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COPPER STRIKE LIMITED
ABN 16 108 398 983

Financial Report
For the half-year ended 31 December 2008

COPPER STRIKE LIMITED
ABN 16 108 398 983

CORPORATE DIRECTORY

Board of Directors

Ernest T Eadie
Peter J Topham
Barrie E Laws

Company Secretary and Chief Financial Officer

David L Ogg

Registered Office

Level 9/356 Collins Street
Melbourne Victoria 3000
Telephone: 613 9640 0955
Facsimile: 613 9642 0698
Website: www.copperstrike.com.au

Share Registry

Security Transfer Registrars
770 Canning Highway
Applecross WA 6133

Auditor

Leydin Freyer Corporate Pty Ltd
Chartered Accountants
Suite 304, 22 St Kilda Road
St Kilda Victoria 3182

Solicitor

Middletons
Level 25, 525 Collins Street
Melbourne Victoria 3000

Bankers

ANZ Bank
388 Collins Street
Melbourne Victoria 3000

Commonwealth Bank
367 Collins Street
Melbourne VIC 3000

Stock Exchange Listing

Copper Strike Limited is listed on the Australia Stock Exchange. Home Stock Exchange is Melbourne.
ASX Code: CSE

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DIRECTORS' REPORT

The Directors of Copper Strike Limited submit herewith the financial report for the half-year ended 31 December 2008. In order to comply with the provisions of the *Corporations Act 2001*, the Directors report as follows:

DIRECTORS

The names of the Company's Directors in office during or since the end of the half-year are:

Name

Mr Ernest T Eadie	Managing Director
Mr Peter J Topham	Non Executive Director
Mr Richard A Potts	Non Executive Director (ceased to be a Director on 29 September 2008)
Mr Barrie E Laws	Non Executive Director (appointed on 21 October 2008)

REVIEW OF OPERATIONS

The half year was a very productive one for Copper Strike in terms of increasing resources, completing a feasibility study at Einasleigh and ongoing exploration.

- Resources have been increased during the year with copper metal increasing by 22% and zinc/lead by 34%. Copper Strike's resources, as reported in accordance with the JORC Code, now stand at:

Kaiser Bill

Indicated Resource	13.4 Mt @ 0.86% copper, 7 g/t silver and 0.13g/t gold
Inferred Resource	2.2 Mt @ 0.99% copper, 11 g/t silver and 0.09g/t gold

Einasleigh

Indicated Resource	0.5 Mt @ 4.0% copper, 18 g/t silver and 0.22g/t gold
Inferred Resource	0.6 Mt @ 1.9% copper, 8 g/t silver and 0.10g/t gold

Chloe

Indicated Resource	2.2 Mt @ 4.7% zinc, 2.0% lead, 0.2% copper and 39 g/t silver
Inferred Resource	0.5 Mt @ 6.9% zinc, 2.1% lead, 0.3% copper and 32 g/t silver

Jackson

Indicated Resource	1.1 Mt @ 4.6% zinc, 2.4% lead, 0.1% copper and 78 g/t silver
Inferred Resource	0.4 Mt @ 4.6% zinc, 1.4% lead, 0.2% copper and 64 g/t silver

Railway Flat

Indicated Resource	0.1 Mt @ 3.4% zinc, 1.1% lead, 0.2% copper and 19g/t silver
Inferred Resource	0.8 Mt @ 3.4% zinc, 0.8% lead, 0.2% copper and 16g/t silver

Stella

Inferred Resource	0.4 Mt @ 3.9% zinc, 1.8% lead, 0.2% copper and 51g/t silver
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Walford Creek

Inferred Resource	6.5 Mt @ 0.6% copper, 2.1% zinc, 1.6% lead, 25g/t silver and 0.1% cobalt.
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- The Einasleigh Project Feasibility Study was completed in November, 2008. A refinement of this feasibility study is now in progress based on the following factors:
 - the Kaiser Bill resource has been increased by 22% in tonnes, 11% in grade and 32% in contained copper.
 - because of this large increase in the size of the main copper resource, all short to medium term production will be planned for the copper deposits, which allows the utilisation of a larger, simplified processing circuit.
 - material and personnel costs have decreased since input costs were calculated for the original feasibility study. This will lead to further large decreases in capital and operating costs for the project.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (CONTINUED)

