



12 November 2010

The Manager  
Company Announcements Office  
Australian Securities Exchange  
Melbourne VIC 3000

**Copper Strike's Response – "Kagara's bid is much too low"**

Copper Strike Limited ("Copper Strike" or "the Company") today issued its Target's Statement advising Shareholders to REJECT the inadequate and highly opportunistic takeover offer from Kagara Limited ("Kagara"). Shareholders will receive the Target's Statement in the post next week.

The Target's Statement includes a number of reasons which strongly support the Directors' view that Kagara's 11 cents per share offer ("the Offer") significantly undervalues Copper Strike.

**In particular, the Independent Expert has valued Copper Strike's shares at between 26 cents and 45 cents, with a preferred value of 35 cents. The Independent Expert has concluded that the Offer is not fair and is not reasonable.**

Copper Strike's Executive Chairman, Tom Eadie, said:

*"Based on the independent valuation by RSM Bird Cameron Corporate Pty Ltd, the true value of the Company on a stand-alone basis is several times larger than the Kagara Offer. When potential synergies with Kagara are taken into account, the discrepancy in value is even more clear.*

*In addition, the Directors consider the timing of the Offer is highly opportunistic. The market is just starting to understand the importance of Copper Strike's recent agreement to remove Teck Australia's back-in rights to the Einasleigh Project. This agreement has opened up new channels of possible finance for the project.*

*The Directors hold the firm view that if control is to pass, it should be at a fair price. This is not the case here."*

The Target's Statement sets out in more detail the reasons why the Directors have formed their REJECT recommendation. To reject the Offer, Copper Strike shareholders should simply do nothing with the documentation sent to them by Kagara.

If any Copper Strike shareholders have queries in relation to the Offer, they can consult their independent professional adviser or contact Copper Strike on 03 9640 0955.

-ENDS-

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