



ASX Release
20 December 2010

ASX Code
CSE

Strong Copper/Silver/Cobalt Results at Walford Creek

Highlights

- Strong results were received from drilling by joint venture partner MM Mining (earning 70%) at the Walford Creek Project in NW Queensland
- The results extend the thick high grade portion of the deposit by 200 metres to the east where it remains open at a shallow depth
- Best results were in drillhole WFDD87 at a downhole depth of 76 metres which returned:
 - 17.1 metres containing
 - 1.94% copper
 - 2.41% lead
 - 0.71% zinc
 - 29.0g/t silver
 - 0.43% cobalt
- Further results from the four drillhole programme are expected soon.

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 and further exploration at the Walford Creek Project in NW Queensland.

Registered Office

Copper Strike Limited ABN 16 108 398 983
Level 9 - 356 Collins Street Melbourne Victoria 3000 Australia
Ph 03 96400955 Fax 03 96420698 email tom.eadie@copperstrike.com.au
www.copperstrike.com.au

For personal use only

Introduction

At Copper Strike's Walford Creek Project located 110 kilometres north of the Century Mine in NW Queensland, joint venture partner MM Mining has recently completed a four diamond drillhole programme to confirm the results of historical drilling and the previously calculated **Inferred Resource of 6.5 million tonnes containing 0.6% copper, 1.6% lead, 2.1% zinc, 25g/t silver and 0.07% cobalt**. MM Mining has the right to earn a 70% interest in the project by the expenditure of \$4 million.

Results from three of the four drillholes are now available. While the first two holes, WFDD85 and 86 intersected mineralisation similar to that encountered in earlier drilling, WFDD87 hit mineralisation that was much thicker and higher grade than expected. This is particularly significant because it extends the thick, high grade mineralisation to the east and shows that it is still open in this direction. The mineralisation is shallow, at a depth of less than 70 metres, and is possibly amenable to open-cut extraction.

The last hole of the programme, WFDD88, for which assays are not yet available, may also have interesting results because it is a follow up of hole WR 26 which intersected 18 metres containing 1.98% copper, 0.32% lead, 0.95% zinc, 29.3g/t silver and 0.38% cobalt. WFDD88 is located 200 metres west of WFDD87.

The true cobalt content of the deposit is unknown and potentially interesting. No cobalt assays were completed on the first 90 historical holes that were used in the resource calculation so all of these values were assumed to be zero. The other 30 holes used in the resource calculation, drilled by Copper Strike, had cobalt assays that indicated that the average level was higher than that estimated in the resource assessment. Cobalt is currently trading at US\$36,000 per tonne which is four times the price of copper. An accurate assessment of the cobalt grade in the deposit, and its metallurgical characteristics, is an important part of the ongoing work at Walford Creek.

Drilling Results

MM Mining completed the four hole programme in mid-November using very careful drilling methods (HQ diamond triple tube) to ensure the most accurate results in confirming previous drill results by Copper Strike and earlier explorers. Results from three of the holes are now available and the fourth is expected soon.

The most important results were obtained from hole WFDD87 which was drilled on the most easterly section of the Walford Creek deposit. Figure 1 shows the entire four kilometre length of the Walford Creek resource and the location of the best drillholes. It also shows the location of Cross Section 213800E which contains WFDD87.

