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COPPER STRIKE LIMITED
ABN 16 108 398 983

Financial Report
For the half-year ended 31 December 2009

COPPER STRIKE LIMITED
ABN 16 108 398 983

CORPORATE DIRECTORY

Board of Directors

Ernest T Eadie
Peter J Topham (resigned 06/11/2009)
Barrie E Laws
John S F Dunlop (appointed (09/11/2009)

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 Audit Pty Ltd
Chartered Accountants
Suite 304, 22 St Kilda Road
St Kilda Victoria 3182

Solicitors

Middletons
Level 25, 525 Collins Street
Melbourne Victoria 3000

Baker & McKenzie
Level 19, CBW
181 William 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 2009. 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 (resigned 06/11/2009)
Mr Barrie E Laws	Non Executive Director
Mr John S F Dunlop	Non Executive Director (appointed 09/11/2009)

REVIEW OF OPERATIONS

Copper Strike's main focus for the period was on the Einasleigh Project in north Queensland where a Feasibility Study was completed in June 2009. The study, based on two copper-silver-gold deposits and four zinc-lead-silver deposits, indicated that the project would be viable at today's prices and exchange rate. Bank funding has not been forthcoming in the current financial environment and other methods of financing have been investigated. Copper Strike initiated discussions with a number of Chinese companies with the objective of securing funding to put the Einasleigh Project into production. No agreement has yet been signed.

Deposit	Resource	Size (Mt)	Cu (%)	Au (g/t)	Ag (g/t)	Zn (%)	Pb (%)
Kaiser Bill	Indicated	13.4	0.86	0.13	7	-	-
	Inferred	2.2	0.99	0.09	11	-	-
Einasleigh	Indicated	0.5	4.0	0.22	18	-	-
	Inferred	0.6	1.9	0.10	8	-	-
Chloe	Indicated	2.2	0.2	-	39	4.7	2.0
	Inferred	0.5	0.3	-	32	6.9	2.1
Jackson	Indicated	1.1	0.1	-	78	4.6	2.4
	Inferred	0.4	0.2	-	64	4.6	1.4
Stella	Inferred	0.4	0.2	-	51	3.9	1.8
Railway Flat	Inferred	0.9	0.2	-	16	3.4	0.9

Copper Strike's current resources in the Einasleigh area

Starting in November 2009, Copper Strike conducted a drilling programme at Einasleigh to increase the resources and to explore for new deposits. Some of the assay results have not yet been received. Best results to date were at Kaiser Bill where the following best mineralisation was intersected:

- **KB130 – 14m at 0.94% copper, 5 g/t silver from 125m**
- **KB132 – 8m at 0.99% copper, 4 g/t silver from 87m and 11m at 0.82% copper, 13 g/t silver from 124m**
- **KB133 – 6m at 1.3% copper, 12 g/t silver from 133m.**

These results and others not yet received, are expected to add a modest tonnage to the Kaiser Bill resource. Plans for 2010 include drilling at the thick deeper part of the deposit that is still open to the southwest.

Drilling was also completed at Teasdale and two Stockman targets, both in the Einasleigh area. TS008 at Teasdale intersected 19m at 0.63% copper and 11 g/t silver from 87m.

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Copper Strike has signed a Joint Venture Agreement with unlisted explorer MM Mining Ltd (MMM) whereby MMM may earn up to 70% of the Walford Creek exploration licences in northwest Queensland

DIRECTORS' REPORT

REVIEW OF OPERATIONS (CONTINUED)

by the expenditure of \$4 million in two stages. Copper Strike has outlined 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. MMM is a well-financed junior and is planning to list on the ASX in early 2010.

In November, Copper Strike raised \$2.7 million through a Share Purchase Plan to current shareholders.

At the end of December, 2009, Copper Strike had \$3.8 million in the bank.

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,

22 February 2010

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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 2009, 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

22 February 2010

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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 2009, 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 2009 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*.

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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 2009 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

22 February 2010

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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,

22 February 2010

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COPPER STRIKE LIMITED
ABN 16 108 398 983

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

	CONSOLIDATED ENTITY	
	Half-year ended 31 December 2009	Half-year ended 31 December 2008
	\$	\$
Interest income	32,162	145,447
Other income	-	400
	<u>32,162</u>	<u>145,847</u>
Employment benefit expenses	(347,601)	(658,028)
Administration expenses	(232,602)	(126,496)
Exploration expenses written off	(62,179)	(981,508)
Depreciation	(19,087)	(17,247)
Share of associates profits accounted for using the equity method	(196,417)	-
Fair value losses on investments	-	(504,001)
	<u>(825,724)</u>	<u>(2,141,433)</u>
Profit/(loss) before tax for the period		
Income tax expense	-	-
	<u>(825,724)</u>	<u>(2,141,433)</u>
Profit/(loss) after tax for the period		
Other Comprehensive Income	-	-
Total Comprehensive Income	<u>(825,724)</u>	<u>(2,141,433)</u>
	Cents per Share	Cents per Share
Earnings/(loss) per share		
Basic earnings/(loss) per share	(0.86)	(2.34)
Diluted earnings/(loss) per share	(0.82)	(2.22)

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

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COPPER STRIKE LIMITED
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2009

