



ASX Release
18 April 2007

ASX Code
CSE

QUARTERLY REPORT ON ACTIVITIES January to March 2007

Highlights

- Drilling at Chloe, some 20km from Einasleigh in North Queensland, has returned impressive mineralisation in several holes. Intersections are based on visual core logging, and from previous experience, results are expected to return between 5 and 10% zinc plus lead.
- The most important of these intersections are the deeper ones, CH044 and CH045. These holes extend the mineralisation to a depth of over 300 metres, 50% greater than previously known. Better sulphide intersections include:
 - 18 metres of sulphide mineralisation in CH042 at a depth of 38 metres;**
 - 7 metres of sulphide mineralisation in CH044 at a depth of 309 metres;**
 - 31 metres of sulphide mineralisation in CH045 at a depth of 243 metres;**
 - 32 metres of sulphide mineralisation in CH046 at a depth of 99 metres.**
- Drilling is continuing at Chloe, and is also underway at the Kaiser Bill (copper) and Jackson (zinc/lead) prospects. A further 15-20 hole programme will begin in May to test 11 other regional targets.
- The drilling is part of the revised Feasibility Study for the Einasleigh Project. The study is also advancing on several other fronts such as permitting, metallurgy, mining studies and infrastructure investigations and is expected to be completed late 2007.
- To accelerate the Einasleigh Project, Copper Strike has reinforced the professional team. Well known North Queensland-based geologist, Peter Buckle, has been appointed as Chief Geologist - Einasleigh Mining Company. Peter will join Trevor Hannigan in the drive to moving the Einasleigh, Kaiser Bill and Chloe deposits through the feasibility stage to production.

Tom Eadie
Managing Director

Copper Strike (CSE) is a mineral exploration company focused on finding copper and related base metals in eastern Australia. The company aims to create shareholder value through the development of its advanced projects and through progression of the early stage prospects. Headquartered in Melbourne, with an experienced management team and board, Copper Strike listed on the Australian Stock Exchange in November 2004. Teck Cominco is a major shareholder of the company.

Registered Office

Copper Strike Limited ABN 16 108 398 983
Level 9 - 356 Collins Street Melbourne Victoria 3000 Australia
Ph 03 96400955 Fax 03 96420698 email tom@copperstrike.com.au
www.copperstrike.com.au

Progress on the Einasleigh Feasibility Study

An interim Feasibility Study was released for the copper deposits (Einasleigh Copper Mine and Kaiser Bill) during the quarter. The results indicated that the deposits were economic at today's prices and economic conditions. The Board decided to incorporate the recently discovered Chloe zinc/lead deposit into the Feasibility Study. To progress to a production decision, more information was necessary on infrastructure costs, metallurgy (Kaiser Bill and Chloe), resources (Kaiser Bill and Chloe), mining (Einasleigh Copper Mine) and marketing of the entire product. This work has been progressed during the quarter.

In addition, Mining Lease Applications have been submitted and environmental and other permitting is currently being advanced.

Chloe Drilling

At the Chloe zinc / lead prospect (previously known as Chloe East) located 20 kilometres SW of Einasleigh in north Queensland, a 3600 metre, 20 hole drill programme is now in progress. The objective of this work is to delineate a shallow (<300m deep) Inferred Resource at Chloe and explore for deeper extensions of the mineralisation down plunge of the earlier significant intersections in CH013 and CH015.

Assay results are now available from the first few holes of the programme. These are reverse circulation drill holes designed to test the margins of the shallower parts of the deposit. Further results from the deeper diamond holes will be released progressively over the next two months.

Several of the deeper diamond drill holes have intersected significant mineralisation, and require immediate follow up. The drill intersections discussed below are preliminary and based on visual estimates of mineralisation and comparison with previous results. True thicknesses of the intersections are not known at this stage. However they are expected to be approximately 80-90% of the downhole intersection, except for CH046 which was a vertical hole and may have drilled partially down the deposit's dip direction. Grades over the following intervals are expected to be between 5% and 10% zinc / lead.