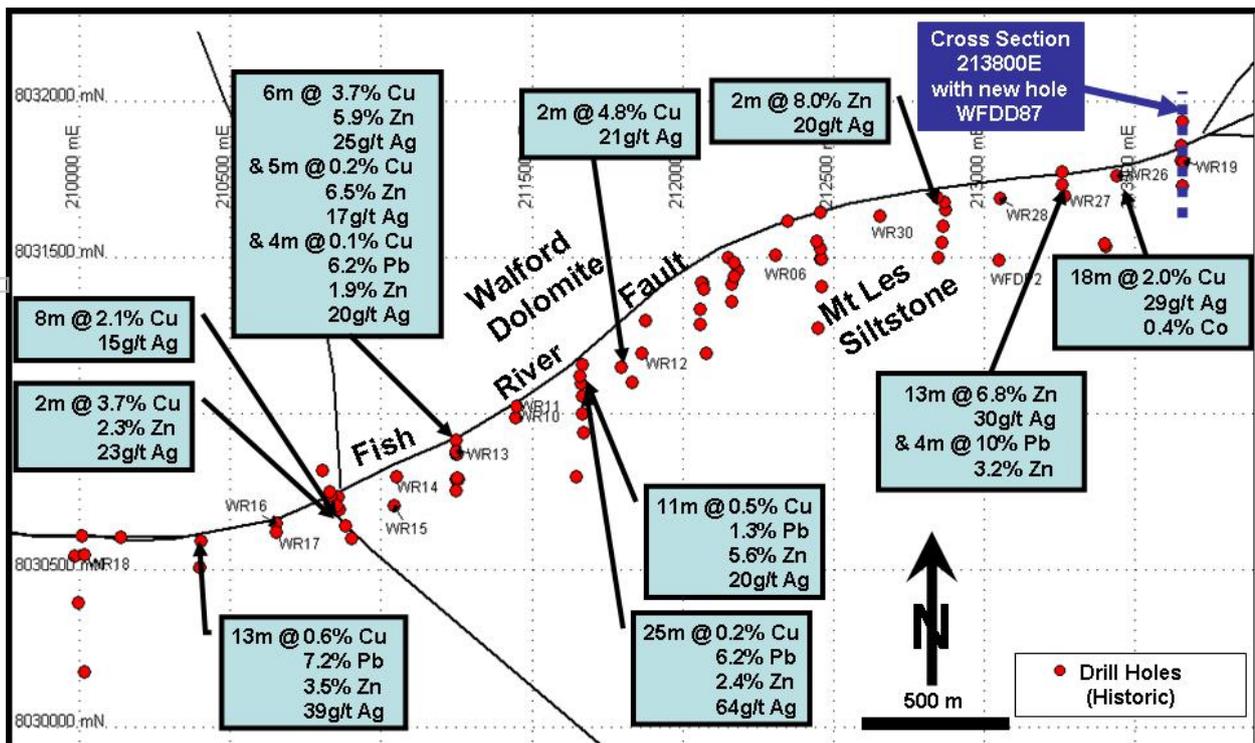


Figure 1: Drilling on the Walford Creek resource with the best holes highlighted. Walford Creek has an Inferred Resource of 6.5Mt @ 0.6% Cu, 1.6% Pb, 2.1% Zn, 25g/t Ag and 0.07% Co.

Hole WFDD87 was drilled to confirm the thin high grade intersection in WR19 (4m @ 2.2% Cu, 3.0% Pb, 0.9% Zn and 31g/t Ag). WFDD87 intersected:

17.1 metres @ 1.94% copper, 2.41% lead, 0.71% zinc, 29.0g/t silver and 0.43% cobalt from a depth of 76 metres

The significance of this intersection lies in the facts that it is on the most easterly cross section at Walford Creek, meaning that the thick, high grade part of the deposit is still open to the east, and also that the intersection is much better than expected, which potentially adds to the resource. It is also shallow and potentially open-cuttable.

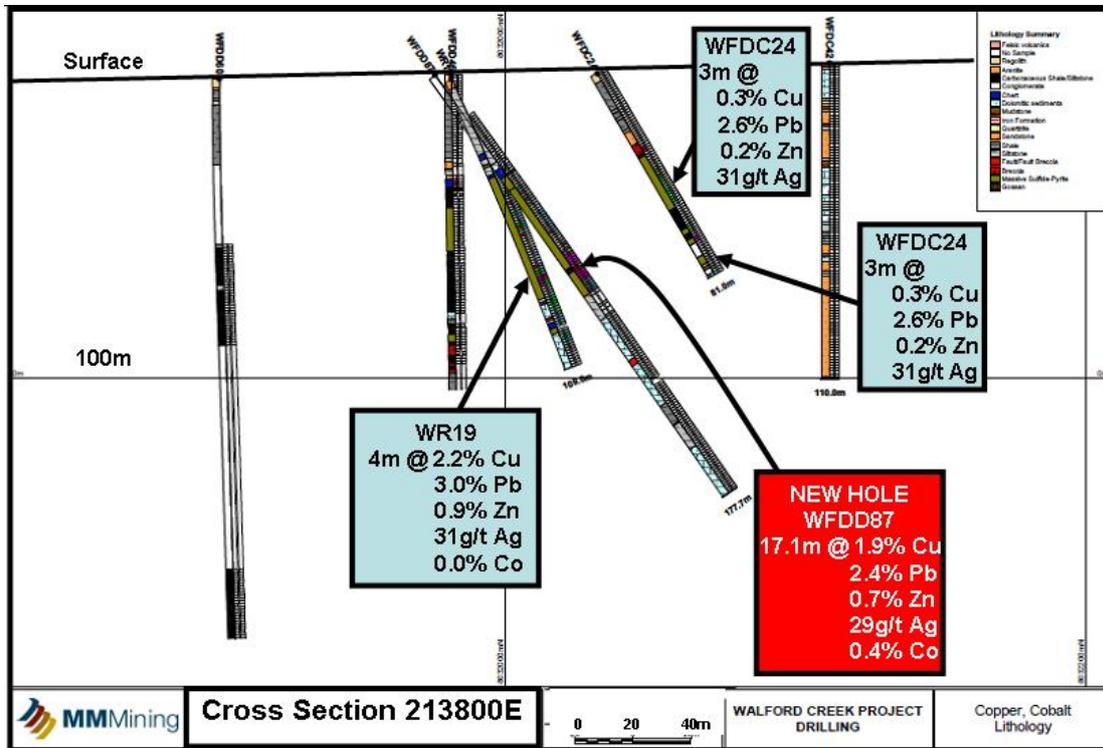


Figure 2: Cross Section 213800E which contains the important new hole WFDD87. This Cross Section is the most easterly at Walford Creek, showing that the thick, high grade part of the deposit is still open to the east.

Hole WFDD85 was drilled 400 metres to the west of WFDD87 while WFDD86 was drilled a further 200 metres west. Both holes confirmed the thickness and tenor of previously discovered mineralisation. Hole WFDD88 was drilled 200 metres west of WFDD87, downdip from the strongly mineralised hole WR26 which contained 18 metres @ 1.98% copper, 0.32% lead, 0.95% zinc, 29.3g/t silver and 0.38% cobalt. The assay results from this hole are pending.

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

129,455,571 shares

Share Price \$0.13 (16 Dec 2010)

Key Shareholders

Teck Australia Pty Ltd 16.7%

Citicorp Nominees 7.0%

Acorn Capital 5.5%

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