CONSOLIDATED ENTITY
31 December 30 June 2009
2009

	\$	\$
Current Assets		
Cash and cash equivalents	3,798,888	1,988,436
Trade and other receivables	104,255	81,723
Total Current Assets	3,903,143	2,070,159
Non-Current Assets		
Investments accounted for using the equity method	126,112	322,529
Property, plant and equipment	61,039	75,082
Intangible assets	3,027	7,759
Other non-current assets	15,708,682	15,394,135
Other financial assets	2,680	-
Total Non-Current Assets	15,901,540	15,799,505
Total Assets	19,804,683	17,869,664
Current Liabilities		
Trade and other payables	157,956	58,766
Provisions	64,334	50,981
Total Current Liabilities	222,290	109,747
Non-Current Liabilities		
Provisions	98,669	96,744
Total Non-Current Liabilities	98,669	96,744
Total Liabilities	320,959	206,491
Net Assets	19,483,724	17,663,173
Equity		
Issued Capital	25,202,486	22,556,211
Reserves	243,783	380,013
Accumulated losses	(5,962,545)	(5,273,051)
Total Equity	19,483,724	17,663,173

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

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

CONSOLIDATED				
	Issued Capital	Retained Earnings	Option Reserve	Total
Balance as at 1 July 2008	22,556,211	(2,624,774)	380,013	20,311,450
Profit/(loss) for the period	-	(2,141,433)	-	(2,141,433)
Total comprehensive Income for the period	-	(2,141,433)	-	(2,141,433)
Balance as at 31 December 2008	22,556,211	(4,766,207)	380,013	18,170,017
Balance as at 1 July 2009	22,556,211	(5,273,051)	380,013	17,663,173
Profit/(loss) for the period		(825,724)		(825,724)
Total comprehensive Income for the period	-	(825,724)	-	(825,724)
Issue of Shares	2,753,850	-	-	2,753,850
Costs of capital raising	(107,575)	-	-	(107,575)
Lapse of options	-	136,230	(136,230)	-
Balance as at 31 December 2009	25,202,486	(5,962,545)	243,783	19,483,724

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

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

	CONSOLIDATED ENTITY	
	Half-year ended 31 December 2009 \$	Half-year ended 31 December 2008 \$
Cash flows from operating activities		
Receipts from customers		-
Interest Received	23,819	154,427
Payments to suppliers and employees	(581,754)	(706,227)
	<hr/>	<hr/>
Net cash used in operating activities	(557,935)	(551,800)
	<hr/>	<hr/>
Cash flows from investing activities		
Payments for property, plant and equipment	(312)	(52,128)
Payment for software	-	(1,108)
Payment for exploration expenditure	(277,576)	(3,090,394)
Refund of security bonds	-	7,094
Proceeds from sale of property, plant and equipment	-	400
	<hr/>	<hr/>
Net cash used from investing activities	(277,888)	(3,136,136)
	<hr/>	<hr/>
Cash flows from financing activities		
Proceeds from issue of shares	2,753,850	-
Payment for share issue costs	(107,575)	-
	<hr/>	<hr/>
Net cash flows from financing activities	2,646,275	-
	<hr/>	<hr/>
Net (Decrease)/Increase in cash and cash equivalents	1,810,452	(3,687,936)
Cash and cash equivalents at beginning of the financial year	1,988,436	6,428,550
	<hr/>	<hr/>
Cash and cash equivalents at the end of the financial year	3,798,888	2,740,614
	<hr/> <hr/>	<hr/> <hr/>

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 2009 annual financial report for the financial year ended 30 June 2009, other than as stated below.

The Group has adopted all of the new and revised Standard and Interpretations issued by the AASB that are relevant to their operations and effective for the current period.

New and revised Standards and Interpretations effective for the current period that are relevant to the Group include:

- AASB 8 : Operating Segments
- AASB 101 : Presentation and Financial Statements

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.

The group has adopted AASB 8 Operating Segments with effect from 1 January 2009. AASB 8 requires operating segments to be identified on the basis of internal reports about the components of the Group that are regularly reviewed by the chief decision maker in order to allocate resources to the segment and to assess its performance. The board reviews the company as a whole in the business segment of mineral exploration within Australia. This segment reporting was previously reported under AASB 114 as Primary Reporting – Business Segments and its segment analysis has been continued for the current half-year.

Upon the adoption of AASB 8, there has been no change to the reportable segments. The Group has therefore not changed any reporting for the previous corresponding period. Copper Strike Limited operates in the mineral exploration industry within Australia.

3. ISSUE OF EQUITY SECURITIES

During the half-year ended 31 December 2009 the Company issued 25,035,000 shares as part of a share purchase plan at an issue price of \$0.11, raising \$2,753,850 (before costs).

During the half year ended 31 December 2009 2,000,000 31 October 2009 \$0.20 options lapsed unexercised.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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 2009 %	30 June 2009 %
Parent Entity			
Copper Strike Limited	Australia		
Subsidiaries			
Sherwood Ventures Pty Ltd	Australia	100	100
Einasleigh Mining Pty Ltd	Australia	100	100

5. COMMITMENTS

Exploration Tenements – Commitments for Expenditure

There was no material change in the Company's commitments since the end of the last reporting period.

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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