The key intersections are:

- CH042, drilled approximately 25m down plunge of CH025 and CH026, intersected mineralisation 37.9-43.5 (5.6m) and 49.4-61.5 (12.1m)
- CH043, drilled on section above CH021, intersected mineralisation from 105.0-109.2 (4.2m). This intersection confirms mineralisation has a down-dip extent of at least 120m on this section.
- CH044, drilled approximately 130m down plunge of previous strong intersection in CH015, intersected mineralisation from 309.0-316.0 (7.0m). This confirms a down plunge extent to the mineralisation of at least 350m. CH044 is currently interpreted to have drilled beneath the thickest part of the deposit on this section. A hole is currently being drilled immediately above CH044 to test this hypothesis.
- CH045, drilled down plunge of the intersections in holes CH013 and CH015, intersected mineralisation 243.0-274.0 (31.0m). This is one of the thickest intersections to date which is very encouraging as it is one of the deeper holes. This intersection will be followed up with a hole above it to determine the updip extent of the thick mineralisation in this area.
- CH046, a vertical hole drilled a further 25 down plunge (east) of CH042, intersected mineralisation from 99.0-121.0 (22.0m) and 124.0-134.4 (10.4m). The orientation of the deposit in this area is unknown – the true thickness may be about half of the downhole thickness.
- Drill holes CH037, CH038 and CH039 intersected thin magnetite rich zones with weak mineralisation, which appear to be downdip of the main sulphide zone.

The program is being extended to follow up these significant results.

Location of drill holes in plan view are shown in Figure 1. Figure 2 shows the approximate location of the new intersections in a longitudinal projection, while a cross section at 816150E is included as Figure 3.

Table 1 shows a summary of assay results which have been received from the RC drilling. These holes are drilled on the periphery of the shallow part of the main east plunging mineralised zone.

Hole	From (m)	To (m)	Int (m)	% Zn	% Pb	g/t Ag	% Cu
CH030	47	50	3	3.89	1.16	31	0.48
CH031	13	15	2	4.06	1.64	20	0.17
CH032	26	27	1	4.64	2.98	49	0.14
CH036	58	60	2	3.51	2.00	23	0.05
CH036	94	97	3	3.74	1.52	23	0.21
CH036	104	105	1	4.21	2.25	37	0.10

