A wireframed model of the mineralised zone was constructed using a nominal 0.3% Cu cut-off grade.
- A computer block model was constructed by filling the wireframe with 12.5 m by 12.5 m by 5 m blocks and 2.5 m by 2.5 m by 2.5 m sub-blocks.
- Grades of Cu, Au, and Ag were estimated into the parent blocks by multiple indicator kriging using a 125 m by 125 m by 5 m search radius. Octant searching with a maximum of 5 composites per octant (40 in total) were used to estimate each block. A few extreme grades were cut to 8% Cu, 0.9 g/t Au and 100 g/t Ag. The indicator kriging model was adjusted to reflect a mining selectivity of 5 m by 5 m by 2.5 m prior to resource calculations. Fe and S grades, as well as check estimates for Cu and Au, were estimated by ordinary kriging.
- Drill hole spacing through the mineralised zones was 50 m on section, with sections spaced no more than 50 m in the Indicated Mineral Resource area. At the very western (down-plunge) end of the deposit the drill hole section spacing is less complete and the mineralisation has been classified as Inferred Mineral Resource. A lower mineralised zone is less continuous and less well defined and classified as Inferred Mineral Resource. The geological interpretation is supported by the presence of gossanous outcrop over 1 km strike length.

- Measurements of dry bulk density were determined on 896 samples of drill core using a water displacement method. A strong relationship between dry bulk density and Fe grade was established and this relationship was used to estimate dry bulk density for each block in the Kaiser Bill model using the Fe block grade estimates.

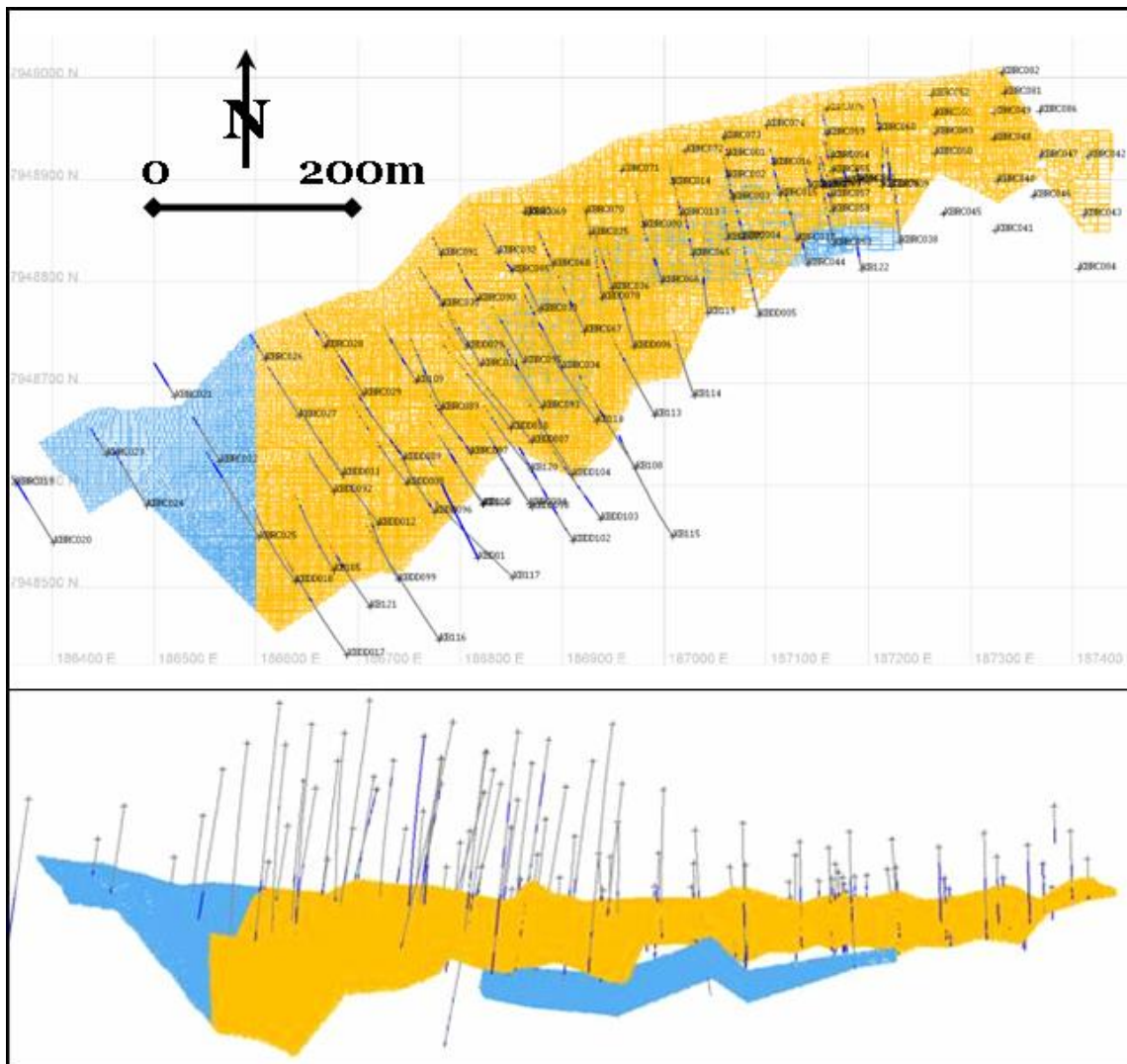


Figure 1: Plan view and longitudinal section of the Kaiser Bill resource with Indicated in brown and Inferred in blue. Upper domain of the Inferred Resource lies on the western edge of the deposit while the lower domain is beneath the Indicated Resource.

