



COPPER STRIKE LIMITED

ABN 16 108 398 983

**HALF YEAR FINANCIAL REPORT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2018**

Copper Strike Limited
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31 December 2018

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Copper Strike Limited
Corporate directory
31 December 2018

Directors	Mark Hanlon (Non-Executive Chairman) Brendan Jesser (Non-Executive Director) Harry Hatch (Non-Executive Director)
Company secretary	Melanie Leydin
Registered office	Level 4 100 Albert Road South Melbourne Victoria 3205 Telephone: +61 3 9692 7222
Principal place of business	Level 4 100 Albert Road South Melbourne Victoria 3205 Telephone: +61 3 9692 7222
Share register	Security Transfer Australia 770 Canning Highway Applecross WA 6153
Auditor	Grant Thornton Audit Pty Ltd Chartered Accountants Collins Square, Tower 5 727 Collins Street Melbourne VIC 3008
Stock exchange listing	Copper Strike Limited securities are listed on the Australian Securities Exchange (ASX code: CSE)
Website	www.copperstrike.com.au

Copper Strike Limited
Directors' report
31 December 2018

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Copper Strike Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2018.

Directors

The following persons were directors of Copper Strike Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mr Mark Hanlon (Non-Executive Chairman)
Mr Brendan Jesser (Non-Executive Director)
Mr Harry Hatch (Non-Executive Director)

Principal activities

During the financial half-year the principal continuing activities of the consolidated entity consisted of:

- Reviewing potential exploration and development resource acquisitions and management of the Company's investments.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$160,687 (31 December 2017: \$130,736).

Financial Position

The net assets of the consolidated entity decreased by \$11,904,036 to \$12,549,276 as at 31 December 2018 (30 June 2018: \$24,453,312). The main reason for the decrease this financial half-year is due to the revaluation decrements of \$16,776,212 attributable to the value of financial assets held.

The consolidated entity's working capital, being current assets less current liabilities decreased to a working capital deficiency of \$ 3,702,093 (30 June 2018: deficiency of \$3,472,681). This is due to the loan taken to purchase Syrah shares.

As at 31 December 2018 Copper Strike owns 12.05 million shares in Syrah Resources Limited (including 2.25 million secured shares).

Copper Strike strongly supports the Syrah strategy in relation to the development of the Balama graphite processing plant and its proposed spherical graphite processing facility in the United States. Ore commissioning of coarse flake and fine flake circuits successfully completed.

Copper Strike believes that the share price of Syrah continues to have considerable upside, as Syrah continues with ramp up production of flakes and fine graphite at the Balama Project. In addition, any announcements by Syrah in relation to its dealings with its offtake partners and other stakeholders may provide significant share price momentum. As such the directors are of the view that it is in shareholders' best interests for the Company to continue to hold this investment to ensure that the potential upside in relation to the development of the world class Balama Project is reflected within the Syrah share price.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

Matters subsequent to the end of the financial half-year

Since 31 December 2018, the fair value of the investment in Syrah Resources Limited (ASX Code: SYR) has increased to \$18,854,532 as at 31 January 2019. This is a increase of approximately \$722,857 since 31 December 2018.

No other matter or circumstance has arisen since 31 December 2018 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Copper Strike Limited
Directors' report
31 December 2018

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in blue ink, appearing to read 'M. Hanlon'.

Mark Hanlon
Non-Executive Chairman

1 February 2019
MELBOURNE

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Auditor's Independence Declaration

To the Directors of Copper Strike Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Copper Strike Limited for the half-year ended 31 December 2018, I declare that, to the best of my knowledge and belief, there have been:

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



Grant Thornton Audit Pty Ltd
Chartered Accountants



M.A. Cunningham
Partner – Audit & Assurance

Melbourne, 1 February 2019

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Copper Strike Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2018

		Consolidated	
	Note	31 December 2018	31 December 2017
		\$	\$
Revenue	4	2,258	3,306
Expenses			
Administration costs		(89,197)	(65,866)
Employee benefits expense		(79,275)	(80,016)
Finance costs		(63,197)	(44,197)
		<u> </u>	<u> </u>
Loss before income tax benefit		(229,411)	(186,773)
Income tax benefit		68,724	56,037
		<u> </u>	<u> </u>
Loss after income tax benefit for the half-year attributable to the owners of Copper Strike Limited		(160,687)	(130,736)
Other comprehensive income/(loss)			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Gain on the revaluation of financial assets at fair value through other comprehensive income, net of tax		-	14,299,139
Loss on the revaluation of financial assets at fair value through other comprehensive income, net of tax		(11,743,349)	-
		<u> </u>	<u> </u>
Other comprehensive income/(loss) for the half-year, net of tax		(11,743,349)	14,299,139
		<u> </u>	<u> </u>
Total comprehensive income/(loss) for the half-year attributable to the owners of Copper Strike Limited		<u>(11,904,036)</u>	<u>14,168,403</u>
		Cents	Cents
Basic earnings per share	14	(0.15)	(0.12)
Diluted earnings per share	14	(0.15)	(0.12)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Copper Strike Limited
Statement of financial position
As at 31 December 2018

