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## Positive Update on Drilling at Einasleigh Project

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### Highlights

- At Kaiser Bill, drill holes KB048, KB049 and KB134 all intersected multiple mineralised zones, with best intersections as follows:
  - KB049 – 9m at 1.27% Cu, 28 g/t Ag from 67m
  - KB134 – 22.9m at 0.83% Cu, 7 g/t Ag from 159m
- Diamond drilling to explore for large extensions to both the Kaiser Bill and Einasleigh copper deposits will resume after wet season in early April
- Exploration work on Copper Strike's large block of tenements in Einasleigh area will recommence in April.
- Coffey Environments Australia has been engaged to complete environmental studies and planning necessary to have Kaiser Bill and Einasleigh Mining Leases granted.
- Discussions with potential strategic partners to help develop Einasleigh Project continue.
- \$3.8 million in the bank at 31 December 2009 - ample funds to carry out all current planned activities.

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

*Copper Strike (CSE) is a mineral exploration and development company focused on finding and developing copper and related base metals in eastern Australia. The company aims to create shareholder value through the development of its advanced multi-deposit project at Einasleigh in north Queensland.*

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## Introduction

At Einasleigh, located 350 kilometres northwest of Townsville in North Queensland, Copper Strike has outlined two copper-gold-silver resources and four zinc-lead-silver resources over the last four years. The location of the Einasleigh group of tenements and the resources are shown in Figure 1 while the resource inventory is detailed in Table 1.

In December 2009 and January 2010, Copper Strike drilled targets in the Einasleigh area including Kaiser Bill, Teasdale, Stockman and the Einasleigh Copper Mine. The final results of this programme, drillhole KB134 and the extensions of earlier drillholes KBRC48 and 49, are reported in this release.

Drilling will resume after the wet season in early April with the objectives of adding further tonnage to the Einasleigh and Kaiser Bill deposits, and testing a variety of exploration targets.