The new global resource estimate is higher in tonnage and Cu grade than the previous estimate in 2007 (Indicated Mineral Resource of 10.9 Mt @ 0.81% Cu, 0.13g/t Au, 6g/t Ag and an Inferred Mineral Resource of 1.9 Mt @ 0.85% Cu, 0.14g/t Au, 5g/t Ag, both at a 0.4% Cu cut-off grade). This can be attributed to:

- Higher grade drilling results from the most recent drilling stages with drilling concentrating on the down dip and down plunge areas that appear to be higher grade.
- Additional down dip resource extensions.
- Inclusion of a newly identified lower mineralised zone as an additional Inferred Mineral Resource.

A global grade tonnage curve is presented in Figure 2.

The Mineral Resource estimate includes mineralisation modelled within the oxidised zone. It is not clear whether the oxidised zone mineralisation can be treated economically. At a 0.4% Cu cut-off grade the Mineral Resource can be divided according to oxidation zone, as follows:

Oxide: 0.7Mt @ 0.66% Cu, 0.07g/t Au, 6.3g/t Ag
 Transition: 0.2Mt @ 0.71% Cu, 0.08g/t Au, 6.3g/t Ag
 Sulphide: 14.7Mt @ 0.89% Cu, 0.13g/t Au, 7.2g/t Ag.

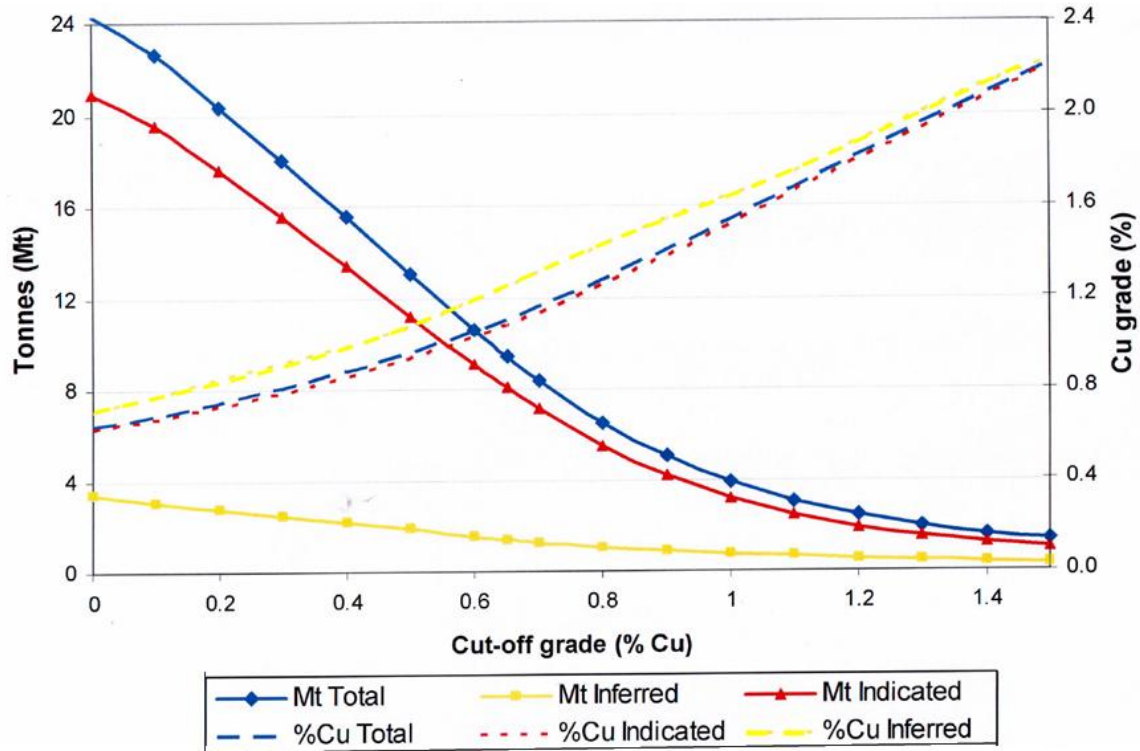


Figure 2: Global grade – tonnage curve for the Kaiser Bill resource

Corporate Details

Issued Capital

91,420,571 shares
 4,200,000 unlisted options
 Share Price \$0.06 (22 Dec 08)

Key Shareholders

Teck Cominco Australia 9.4%
 Acorn Capital 6.2%

Registered Office

Level 9 – 356 Collins Street
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Directors & Management

Mr Tom Eadie – Executive Chairman
 Mr Barrie Laws – Non Executive Director
 Mr Peter Topham – Non Executive Director
 Mr Terry Lees – Exploration Manager
 Mr David Ogg – Company Secretary
 Mr Joel Ray – GM Einasleigh Operations

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