Table 1: Results from CH030, CH031, CH032, CH036 at Chloe

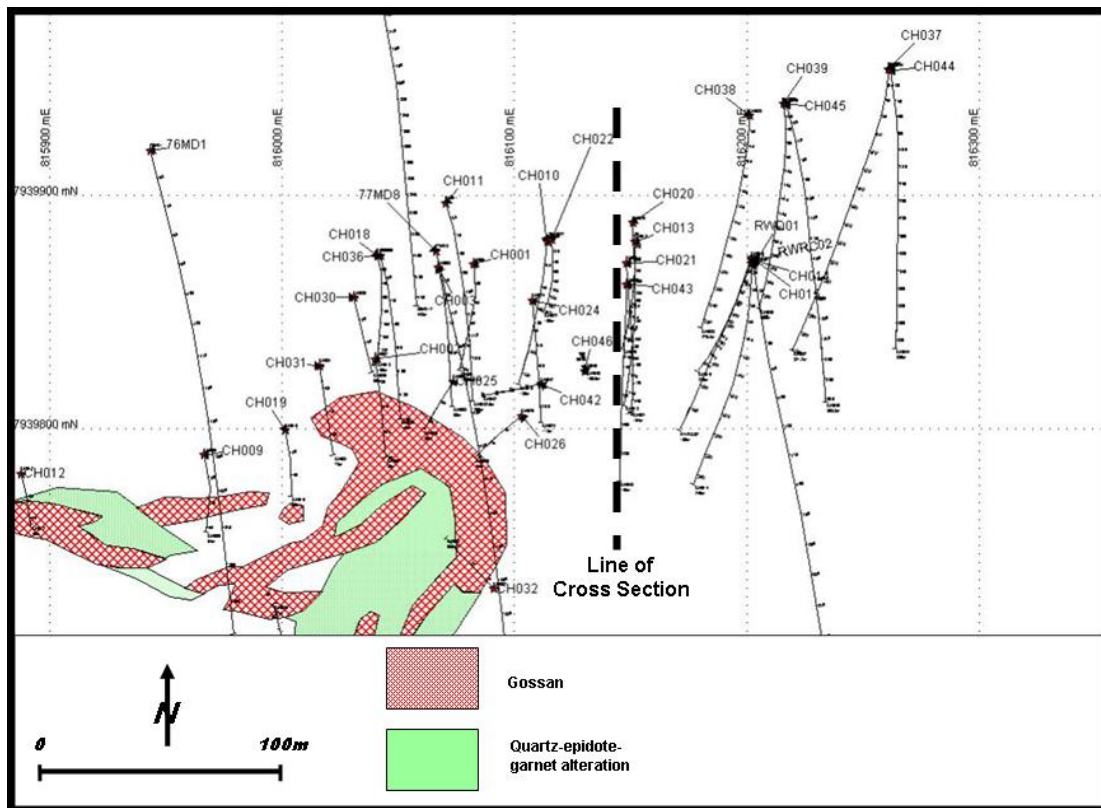


Figure 1: Plan of geology and drilling at Chloe

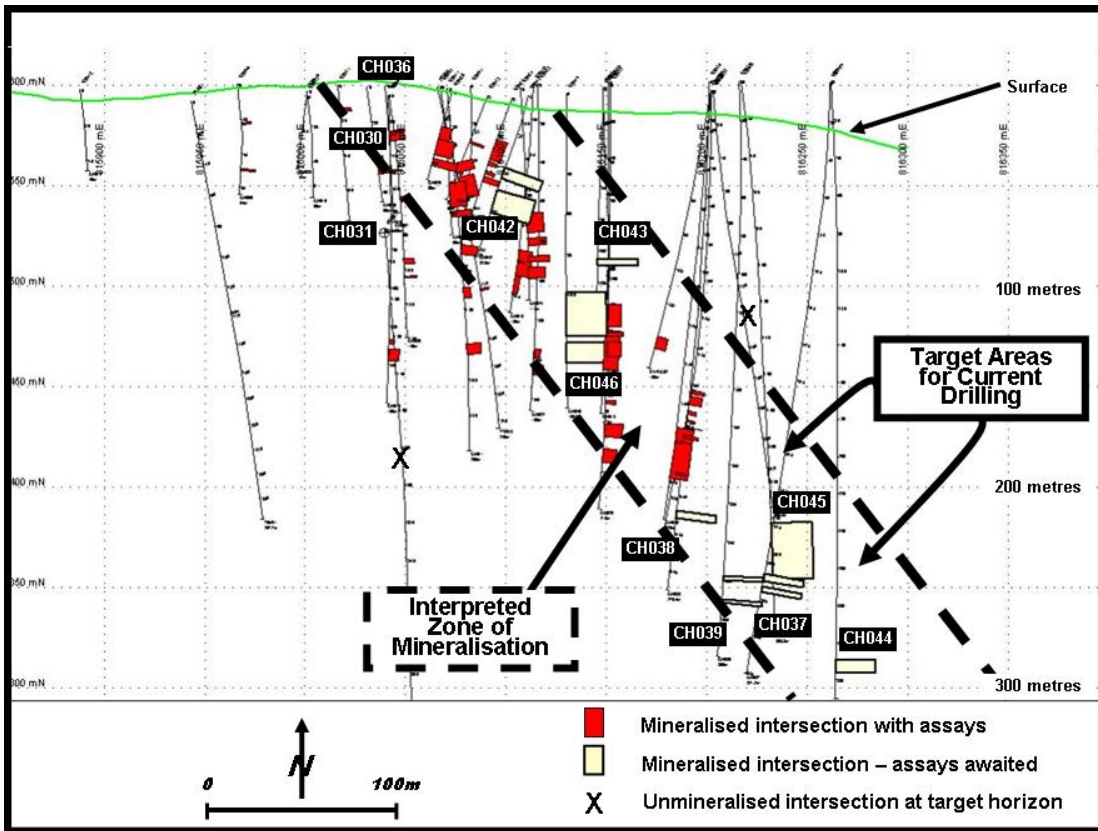


Figure 2: Longitudinal projection of drilling at Chloe with location of new intersections highlighted