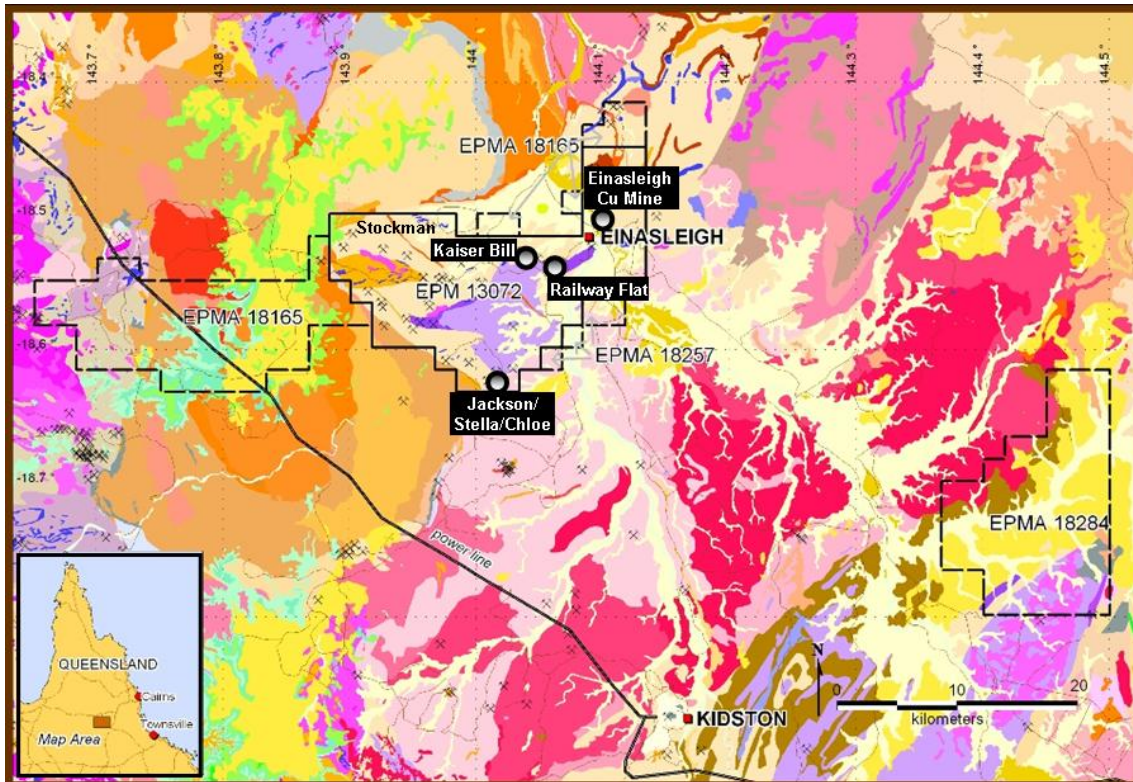


Figure 1: Geological map of the Einasleigh Project area showing Copper Strike's exploration ground, the resources and other prospects. Zones of interest include the Proterozoic sediments and volcanics (light to dark purple, beige, grey and dark brown).

Deposit	Resource Category	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	-	-
Jackson/Stella/Chloe Trend	Indicated	3.4	0.2	-	47	4.7	2.1
	Inferred	1.3	0.2	-	51	5.1	1.8
Railway Flat	Inferred	0.9	0.2	-	16	3.4	0.9

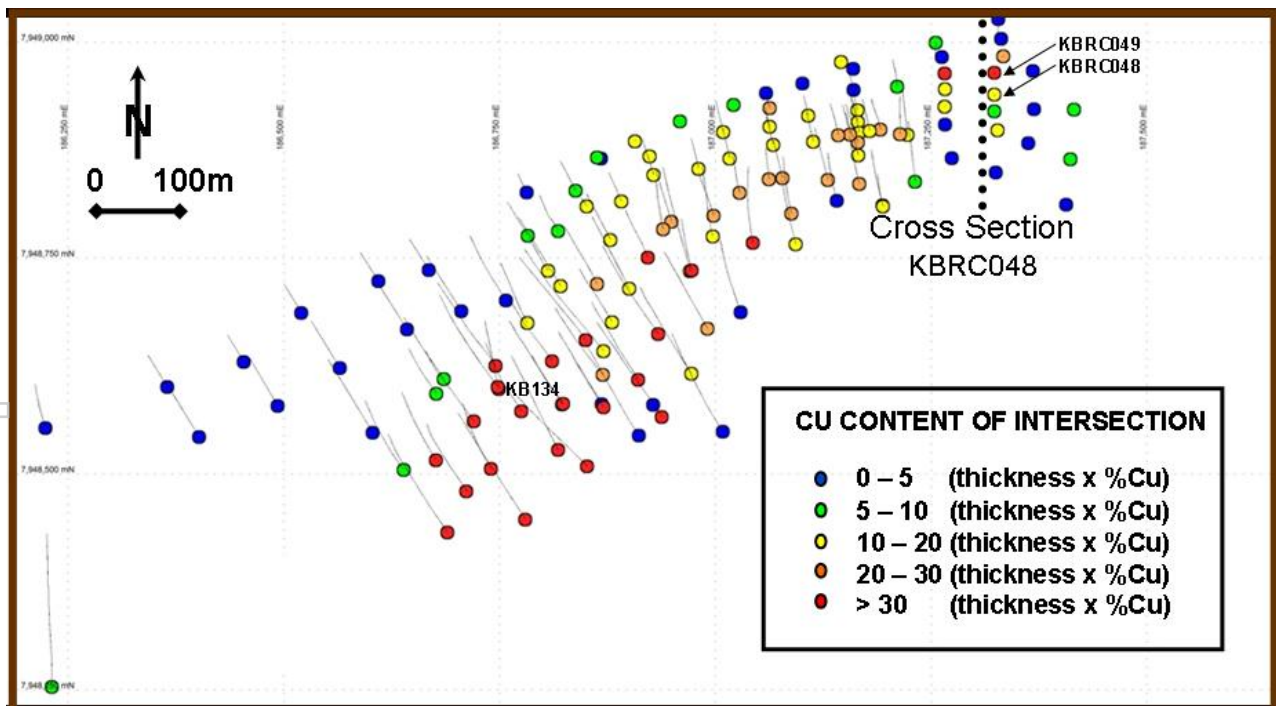
Table 1: Copper Strike's Resources at end 2009 in the Einasleigh area. Cut-off grades are: 0.4% Cu for Kaiser Bill, 1.0% Cu for Einasleigh, 3.0% Zn equivalent for Jackson/Stella/Chloe and 2.0% Zn for Railway Flat.