		Consolidated	
	Note	31 December	30 June 2018
		2018	2018
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		468,489	714,848
Trade and other receivables		9,997	5,652
Other		31,695	2,026
Total current assets		<u>510,181</u>	<u>722,526</u>
Non-current assets			
Financial assets at fair value through other comprehensive income	5	18,313,056	35,089,268
Deferred tax	6	2,089,392	2,020,583
Other		5,180	5,180
Total non-current assets		<u>20,407,628</u>	<u>37,115,031</u>
Total assets		<u>20,917,809</u>	<u>37,837,557</u>
Liabilities			
Current liabilities			
Trade and other payables		25,454	35,024
Borrowings	7	4,186,820	4,160,183
Total current liabilities		<u>4,212,274</u>	<u>4,195,207</u>
Non-current liabilities			
Deferred tax	8	4,156,259	9,189,038
Total non-current liabilities		<u>4,156,259</u>	<u>9,189,038</u>
Total liabilities		<u>8,368,533</u>	<u>13,384,245</u>
Net assets		<u>12,549,276</u>	<u>24,453,312</u>
Equity			
Issued capital		11,221,853	11,221,853
Reserves	9	8,400,412	20,143,761
Accumulated losses		(7,072,989)	(6,912,302)
Total equity		<u>12,549,276</u>	<u>24,453,312</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Copper Strike Limited
Statement of changes in equity
For the half-year ended 31 December 2018

Consolidated	Contributed equity \$	Accumulated losses \$	Reserves \$	Total equity \$
Balance at 1 July 2017	11,221,853	(6,629,104)	19,503,142	24,095,891
Loss after income tax benefit for the half-year	-	(130,736)	-	(130,736)
Other comprehensive income for the half-year, net of tax	-	-	14,299,139	14,299,139
Total comprehensive income/(loss) for the half-year	-	(130,736)	14,299,139	14,168,403
Balance at 31 December 2017	<u>11,221,853</u>	<u>(6,759,840)</u>	<u>33,802,281</u>	<u>38,264,294</u>

Consolidated	Contributed equity \$	Accumulated losses \$	Reserves \$	Total equity \$
Balance at 1 July 2018	11,221,853	(6,912,302)	20,143,761	24,453,312
Loss after income tax benefit for the half-year	-	(160,687)	-	(160,687)
Other comprehensive loss for the half-year, net of tax	-	-	(11,743,349)	(11,743,349)
Total comprehensive loss for the half-year	-	(160,687)	(11,743,349)	(11,904,036)
Balance at 31 December 2018	<u>11,221,853</u>	<u>(7,072,989)</u>	<u>8,400,412</u>	<u>12,549,276</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Copper Strike Limited
Statement of cash flows
For the half-year ended 31 December 2018

	Consolidated	
	31 December	31 December
	2018	2017
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(185,420)	(153,955)
Interest received	2,258	3,306
	<u>(183,162)</u>	<u>(150,649)</u>
Cash flows from investing activities		
Purchase of additional shares in Syrah Resources Limited	-	(3,540,952)
	<u>-</u>	<u>(3,540,952)</u>
Cash flows from financing activities		
Proceeds from borrowings	-	4,121,530
Interest paid	(63,197)	-
	<u>(63,197)</u>	<u>4,121,530</u>
Net cash from/(used in) financing activities		
	<u>(63,197)</u>	<u>4,121,530</u>
Net increase/(decrease) in cash and cash equivalents	(246,359)	429,929
Cash and cash equivalents at the beginning of the financial half-year	714,848	510,622
	<u>468,489</u>	<u>940,551</u>
Cash and cash equivalents at the end of the financial half-year		

The above statement of cash flows should be read in conjunction with the accompanying notes

Copper Strike Limited
Notes to the financial statements
31 December 2018

Note 1. General information

The financial statements cover Copper Strike Limited as a consolidated entity consisting of Copper Strike Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Copper Strike Limited's functional and presentation currency.