- On the exploration front, there has been progress in the Einasleigh area of north Queensland, in northwest Queensland and in Tasmania.
 - ▲ In the Einasleigh area
 - drillhole TS007, extending the good, shallow drill results at the copper-rich Teasdale prospect to the west intersected 19 metres @ 0.9% copper & 14g/t silver. Teasdale prospect has the potential for a few million tonnes of shallow copper mineralisation.
 - some of the deepest intersections in the zinc/lead resources are amongst the best results which indicates that all of these deposits have significant, additional tonnage and grade potential at depth. For example CH099, deep within the Chloe resource, hit 42 metres @ 6.2% zinc, 3.2% lead, 0.2% copper and 56g/t silver; JA081, the deepest hole in the Jackson resource, intersected 30.4 metres @ 4.7% zinc, 1.5% lead, 0.2% copper and 72g/t silver; and RF053, at the bottom of the Railway Flat resource, intersected eight metres @ 7.6% zinc, 2.0% lead, 40g/t silver and 0.4% copper.
 - airborne electromagnetics over the prospective and under-explored western half of the Einasleigh tenement identified several conductive targets.
 - ▲ In NW Queensland
 - one hole was completed at the Kamarga prospect in NW Queensland to follow up last year's drillhole, KD019, which intersected a cumulative thickness of 37 metres of almost 5% zinc/lead. KD019 was the best intersection ever achieved at the Kamarga prospect and pointed to an area of possible increasing grade. The new hole, KD022, was targeted closer to the Bream Fault in a location interpreted to be more strongly mineralised. KD022 intersected some minor mineralisation, including sphalerite and chalcopyrite. Assays have been disappointing with only low levels of copper, zinc and lead. No further work is planned.
 - Copper Strike has signed an agreement with Walford Consolidated Pty Ltd (WCPL) whereby WCPL can earn a 25% interest in Copper Strike's Walford Creek properties by expenditure of \$1 million in the coming year. The exploration programme will focus on drilling and expanding the known deposit.
 - ▲ In Tasmania
 - Two drillholes on the Linda tenement, immediately south of the Mt Lyell Mining Lease, failed to hit interesting mineralisation. The first hole targeted an induced polarisation anomaly on the Little Owen Spur and intersected pyritic alteration. The second hole at Gormanston was targeted at the possible strike extension of the rich Iron Blow deposit. No mineralisation was intersected.

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.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration under s.307C of the *Corporation Act 2001* in relation to the review of the half-year is included on page 5.

Signed in accordance with a resolution of the Directors made pursuant to s.306(3) of the *Corporations Act 2001*.

On behalf of the Directors



E T Eadie
Executive Chairman

MELBOURNE,

11 March 2009

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AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

To the Directors of Copper Strike Limited:

I declare that to the best of my knowledge and belief, in relation to the Independent Half-year Auditor's Review for the half-year ending 31 December 2008, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.



MELANIE J LEYDIN
Registered Company Auditor
Registration: 212298

11 March 2009

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF COPPER STRIKE LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Copper Strike Limited, which comprises the balance sheet as at 31 December 2008, and the income statement, statement of changes in equity, cash flow statement for the half-year ended on that date, selected explanatory notes and the directors' declaration of the company at the end of the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 an Interim 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 matters that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 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 audit opinion.

Auditor's Independence Declaration

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

Conclusion

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 consolidated entity's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Yours faithfully



MELANIE J LEYDIN
Registered Company Auditor
Registration: 212298

11 March 2009

DIRECTORS' DECLARATION

The Directors declare that:

- a) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- b) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the Directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the Directors



E T Eadie
Executive Chairman

MELBOURNE,

11 March 2009

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COPPER STRIKE LIMITED
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CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

	CONSOLIDATED ENTITY	CONSOLIDATED ENTITY
	Half-year ended	Half-year ended
	31	31
	December	December
	2008	2007
	\$	\$
Interest income	145,447	95,122
Other income	400	6,225
Profit on derecognition of asset	-	1,772,328
Profit on sale of tenements	-	150,000
	145,847	2,023,675
Employment benefit expenses	(658,028)	(482,915)
Administration expenses	(126,496)	(129,894)
Exploration expenses written off	(981,508)	(45,478)
Depreciation	(17,247)	(14,727)
Fair value losses on investments	(504,001)	(180,000)
Loss on sale of investments	-	(395,890)
	(2,141,433)	774,771
Profit/(loss) before tax for the period		
Income tax expense	-	-
	(2,141,433)	774,771
Profit/(loss) after tax for the period		
	(2,141,433)	774,771
	Cents per Share	Cents per share
Earnings/(Loss) per Share		
Basic Earnings/(Loss) per share	(2.34)	1.04
Diluted Earnings/(Loss) per share	(2.22)	0.98

This statement is to be read in conjunction with the notes to the financial statements.

COPPER STRIKE LIMITED
ABN 16 108 398 983

CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2008

	CONSOLIDATED ENTITY	
	31	30
	December	June
	2008	2008
	\$	\$
Current Assets		
Cash and cash equivalents	2,740,614	6,428,550
Trade and other receivables	216,095	295,937
Other financial assets	-	810,000
Other current assets	-	-
Total Current Assets	<u>2,956,709</u>	<u>7,534,487</u>
Non Current Assets		
Plant and equipment	90,246	49,507
Intangible assets	11,440	16,190
Other non-current assets	15,136,188	13,795,705
Other financial assets	307,678	-
Total Non-Current Assets	<u>15,545,552</u>	<u>13,861,402</u>
Total Assets	<u>18,502,261</u>	<u>21,395,889</u>
Current Liabilities		
Trade and other payables	161,808	918,163
Borrowings	-	-
Provisions	64,513	66,662
Total Current Liabilities	<u>226,321</u>	<u>984,825</u>
Non-Current Liabilities		
Provisions	105,923	99,614
Total Non-Current Liabilities	<u>105,923</u>	<u>99,614</u>
Total Liabilities	<u>332,244</u>	<u>1,084,439</u>
Net Assets	<u>18,170,017</u>	<u>20,311,450</u>
Equity		
Issued capital	22,556,211	22,556,211
Reserves	380,013	380,013
Accumulated losses	(4,766,207)	(2,624,774)
Total Equity	<u>18,170,017</u>	<u>20,311,450</u>

This statement is to be read in conjunction with the notes to the financial statements.