## Kaiser Bill drilling

Results from a further four holes of the current program are available, as shown in Table 2. Drill hole locations are shown in Figure 2. The holes were designed to further define and add tonnage to the 15 million tonne Kaiser Bill deposit. The extensions to existing holes KBRC048 and 049 intersected mineralisation which expands the ore zone on this and perhaps adjacent sections (Figure 3). Drill hole KB134, intersected low to moderate grade, with the odd bit of high grade, over a cumulative width of 55.8 metres, averaging 0.74% copper over that interval. This drilling programme has provided an excellent starting point for the next round of drilling.

	From	To	Interval	% Cu	g/t Ag	g/t Au	Comments
KBRC048	52	54	2.0	0.54	6.7	0.00	Hole deepened from 52m
KBRC048	56	60	4.0	0.62	15.1	0.00	
KBRC048	63	66	3.0	0.47	10.1	0.04	
KBRC049	47	51	4.0	0.82	6.0	0.07	Hole deepened from 46m
KBRC049	54	62	8.0	0.59	9.4	0.04	
KBRC049	67	76	9.0	1.27	28.5	0.03	
KB134	116.0	118.0	2.0	0.54	4.2	0.04	
KB134	122.0	132.0	10.0	0.56	3.4	0.08	
KB134	134.0	143.0	9.0	0.95	4.8	0.12	
includes	135.0	138.0	3.0	1.45	5.9	0.22	
KB134	149.0	155.0	6.0	0.59	2.1	0.13	
KB134	159.0	181.9	22.9	0.83	7.4	0.16	
includes	173.0	176.0	3.0	1.53	8.0	0.31	
KB134	184.0	186.0	2.0	0.70	5.0	0.16	
KB134	203.0	206.9	3.9	0.53	10.0	0.03	

**Table 2: Results from recent drilling at Kaiser Bill. Both KBRC048 and 049 are extensions of previous mineralised holes.**



**Figure 2: Map of Kaiser Bill drilling showing locations of recent results and the best drill holes. Many of the most strongly mineralised holes are in the southwestern corner of the deposit. Further drilling is required in this direction to explore for more tonnage to add to the resource.**