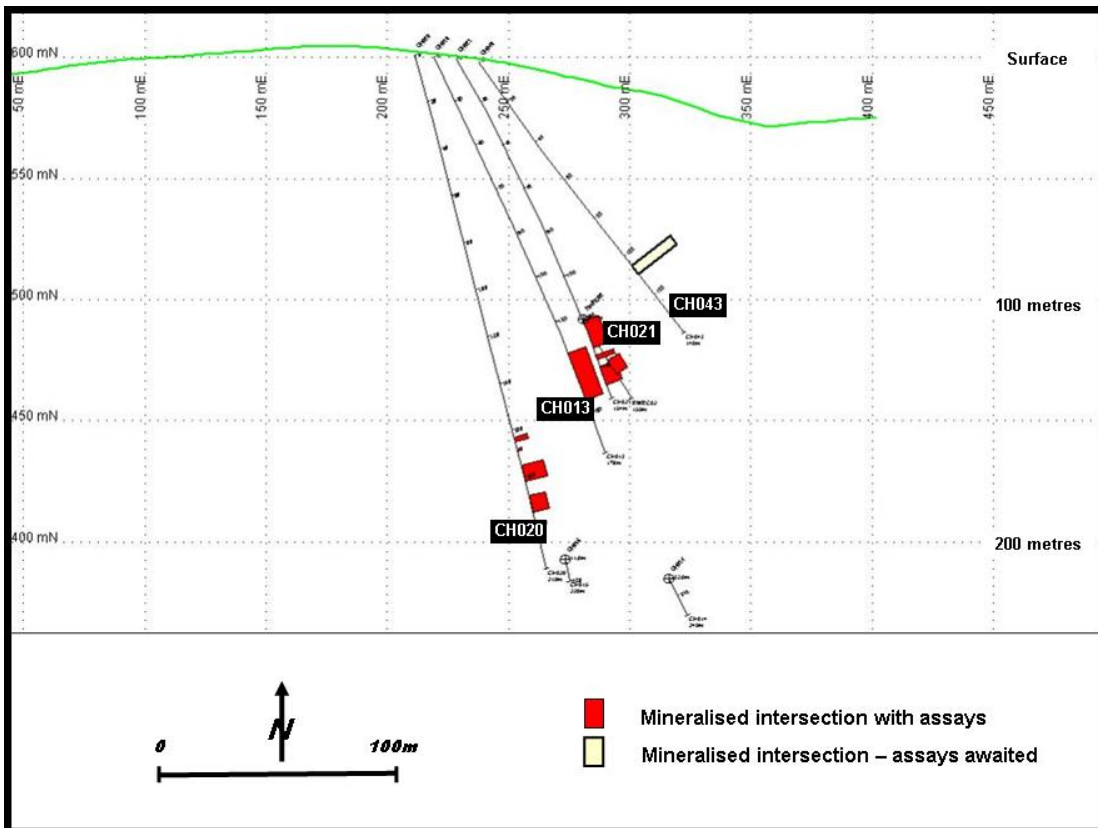


Figure 3: Cross section of drilling at Chloe on 816150E

Jackson Drilling

At the Jackson zinc / lead prospect (formerly Chloe West), a 2000 metre, 10 drill hole programme is now in progress. The objective of this work is to delineate a shallow (<300m deep) resource. Two shallow RC holes have been completed but the important holes are yet to be drilled. Assays from holes CH034 and CH035 were received, with a narrow zone of low grade mineralisation in CH035 (2 metres @ 3.01% Zn, 1.48% Pb and 39g/t Ag from 14 metres), along strike from the shallow intersection in CH005.

Kaiser Bill Drilling

At Kaiser Bill, a 1700 metre, 10 hole drill programme is now in progress with four holes having been completed. The objective of this work is to upgrade the western end of the deposit from Inferred Resource to Indicated Resource and explore for extensions of the mineralisation. Assays for the completed holes are awaited.

Einasleigh Copper Mine Drilling

At the Einasleigh Copper Mine prospect, one hole was drilled to 369 metres to test for extensions to the known mineralisation at depth, and to form a platform for a downhole electromagnetic (EM) survey which will search for further nearby mineralisation. No significant sulphides were intersected in the hole. The downhole EM work is scheduled for late April.

Einasleigh Regional Drilling

Follow up of geophysical responses from the 2006 helicopter airborne EM and magnetic survey is leading towards drilling of 11 EM and magnetic target areas. The locations of these drill targets with respect to the geology and the Copper Strike tenements are shown in Figure 4. These targets will be drilled as rigs become available from the current programmes at Chloe, Jackson and Kaiser Bill. This is expected to be in May.