COPPER STRIKE LIMITED
ABN 16 108 398 983

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

CONSOLIDATED				
	Issued Capital	Retained Earnings	Option Reserve	Total
Equity as at 1 July 2007	13,037,975	(2,430,241)	334,021	10,941,755
Profit/(Loss) for the period (a)	-	774,771	-	774,771
Issue of Shares	10,011,582	-	-	10,011,582
Costs of Capital Raising	(493,347)			(493,347)
Options Exercised	-	13,512	(13,512)	-
Cost of Share Based Payments	-	-	66,138	66,138
Equity as at 31 December 2007	22,556,210	(1,641,958)	386,647	21,300,899
Equity as at 1 July 2008	22,556,211	(2,624,774)	380,013	20,311,450
Profit/(Loss) for the period (a)	-	(2,141,433)	-	(2,141,433)
Issue of Shares	-	-	-	-
Costs of Capital Raising	-	-	-	-
Options Exercised	-	-	-	-
Cost of Share Based Payments	-	-	-	-
Equity as at 31 December 2008	22,556,211	(4,766,207)	380,013	18,170,017

(a) Loss for the period equals total recognised income and expense for the period.

This statement is to be read in conjunction with the notes to the financial statements.

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CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

	CONSOLIDATED ENTITY	
	Half-year ended 31 December 2008 \$	Half-year ended 31 December 2007 \$
Cash Flows From Operating Activities		
Receipts from customers	-	6,225
Interest received	154,427	79,027
Payments to suppliers and employees	<u>(706,227)</u>	<u>(349,469)</u>
Net cash used in operating activities	<u>(551,800)</u>	<u>(264,217)</u>
Cash Flows From Investing Activities		
Payment for property, plant and equipment	(52,128)	(4,673)
Payment for software	(1,108)	(8,933)
Payment for exploration expenditure	(3,090,394)	(1,741,290)
Refund of security bonds	7,094	-
Proceeds from sale of investments	-	425,430
Proceeds from sale of property, plant and equipment	<u>400</u>	<u>-</u>
Net cash (used in)/provided by investing activities	<u>(3,136,136)</u>	<u>(1,329,466)</u>
Cash Flows From Financing Activities		
Proceeds from issue of shares	-	10,011,682
Payment for share issue costs	<u>-</u>	<u>(493,347)</u>
Net cash flows from financing activities	<u>-</u>	<u>9,518,335</u>
Net Increase (Decrease) in cash and cash equivalents	(3,687,936)	7,924,652
Cash and cash equivalents at beginning of the half year	6,428,550	2,422,357
Less: Cash held by subsidiary derecognised	<u>-</u>	<u>(200,000)</u>
Cash and cash equivalents at the end of the financial period	<u>2,740,614</u>	<u>10,147,009</u>

This statement is to be read in conjunction with the notes to the financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

Basis of consolidation

The condensed financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2008 annual financial report for the financial year ended 30 June 2008, other than as stated below.

2. SEGMENT INFORMATION

The company operated predominately as an explorer for base and precious metals, with the emphasis on copper and copper-gold mineralisation within Australia.

3. ISSUE OF EQUITY SECURITIES

During the half year ended 31 December 2008, there were no issues of equity securities.

4. BUSINESS COMBINATIONS

The ownership in subsidiaries at the end of the reporting period are listed below:

Name of Entity	Country of Incorporation	Ownership Interest	
		31 December 2008	30 June 2008
		%	%
Parent Entity			
Copper Strike Limited	Australia		
Subsidiaries			
Sherwood Ventures Pty Ltd	Australia	100	100
Einasley Mining Pty Ltd	Australia	100	100

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

5. COMMITMENTS

Exploration Tenements – Commitments for Expenditure	CONSOLIDATED ENTITY 31 Dec 2008	CONSOLIDATED ENTITY 30 June 2008
<p>In order to maintain current rights of tenure to exploration tenements, the Company and economic entity is required to outlay rentals and to meet the minimum expenditure requirements of the State Mines Departments. Minimum expenditure commitments may be subject to renegotiation and with approval may otherwise be avoided by sale, farm out or relinquishment. These obligations are</p>		
Not later than 1 year	2,246,750	2,637,916
Later than one year but not later than five	9,060,000	7,636,666
Later than 5 years	-	-
	11,306,750	10,274,582

6. EVENTS AFTER THE BALANCE SHEET DATE

There has been no matter or circumstance has arisen since the date of this report which has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in future financial years.

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