



ASX Release

29 July 2010

ASX Code

CSE

QUARTERLY REPORT ON ACTIVITIES
April to June 2010

Highlights

- Drill hole KB107 has extended Kaiser Bill deposit by 150 m to southwest. Follow up drilling currently in progress.
- Best results in KB107:
 - 14m @ 0.76% copper, 4.3g/t silver and 0.07g/t gold from 300m
 - 15m @ 0.83% copper, 6.5g/t silver and 0.05g/t gold from 339m and
 - 8m @ 0.88% copper, 13.1g/t silver and 0.01g/t gold from 358m
- Further exploration assessment has highlighted several zones in Einasleigh region for future drilling.
- Work continues towards enabling the granting of the Mining Leases and completion of the Final Feasibility Study. Key elements are geotechnical drilling/assessment and environmental studies.
- At 30 June 2010, Copper Strike had \$2.6 million in the bank.

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, the resources and the best prospects are shown in Figure 1 while the up-to-date resource inventory is detailed in Table 1.

During the Quarter, Copper Strike conducted drilling at both the Kaiser Bill and Einasleigh deposits. The Kaiser Bill drilling is ongoing with at least two more holes to be drilled. In addition to the resource extension drilling, the following activity took place at Einasleigh:

- Geotechnical drilling to help with mining design at Kaiser Bill
- Environmental work to enable the granting of the MLs
- Further assessment of exploration prospects to help plan future drilling.

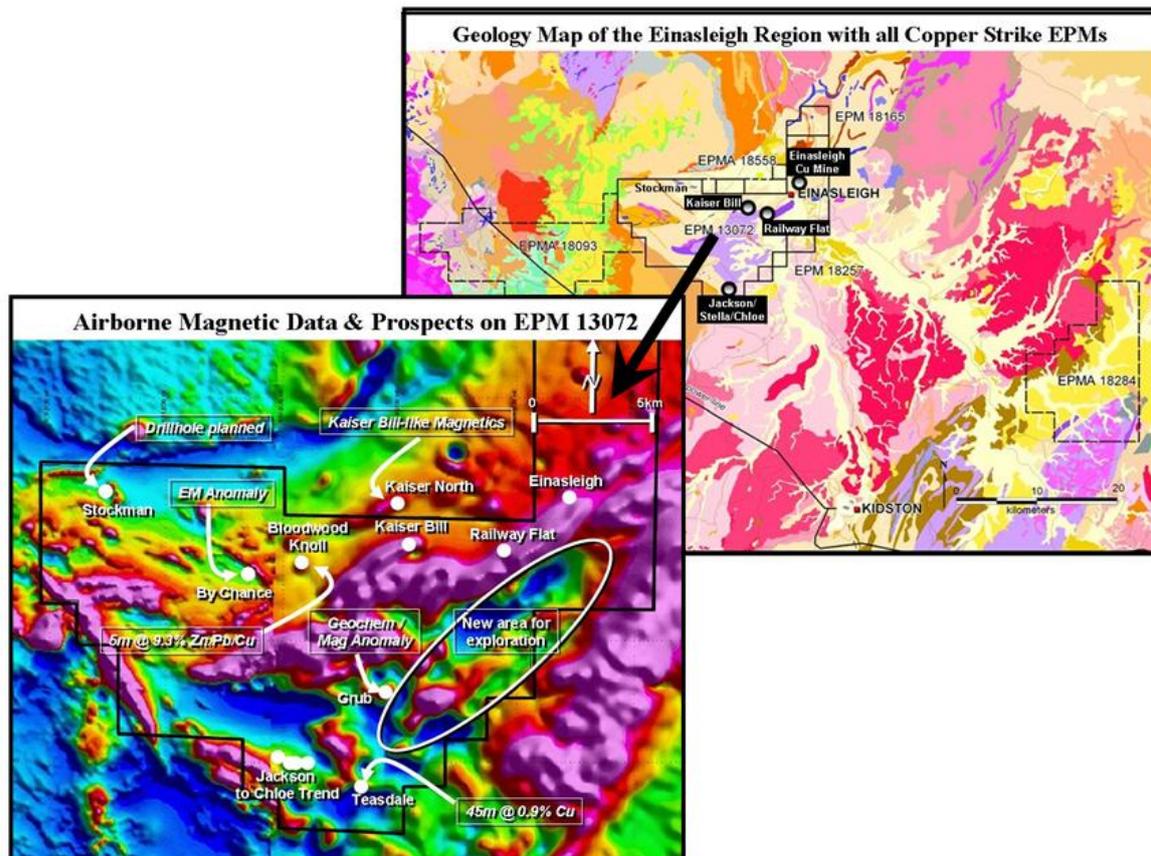


Figure 1: Regional geological map showing Copper Strike's exploration ground and the resources and other prospects, along with magnetic data and prospects on the core Einasleigh EPM 13072.