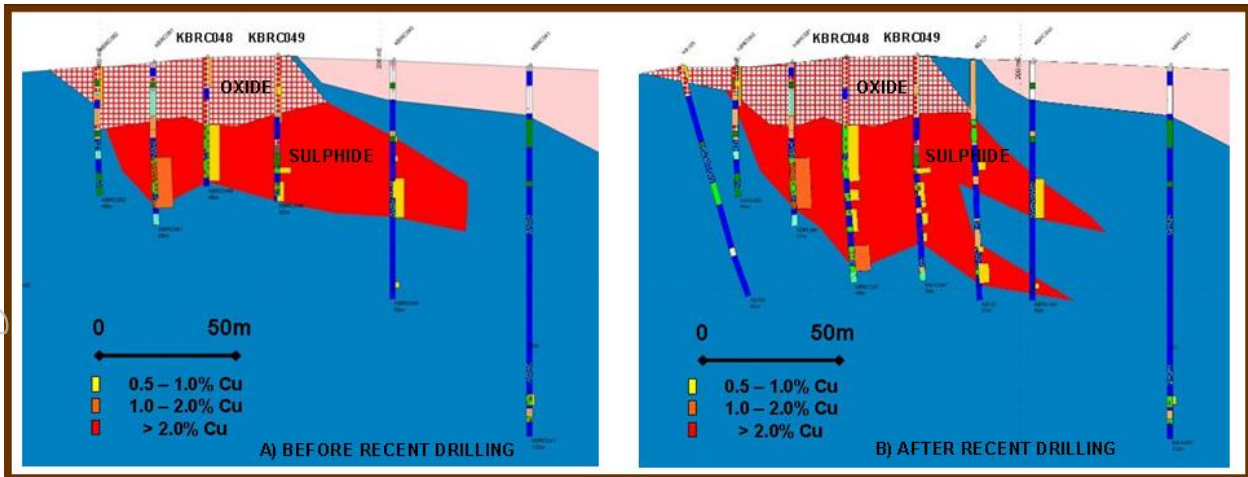


Figure 3: KBRC048 Cross section as interpreted A) before recent drilling and B) after recent drilling. Tonnage of the mineralised zone has definitely increased on this section.

### Kaiser Bill future drill programme

As discussed above, there is potential to add to the mineralisation in the shallow, eastern end of the Kaiser Bill deposit. However it is in the deeper higher grade southwestern edge of the deposit where potential exists for larger tonnage at a higher grade. Drilling to date is shown in Figure 4 and the three most westerly cross sections are shown in Figure 5. Clearly the deposit is thick and higher than average grade in this area. It is also open to the west and down-dip to the south. KBD02, further to the west of the diagram, is not located on the trend of the thick, higher grade mineralisation. Encouragingly however, it did intersect three narrow zones of circa 1% copper mineralisation.

Drilling is planned for April with the objective of demonstrating that there is the potential to double the size of the Kaiser Bill deposit down to a depth of approximately 300 metres.

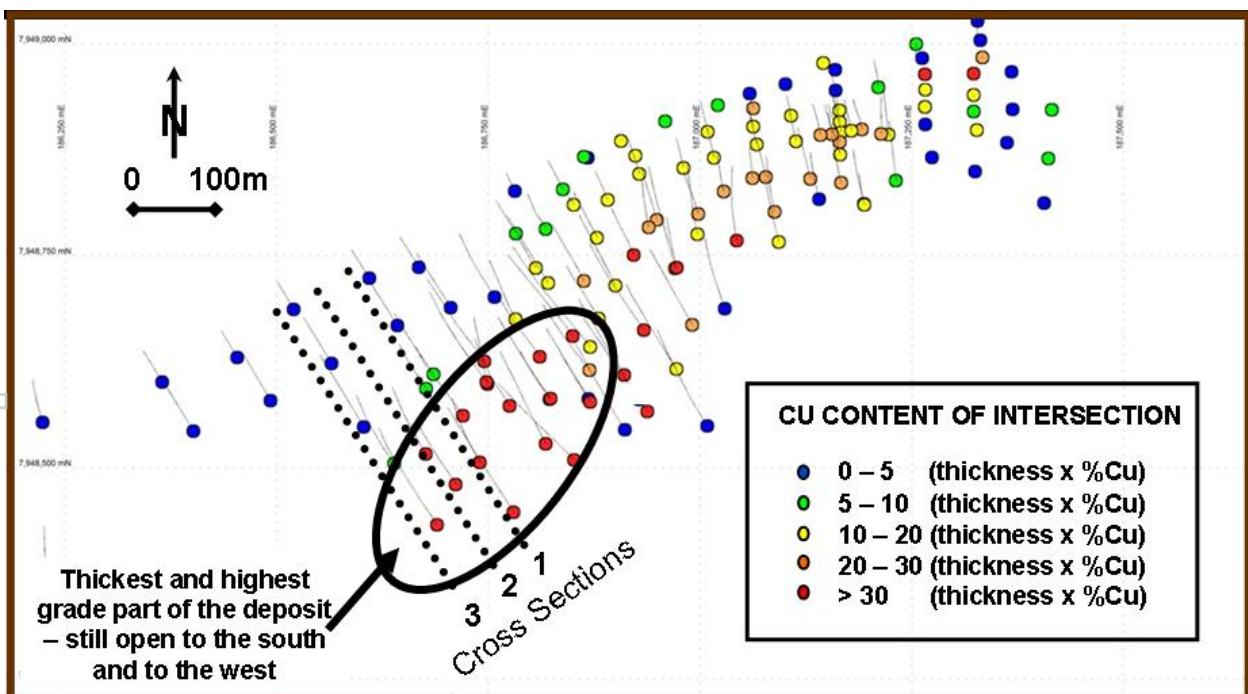


Figure 4: Map of Kaiser Bill drilling showing locations the best drill holes. This highlights the southwestern portions of the deposit where the next round of drilling will take place.