Copper Strike Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 4
100 Albert Road
South Melbourne Victoria 3205

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 1 February 2019. The directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2018 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2018 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any significant impact on the accounting policies of the consolidated entity from the adoption of these Accounting Standards and Interpretations are disclosed below. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 9 Financial instruments

The consolidated entity has adopted AASB 9 from 1 July 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace AASB 139 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures.

For the company there was no material impact on the carrying values from adoption. Changes in fair value continue being recorded through OCI, as the directors have undertaken the one-time election to record equity investments as such.

Note 2. Significant accounting policies (continued)

AASB 15 Revenue from Contracts with Customers

The consolidated entity has adopted AASB 15 from 1 July 2018. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2018. The company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the company, are set out below.

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The company will adopt this standard from 1 July 2019 but no material impact is expected as no leases currently held by the company.

Going concern

The Company has net operating cash outflows of \$183,162 and cash balance of \$468,489 as at 31 December 2018. The financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business. The going concern of the consolidated entity is dependent upon it maintaining sufficient funds for its operations and commitments. The directors continue to monitor the ongoing funding requirements of the consolidated entity. The directors are confident that sufficient funds can be secured if required by a combination of capital raising and sale of assets to enable the consolidated entity to continue as a going concern and as such are of the opinion that the financial report has been appropriately prepared on a going concern basis.

The Company also has the option to liquidate its position in Syrah Resources Limited if there are insufficient funds being generated. As at 31 December 2018 the Company's investment in Syrah Resources Limited was carried at the market rate \$18,131,675 (30 June 2018: \$34,817,633).

Note 3. Operating segments

The consolidated entity is organised into one operating segment which consists of exploration for base and precious metals within Australia. This operating segment is based on internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining allocation of resources.

Copper Strike Limited
Notes to the financial statements
31 December 2018

Note 4. Revenue

	Consolidated	
	31 December 2018	31 December 2017
	\$	\$
Interest	<u>2,258</u>	<u>3,306</u>

Note 5. Non-current assets - financial assets at fair value through other comprehensive income

	Consolidated	
	31 December 2018	30 June 2018
	\$	\$
Ordinary shares in Strandline Resources Limited	176,381	257,635
Ordinary shares in Syrah Resources Limited	18,131,675	34,817,633
Ordinary shares in Superior Resources Limited	5,000	14,000
	<u>18,313,056</u>	<u>35,089,268</u>

Reconciliation

Reconciliation of the fair values at the beginning and end of the current and previous financial half-year are set out below:

Opening fair value	35,089,268	30,599,320
Additions	-	3,574,926
Revaluation increments/(decrements)	<u>(16,776,212)</u>	<u>915,022</u>
Closing fair value	<u>18,313,056</u>	<u>35,089,268</u>

Financial assets at fair value through other comprehensive income relate to Syrah Resources Limited, Superior Resources Limited and Strandline Resources Limited, which are ordinary shares in listed companies. These have been valued at the quoted prices at accordance with AASB 13, using Level 1 of the fair value hierarchy - quoted prices (unadjusted) in active markets for identical assets or liabilities.

The shares in Syrah Resources Limited include 2,259,514 shares, with a value of \$3,400,568 at 31 December 2018, which have been pledged as security for the Company's borrowings (see Note 7).

The company's investments in West Africa Gold Limited and Jacana Minerals Limited are ordinary shares in unlisted companies and have been valued at \$Nil in accordance with AASB 13, using Level 3 of the fair value hierarchy- inputs for the asset or liability that are not based on observable market data (unobservable inputs) as the investment cannot be reliably measured.

AASB 13 'Fair Value Measurement' requires disclosure of fair value measurements by level of the fair value hierarchy, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Copper Strike Limited
Notes to the financial statements
31 December 2018

Note 6. Non-current assets - deferred tax

	Consolidated	
	31 December	
	2018	30 June 2018
	\$	\$
<i>Deferred tax asset comprises temporary differences attributable to:</i>		
Amounts recognised in profit or loss:		
Tax losses	2,075,849	2,005,987
Allowance for expected credit losses	-	5,280
Exploration expenditure	3,239	3,239
Investments	5,365	-
Accrued expenses	4,512	5,650
Superannuation payable	427	427
	<u>2,089,392</u>	<u>2,020,583</u>
Deferred tax asset		
<i>Movements:</i>		
Opening balance	2,020,583	1,905,425
Recognised in profit and loss	68,809	121,273
Recognised in equity	-	(6,115)
	<u>2,089,392</u>	<u>2,020,583</u>
Closing balance		

Note 7. Current liabilities - borrowings

	Consolidated	
	31 December	
	2018	30 June 2018
	\$	\$
Loan	<u>4,186,820</u>	<u>4,160,183</u>

The loan is secured by financial assets at fair value through other comprehensive income owned by the company (see Note 5).