Deposit	Resource Category	Size (Mt)	Cu (%)	Au (g/t)	Ag (g/t)	Zn (%)	Pb (%)
Kaiser Bill	Indicated	13.5	0.84	0.13	6	-	-
	Inferred	1.5	0.85	0.08	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: Kaiser Bill 0.4% Cu, Einasleigh 1.0% Cu, Jackson/Stella/Chloe 3.0% Zn equiv, and Railway Flat 2.0% Zn.

Kaiser Bill recent drilling

Two holes have been completed with the objective of expanding the Kaiser Bill resource to the southwest. KB107 is interpreted to have intersected the deposit near its bottom edge. The follow up hole, KB142, drilling up dip of KB107, lifted excessively and is interpreted to have intersected the deposit near its top edge.

Drill hole KB107 is located approximately 150 metres southwest of the currently defined resource. The southwest corner of the deposit is the thickest and highest grade portion of the deposit as shown in Figure 2. Results in KB107 were follows:

- 14m @ 0.76% copper, 4.3g/t silver and 0.07g/t gold from 300m
- 2m @ 0.71% copper, 2.8g/t silver and 0.10g/t gold from 327m
- 2m @ 0.54% copper, 2.5g/t silver and 0.08g/t gold from 332m
- 15m @ 0.83% copper, 6.5g/t silver and 0.05g/t gold from 339m and
- 8m @ 0.88% copper, 13.1g/t silver and 0.01g/t gold from 358m.

Drill hole KB142, which lifted excessively and ended up intersecting the deposit 120 metres from the intersection in KB107, hit 3.4 metres of strong mineralisation. Assay results are not yet available.