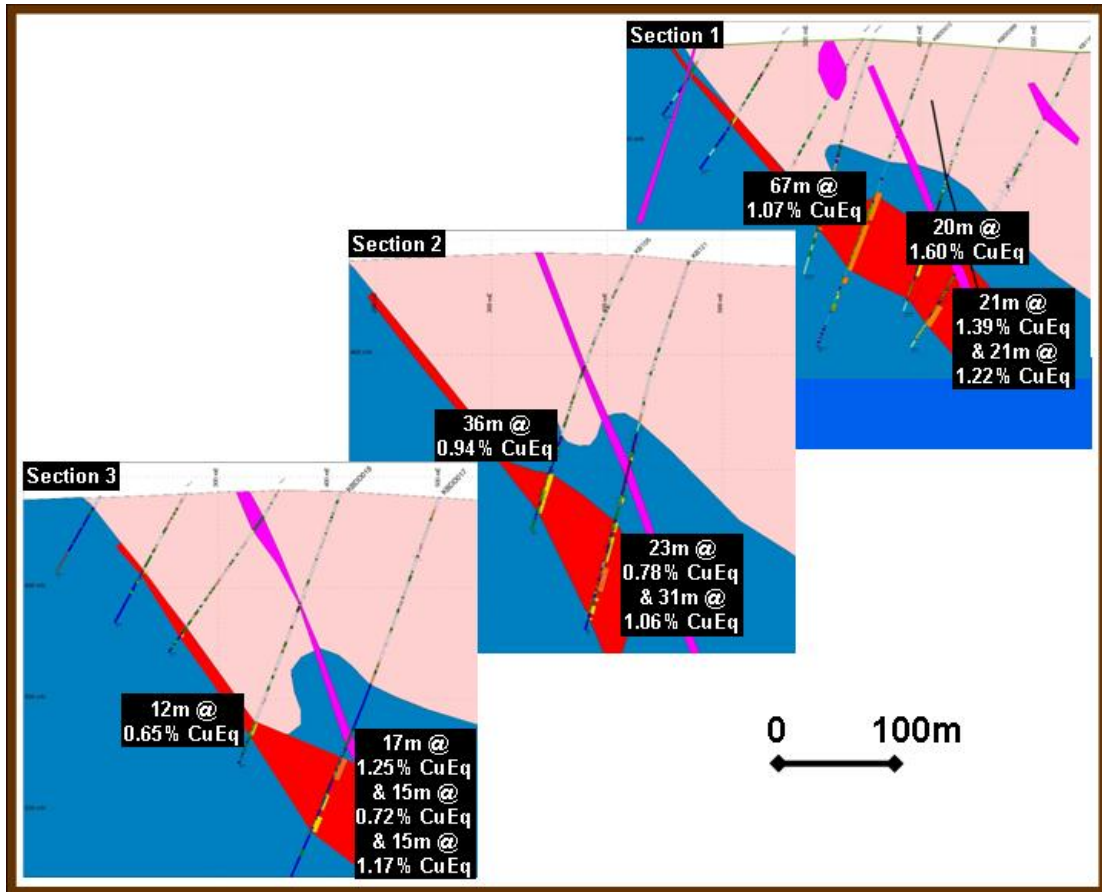


Figure 5: Most southwesterly cross sections at Kaiser Bill. The deposit is open in this direction and down-dip. CuEq equals % Cu + 0.5g/t Au + 0.01g/t Ag.