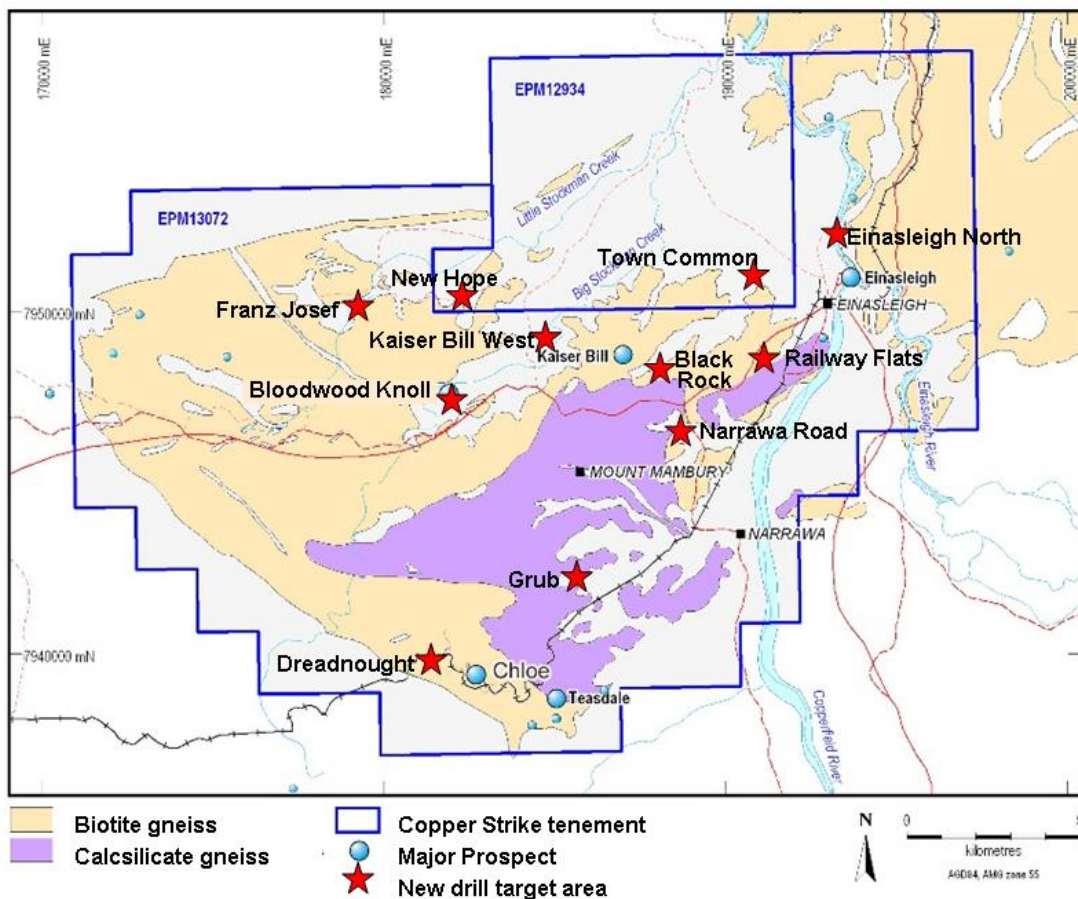


Figure 4: Geology and location of regional drill targets in the Einasleigh area

Other Exploration Programmes

At both Kamarga, NW Queensland, and Lake Margaret/Linda, Tasmania, programmes are advancing towards selecting targets for drilling later in the calendar year.

Three new tenements applications have been made in NW Queensland. Two of the applications cover a large circular feature in a covered area about 40 kilometres southwest of Zinifex's Century Mine. The other application covers the strike continuation of the interesting copper trend on Copper Strike's Levuka EPM located southeast of Cloncurry.

Corporate

On 6 February, Neil McLean resigned from the Board and was replaced by Dick Potts, a mining engineer with abundant development and production expertise.

Peter Buckle has been appointed as Chief Geologist – Einasleigh Mining for Copper Strike Limited. Peter, who is based in Townsville, has a large wealth of experience in base and precious metal exploration and assessment, particularly in North Queensland. His focus will be on finding new ore in the Einasleigh area, and helping to bring the current deposits to production.