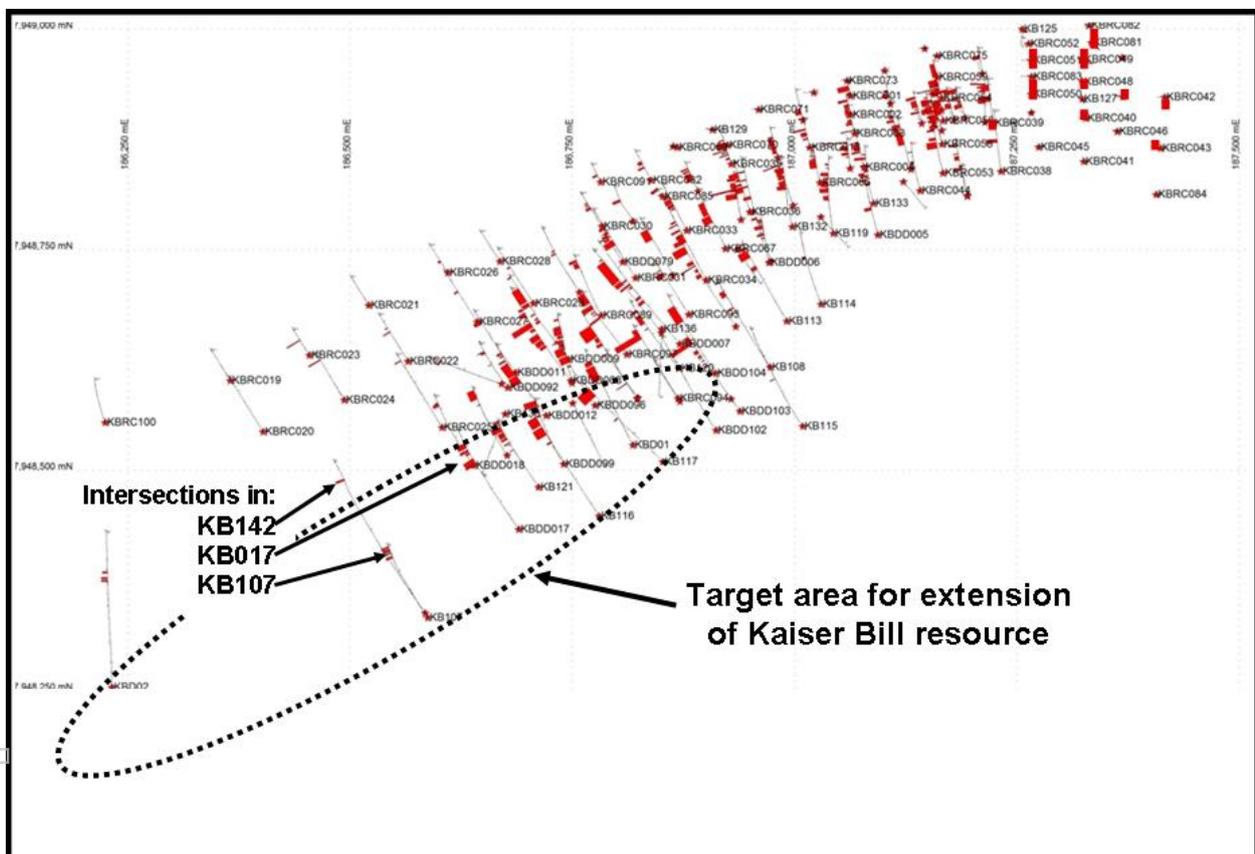


Figure 2: Map of Kaiser Bill showing the location of the intersections in all of the drilling. Recent intersections in KB107 and 142 are highlighted as is the intersection in KB017 because of planned follow up drilling discussed in the text. Most of the most strongly mineralised holes are in the southwestern corner of the deposit. KB107 extends this strong trend for a further 150 metres, highlighting a very prospective area for further resources.

Kaiser Bill future drill programme

Copper Strike is planning at least two further holes in the preliminary assessment of the thick, high grade potential of the southwestern extension of the Kaiser Bill deposit.

The first hole, currently in progress, will be a test downdip from the excellent intersection in KB017 which hit three zones of mineralisation: 17 metres @ 1.25% CuEq, 15 metres @ 0.72% CuEq and 15 metres @ 1.17% CuEq (where CuEq = % Cu + 0.5 g/t Au + 0.01 g/t Ag).

The second hole is planned to drill between KB107, which appears to have drilled into the bottom edge of the deposit, and KB142, which is interpreted to have drilled into the top edge of the deposit. There is ample room (120 metres) between these two intersections for higher grade portions of the Kaiser Bill deposit. The cross section is shown in Figure 3.