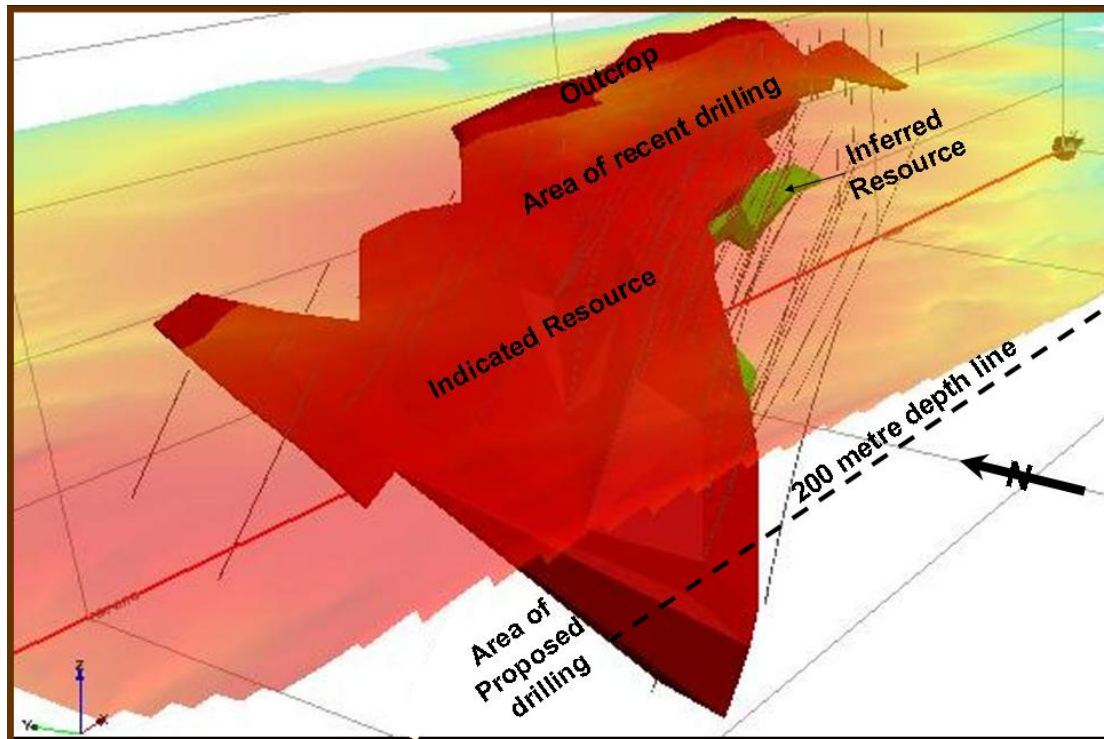
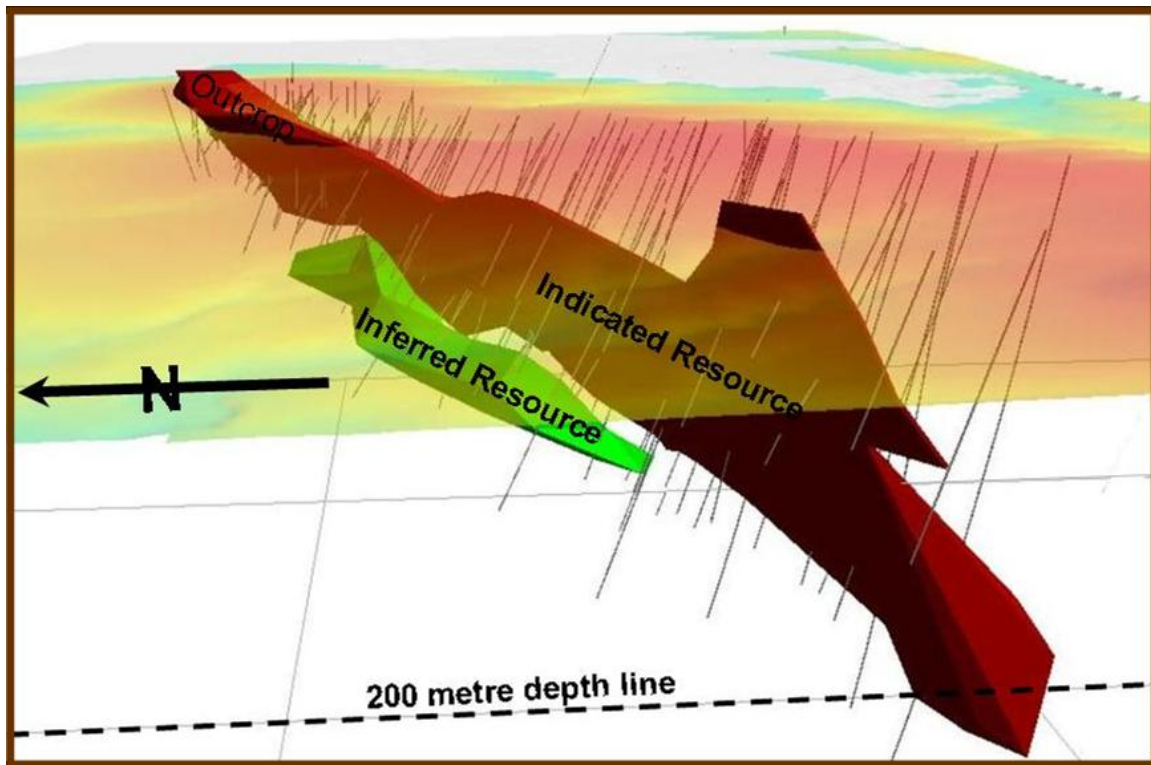