Negotiations with Zinifex Limited are at an advanced stage with respect to a joint venture on the Walford Creek deposit near Zinifex's Century Mine in NW Queensland. Last year Copper Strike announced an Inferred Resource at Walford Creek of 6.5 million tonnes containing 0.6% copper, 1.6% lead, 2.1% zinc, 25g/t silver and 0.07% cobalt.

Paradigm Gold Limited (PDM) is in the process of acquiring the White Rock tungsten project in NSW from Copper Strike. The issuing of 5 million 7.5c options in PDM shares (current price 22c) to Copper Strike, and payment of \$100,000 to Copper Strike, are awaiting final transfer of the titles to PDM. Further payments of up to \$2 million depend on the success of the project.

As of 31 March 2007, Copper Strike had \$2.3 million in cash on hand.

Programme for the June Quarter

- Complete drill programme and resource statement (Inferred) at Chloe
- Complete drill programme and resource statement (Indicated) at Kaiser Bill
- Complete drill programme at Jackson (formerly Chloe West)
- Drill all of the magnetic and EM targets identified in the Einasleigh area
- Complete downhole EM on selected drillholes at Einasleigh and Chloe
- Prepare for drilling at Kamarga in NW Queensland following completion of the Einasleigh area drilling.

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 has 20 years experience in the minerals industry and the activities being reported on. Mr. Eadie consents to the inclusion of this information in the form and context in which it appears in this report.

Corporate Details

Issued Capital

65.252m shares
5.075m unlisted options
Share Price \$0.37 (17 April 07)

Key Shareholders

Teck Cominco Australia 13.3%
Acorn Capital 9.1%

Registered Office

Level 9 – 356 Collins Street
Melbourne Victoria 3000

Directors & Management

Mr Tom Eadie – Executive Chairman
Mr Dick Potts – Non Executive Director
Mr Peter Topham – Non Executive Director
Mr Terry Lees – Exploration Manager
Mr David Ogg – Company Secretary

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 Ltd

ABN

16 108 398 983

Quarter ended ("current quarter")

March 2007

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (.3.... months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	604	(2089)
(b) development	-	-
(c) production	-	-
(d) administration	(239)	(679)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	38	105
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	24	(3)
Net Operating Cash Flows	(781)	(2666)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects	-	-
(b)equity investments	-	-
(c) other fixed assets	-	(4)
1.9 Proceeds from sale of: (a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	-	(4)
1.13 Total operating and investing cash flows (carried forward)	(781)	(2670)

1.13	Total operating and investing cash flows (brought forward)	(781)	(2670)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	-	2195
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)	-	-
	Net financing cash flows	2195	2195
Net increase (decrease) in cash held			
		(781)	(475)
1.20	Cash at beginning of quarter/year to date	3071	2765
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	2290	2290

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	102
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 to Geo Discovery Group Pty Ltd for geological and exploration services., including expenses incurred on our behalf. Mr McLean, a former director of the company, is a director and shareholder of Geo Discovery Group Pty Ltd. It also includes payments 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	1,500
4.2	Development	-
Total		

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	1343	2124
5.2	Deposits at call	10	9
5.3	Bank overdraft	-	-
5.4	Other (provide details) Bank Term Deposits	937	938
Total: cash at end of quarter (item 1.22)		2290	3071

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	EPM 16287	0	100
		Application	0	100
		EPM 16286	0	100
		Application		
	EPM 16311			

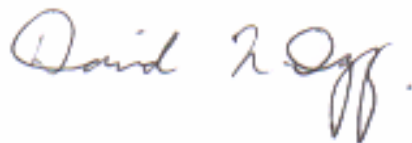
Issued and quoted securities at end of current quarter

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 Preference +securities <i>(description)</i>	-	-		
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	65,252,000	65,252,000		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	-	-		
7.5 +Convertible debt securities <i>(description)</i>	-	-		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	2,900,000 2,175,000	-	<i>Exercise price</i> 20 cents 25 cents	<i>Expiry date</i> 31st October 2009 31st October 2010
7.8 Issued during quarter		-		
7.9 Exercised during quarter	-	-		
7.10 Expired during quarter	-	-		
7.11 Debentures <i>(totals only)</i>	-	-		
7.12 Unsecured notes <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.



18th April 2006

Sign here:
(Company secretary)

Date:

David L Ogg

Print name:

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.

== == == == ==