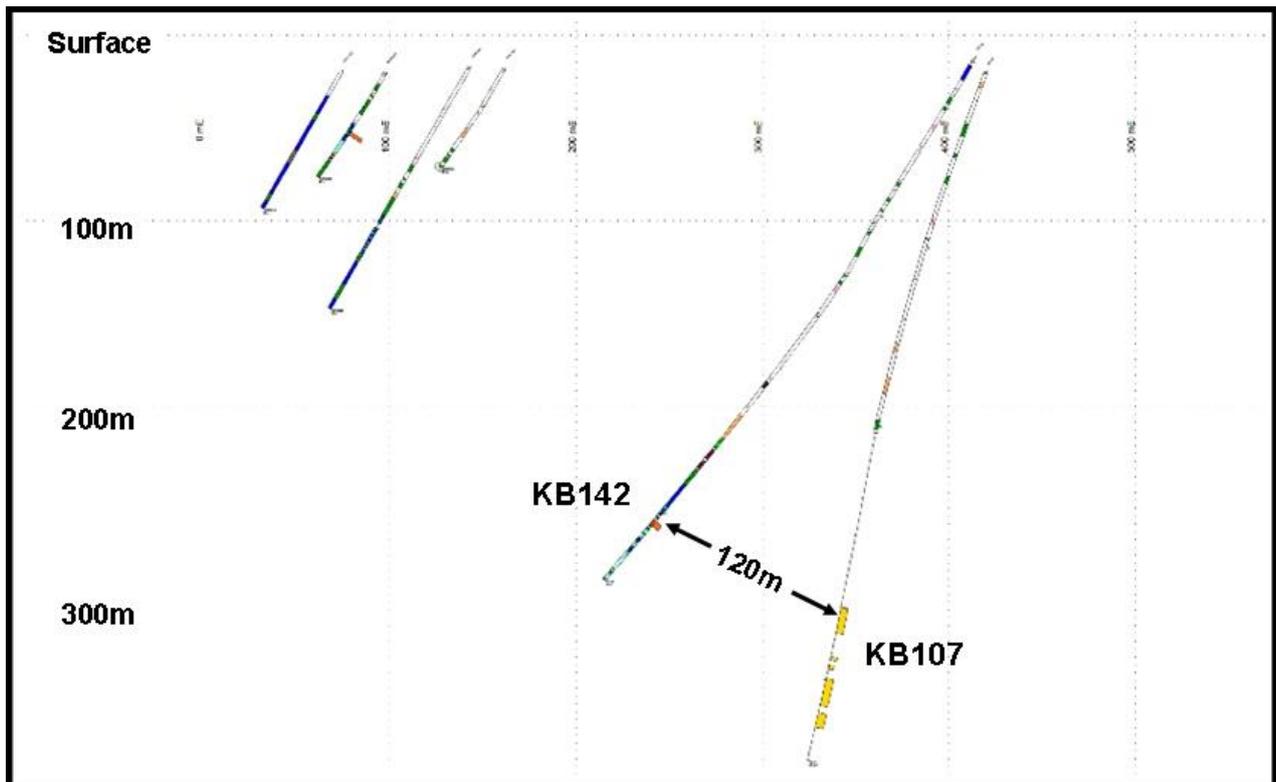


Figure 3: Cross section containing the two most recent drillholes, KB107 and KB142. The current interpretation is that the best, highest grade part of the deposit lies in the 120 metre interval between the two holes.

Einasleigh Copper Mine drilling

During the quarter, Copper Strike drilled two holes into an electromagnetic feature (Northern EM Anomaly) immediately north of the Einasleigh Copper Mine that resembled the electromagnetic feature over the mine itself (see Figure 4).

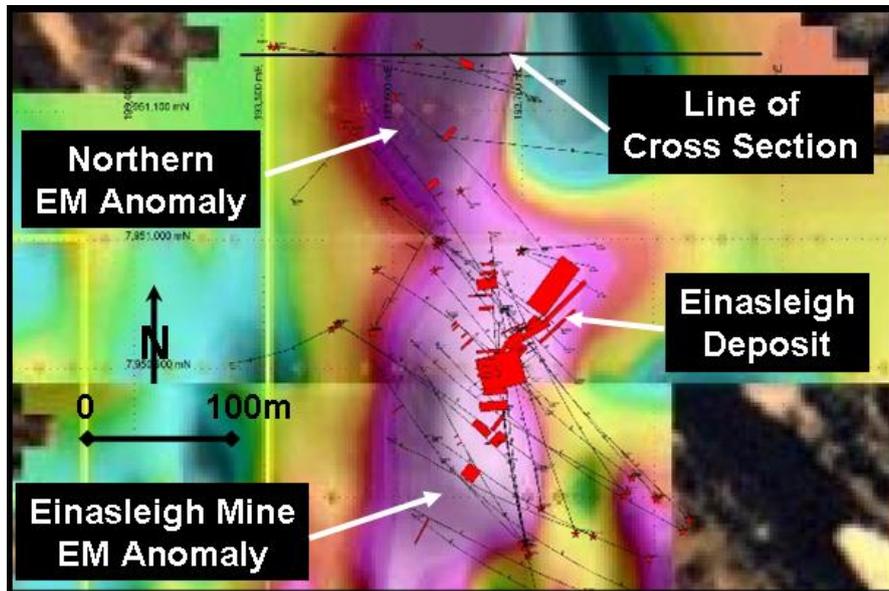


Figure 4: Target electromagnetic anomaly north of the Einasleigh Copper Mine prospect. Two recent holes tested this feature.

The results of drilling in holes END043 and 044 showed that the conductive mineralisation did not continue beneath the mineralisation, 18 metres @1.0% copper, that was intersected in previous hole DD11. An interpreted cross section is shown in Figure 5.

It appears that the mineralisation in DD11 plunges to the south towards the Einasleigh deposit. There is some new tonnage potential between the current drill line and the deposit which may merit further drilling.