Figure 6: Perspective view of the Kaiser Bill deposit from the southwest. The Indicated Resource is shown in red and part of the Inferred Resource is shown in green. The recent drilling was all in the shallow parts of the deposit while the drilling proposed for April is targeted at extending the deeper thicker, higher grade portion of the deposit between about 150 and 300 metres deep.



**Figure 7: Perspective view of the Kaiser Bill deposit from the west. The Indicated Resource is shown in red and the Inferred Resource is shown in green.**

### **Exploration in the Einasleigh area**

As illustrated in Figure 1, Copper Strike has several licences in the Einasleigh region. All of the resources and more advanced exploration prospects occur on the central EPM 13072. Advanced exploration work including drilling is planned for some of these prospects, including Stockman in the western part of the licence.

Copper Strike will initiate grass roots coverage of the other EPM applications in the area, which, for the most part, are located immediately surrounding the central tenement. In addition, Copper Strike has EPMA 18284, approximately 40 kilometres southeast of Einasleigh, which is interpreted to contain the prospective Einasleigh rock units under a thin cover sequence.

### **Einasleigh Copper Mine drilling**

The diamond drilling test of a geophysical target at the Einasleigh Copper Mine resource encountered drilling difficulties, and was suspended until drilling resumes after the wet season in April.

### **Corporate**

The Feasibility Study that was completed last year indicates that the Einasleigh Project would be very profitable at today's prices and exchange rates. It also shows that it would be vulnerable to a major drop in the price of copper. The drilling that is planned in the near future has the objective of making the project more robust in all foreseeable price scenarios.

In preparing the project for development, Copper Strike has been able to advance the environmental permitting. The company has engaged Coffey Environments Australia to complete the environmental studies and planning necessary to have the Kaiser Bill and Einasleigh Mining Leases granted. This includes a number of significant items and is expected to be completed by the end of 2010.

Through the completion of the outlined programmes, Copper Strike's objective is to be in a position to make a development decision on the Einasleigh Project within a year.

Another key aspect of development planning is the financing of the project. Several possibilities are being considered and investigated for the future funding of the project, including the introduction of strategic partners. Discussions are proceeding well on several fronts.

At 31 December 2009, Copper Strike had \$3.8 million in the bank which is ample to carry out all of these planned activities.

*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.*

## Corporate Details

### **Issued Capital**

116,455,571 shares

2,200,000 unlisted options

Share Price \$0.087 (5 March 2010)

### **Key Shareholders**

Citicorp Nominees 7.8%

Teck Cominco Australia 7.4%

Acorn Capital 6.1%

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### **Directors & Management**

Mr Tom Eadie – Executive Chairman

Mr Barrie Laws – Non Executive Director

Mr John Dunlop – Non Executive Director

Mr Terry Lees – Exploration Manager

Mr David Ogg – Company Secretary

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