A summary of the material terms of the loan are as follows:

Repayment date: 2 years

Interest Rate: 2.99%

Origination Fee: 2.50%

Initially Secured Syrah Shares: 1,800,000

Additional Secured Syrah Shares: 459,514

Total Secured Syrah Shares: 2,259,514

Copper Strike Limited
Notes to the financial statements
31 December 2018

Note 8. Non-current liabilities - deferred tax

	Consolidated	
	31 December	30 June 2018
	2018	2018
	\$	\$
<i>Deferred tax liability comprises temporary differences attributable to:</i>		
Amounts recognised in equity:		
Investments	4,156,259	9,189,038
Deferred tax liability	<u>4,156,259</u>	<u>9,189,038</u>
<i>Movements:</i>		
Opening balance	9,189,038	8,920,848
Recognised in profit or loss	85	(201)
Recognised in equity (assets fair valued through other comprehensive income)	<u>(5,032,864)</u>	<u>268,391</u>
Closing balance	<u>4,156,259</u>	<u>9,189,038</u>

Note 9. Equity - reserves

	Consolidated	
	31 December	30 June 2018
	2018	2018
	\$	\$
Financial assets at fair value through other comprehensive income reserve	<u>8,400,412</u>	<u>20,143,761</u>

Financial assets at fair value through other comprehensive income reserve

The reserve is used to recognise increments and decrements in the fair value of financial assets at fair value through other comprehensive income.

Movements in reserves

Movements in each class of reserve during the current financial half-year are set out below:

Consolidated	Fair value through other compre- hensive income \$	Total \$
Balance at 1 July 2018	20,143,761	20,143,761
Revaluation of assets	(16,776,213)	(16,776,213)
Tax effect of revaluation of assets	5,032,864	5,032,864
Balance at 31 December 2018	<u>8,400,412</u>	<u>8,400,412</u>

Note 10. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 11. Contingent liabilities

There has been no material change to the consolidated entity's contingent liabilities as at 31 December 2018.

Copper Strike Limited
Notes to the financial statements
31 December 2018

Note 12. Commitments

The consolidated entity has no commitments at 31 December 2018.

Note 13. Events after the reporting period

Since 31 December 2018, the fair value of the investment in Syrah Resources Limited (ASX Code: SYR) has increased to \$18,854,532 as at 31 January 2019. This is an increase of approximately \$722,857 since 31 December 2018.

No other matter or circumstance has arisen since 31 December 2018 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 14. Earnings per share

	Consolidated	
	31 December 2018	31 December 2017
	\$	\$
Loss after income tax attributable to the owners of Copper Strike Limited	<u>(160,687)</u>	<u>(130,736)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>106,844,810</u>	<u>106,844,810</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>106,844,810</u>	<u>106,844,810</u>
	Cents	Cents
Basic earnings per share	(0.15)	(0.12)
Diluted earnings per share	(0.15)	(0.12)

Copper Strike Limited
Directors' declaration
31 December 2018

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Mark Hanlon
Non-Executive Chairman

1 February 2019
MELBOURNE

Independent Auditor's Review Report

To the Members of Copper Strike Limited

Report on the review of the half year financial report

Conclusion

We have reviewed the accompanying half year financial report of Copper Strike Limited (the Company), which comprises the statement of financial position as at 31 December 2018, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half year ended on that date, a description of accounting policies, other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half year financial report of Copper Strike Limited does not give a true and fair view of the financial position of the Company as at 31 December 2018, and of its financial performance and its cash flows for the half year ended on that date, in accordance with the *Corporations Act 2001*, including complying with Accounting Standard AASB 134 *Interim Financial Reporting*.

Directors' responsibility for the half year financial report

The Directors of the Company 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, 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 2018 and its performance for the half year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Copper Strike Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Report on the review of the half year financial report

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 Copper Strike Limited is not in accordance with the *Corporations Act 2001*, including:

- a giving a true and fair view of the entity's financial position as at 31 December 2018 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.



Grant Thornton Audit Pty Ltd
Chartered Accountants



M A Cunningham
Partner – Audit & Assurance

Melbourne, 1 February 2019