



**ASX Release**  
2 April 2009

**ASX Code**  
CSE

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**QUARTERLY REPORT ON ACTIVITIES**  
**January to March 2009**

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**Highlights**

- The refinement of the Einasleigh Project Feasibility Study is proceeding well and is due for completion in June. The change in strategy to a larger, copper-only operation combined with the current lower development and operating cost environment, are expected to add significant value to the project at today's prices.
- Expenditure has been severely downscaled with all principal activities now focussed on the refinement of the Feasibility Study. Expenditure this quarter was \$0.3 million, down from \$1.8 million last quarter when the Feasibility Study and drilling programmes were in full swing. At 31 March Copper Strike had \$2.42 million cash in the bank.

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

*Copper Strike (CSE) is a minerals company focused on finding and developing base metals in eastern Australia. The company aims to create shareholder value through the development of the advanced Einasleigh Project, and through progression of its earlier stage prospects.*

**Registered Office**

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## Feasibility Study Update

The refinement of the Einasleigh Project Feasibility Study has progressed well in the quarter and is on budget and schedule. Advances are being made in the following components of the study:

- 1) Environment – The Environmental Management Plan is being coordinated by AARC with input from Fraser Osborn (civil engineering and earthworks) and Rockwater (groundwater).
- 2) Process Plant – The flowsheet design for the larger, copper-only circuit has been completed and now Intech Engineers, in conjunction with Gunn Metallurgy, are finalising the plant design and costings.
- 3) Open Pit Mining – Cardross Mining is preparing a detailed submission on mining costs at Kaiser Bill. Final Whittle pit design will be completed by IMC.
- 4) Underground Mining – Byrncut Mining is working on a budget for mining the Einasleigh Copper deposit.
- 5) Infrastructure – Hill Michael, on Copper Strike's behalf, and Ergon Energy continue to liaise over the best powerline solution for the Einasleigh Project. Plans and costs for the accommodation village are being detailed.

Scheduled completion for the update of the Feasibility Study is June 2009.

## Corporate / Financial

The quarter has seen a dramatic slowdown in Copper Strike's activity level with all effort focused on the refinement of the Feasibility Study. There has been no drilling or exploration field work during the quarter and none is planned for the coming quarter.

This has resulted in a dramatic drop in net expenditure to \$0.3 million for the quarter as compared with \$1.8 million last quarter when there was a higher level of activity on the Feasibility Study and drilling programmes. If the poor economic times persist, overheads in the future will drop further although there will be a slight increase in expenditure next quarter because of the finalisation of the Feasibility Study.

At 31 March, Copper Strike had \$2.42 million cash in the bank.

***The information in this report as it relates to mineral economics was approved by Mr. Peter Topham, MAusIMM, who is a Competent Person and a director of Copper Strike Limited. Mr. Topham 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***

91,420,571 shares

4,200,000 unlisted options

Share Price \$0.06 (31 Mar 09)

#### ***Key Shareholders***

Teck Cominco Australia 9.4%

Acorn Capital 6.2%

#### ***Registered Office***

Level 9 – 356 Collins Street

Melbourne Victoria 3000

#### ***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 Project

## Appendix 5B

### *Mining exploration entity quarterly report*

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Copper Strike Limited

ABN

16 108 398 983

Quarter ended ("current quarter")

31<sup>st</sup> March 2009

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration and evaluation (b) development (c) production (d) administration	(362)	(3596)
1.3 Dividends received	(112)	(820)
1.4 Interest and other items of a similar nature received	42	208
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)	116	242
<b>Net Operating Cash Flows</b>	<b>(316)</b>	<b>(3966)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a)prospects (b)equity investments (c) other fixed assets		(55)
1.9 Proceeds from sale of: (a)prospects (b)equity investments (c)other fixed assets		(10)
1.10 Loans to other entities		13
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)	0	(52)
<b>Net investing cash flows</b>		
1.13 Total operating and investing cash flows (carried forward)	(316)	(4018)

1.13	Total operating and investing cash flows (brought forward)	(316)	(4018)
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc.		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		
	<b>Net financing cash flows</b>	-	-
<b>Net increase (decrease) in cash held</b>			
		(316)	(4018)
1.20	Cash at beginning of quarter/year to date	2740	6442
1.21	Exchange rate adjustments to item 1.20		
1.22	<b>Cash at end of quarter</b>	2424	2424

### Payments to directors of the entity and associates of the directors

### Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	75
1.24	Aggregate amount of loans to the parties included in item 1.10	-

### 1.25 Explanation necessary for an understanding of the transactions

Item 1.23 includes payments of \$4933.50 to Inkprintz for geological services. Inkprintz is controlled by the wife of a director, Mr T Eadie.

### Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

### Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	400
4.2	Development	-
<b>Total</b>		<b>400</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000	
5.1	Cash on hand and at bank	512	129
5.2	Deposits at call		
5.3	Bank overdraft		
5.4	Other (provide details) Bank term deposits	1912	2611
<b>Total: cash at end of quarter</b> (item 1.22)		<b>2424</b>	<b>2740</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

## Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	91,420,571	91,420,571		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 <b>+Convertible debt securities</b> <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <i>(description and conversion factor)</i>	2,000,000 1,300,000 600,000 300,000		<i>Exercise price</i> 20 cents 25 cents 30 cents 30 cents	<i>Expiry date</i> 31 <sup>st</sup> October 2009 31 <sup>st</sup> October 2010 31 <sup>st</sup> October 2010 31 <sup>st</sup> October 2010
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 <b>Debentures</b> <i>(totals only)</i>				
7.12 <b>Unsecured notes</b> <i>(totals only)</i>				

**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

*David L Ogg*

2/4/2009

Sign here: ..... Date: .....  
(Director/Company secretary)

Print name: .....  
David L Ogg

**Notes**

- 1 The quarterly report provides a basis for informing the market how the entity’s activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The “Nature of interest” (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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