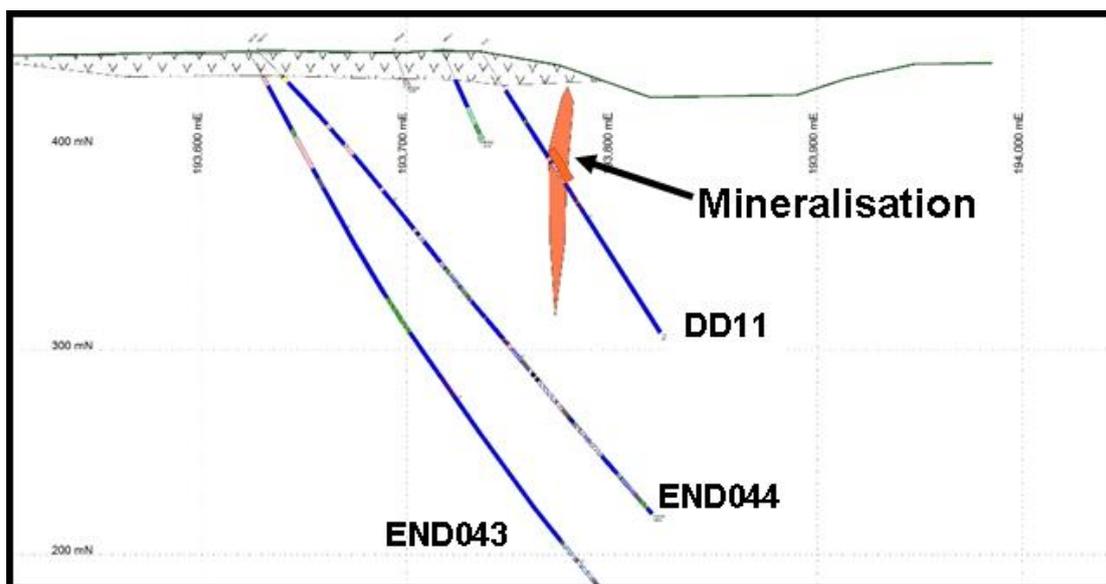


Figure 5: Cross section north of Einasleigh showing the location of the drilling and the current geological interpretation.

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, Teasdale in the southeast and both Grub and By Chance (central area).

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.

Progress towards a Final Feasibility Study

As well as resource extension drilling designed to bolster the resources and the project economics, there are several other programmes in progress that will assist in preparing a Final Feasibility Study.

During the quarter, Copper Strike completed a geotechnical drilling programme and downhole camera surveys of selected previously drilled holes to assess the geotechnical parameters of the proposed open-pit mine at Kaiser Bill. This data, along with the new resource model developed after last year's drilling, will help to refine the shape of the planned pit.

A redesigned pit model will enable all of the final environmental planning to be initiated including transport, location and size of the tailings dam and waste rock dump, associated hydrogeology issues and the like. All aspects are proceeding with the aim of having the Mining Leases granted in 2011.

Corporate

The initial 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 copper price scenarios.

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 on several fronts.

At 30 June 2010, Copper Strike had \$2.6 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.

Corporate Details

Issued Capital

116,455,571 shares

2,200,000 unlisted options

Share Price \$0.06 (27 July 2010)

Key Shareholders

Citicorp Nominees 7.8%

Teck Cominco Australia 7.4%

Acorn Capital 6.1%

Registered Office

Level 9 – 356 Collins Street

Melbourne Victoria 3000

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

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

Copper Strike Ltd

ABN

16 108 398 983

Quarter ended ("current quarter")

June 2010

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (12 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(568)	(1,175)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(192)	(925)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	42	108
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	(25)	(45)
	Net Operating Cash Flows	(743)	(2,037)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
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	-	-
1.13	Total operating and investing cash flows (carried forward)	(743)	(2,037)

1.13	Total operating and investing cash flows (brought forward)	(743)	(2,037)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	2,754
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)	-	(108)
	Net financing cash flows	--	2,646
	Net increase (decrease) in cash held	(743)	609
1.20	Cash at beginning of quarter/year to date	3,340	1,988
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	2,597	2,597

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	139
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 above includes payments to Inkprintz of \$5,442 for geological and other 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	500
4.2 Development	-
4.3 Production	-
4.4 Administration	215
Total	715

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	103	175
5.2 Deposits at call	462	1,154
5.3 Bank overdraft	-	-
5.4 Other (provide details) Bank term deposits	2,032	2,011
Total: cash at end of quarter (item 1.22)	2,597	3,340

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			

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				
7.2				
7.3	116,455,571	116,455,571	FP	FP
7.4				
	-	-	-	-
	-	-	-	-
7.5	-	-	-	-
7.6				
7.7	1,300,000	-	<i>Exercise price</i>	<i>Expiry date</i>
	900,000	-	25 cents	31 October 2010
			30 cents	31 July 2014
7.8	-	-	-	-
7.9	-	-	-	-
7.10	-	-	-	-
7.11				
7.12				

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.

David L Ogg

21 June 2010

Sign here: Date:
(Director/Company secretary)

Print name: David L Ogg

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.

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