



3 February 2011

Dear Fellow Shareholders

### **Placement and Joint Venture (JV) Development Agreements**

Copper Strike is pleased to advise shareholders about the Placement Agreement and JV Development Agreement signed last week with two well-credentialed Chinese companies involved in mining, Jintai and TaiFeng HK.

The agreements, while conditional on shareholder and other approvals, mark a major milestone for funding the development of the Einasleigh Project in North Queensland and are summarised in the ASX Release of 31 January 2011. An initial internal valuation of the potential commitment of over \$11 million in equity funds and \$95 million in project development funding, reinforces the Directors' views that the deal is a good one for shareholders.

Copper Strike considers Jintai and TaiFeng HK to be high quality development partners for the Einasleigh Project. The agreements deliver on your Company's objective to secure a strategic partner to facilitate development of the Einasleigh Project and enable its potential value to be realised. The agreements will be detailed in a Notice of Meeting and Explanatory Memorandum to be sent to shareholders in due course for your consideration as part of the shareholder approval process.

The Independent Expert engaged by Copper Strike in relation to the Kagara offer, RSM Bird Cameron Corporate Pty Ltd, valued Copper Strike's shares at between 26 cents and 45 cents, with a preferred value of 35 cents. This assessment, along with the proposed placement price and additional funding clearly demonstrates the inadequacy of Kagara's offer of 11 cents per share. Taking into consideration the recent developments, Copper Strike has commissioned RSM Bird Cameron to provide a supplemental report to aid in your future decision-making process.

Please call me at Copper Strike's offices on (03) 9640 0955 or on my mobile, 0419 880333, if you have any questions in the meantime.

Yours sincerely

A handwritten signature in black ink, appearing to read "Tom Eadie". The signature is fluid and cursive, written over a white background.

Tom Eadie - Executive Chairman

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