



1 March 2011

Dear Fellow Shareholders

### Kagara Offer Lapses

The Kagara offer for Copper Strike's shares lapsed yesterday with Kagara ending up with a 0.52 % shareholding. The end of the bid period means that now Copper Strike can focus on moving towards developing the Einasleigh Project in conjunction with our new partners, Jintai and Taifeng.

So what is the process from here? As outlined in the previous letter to Shareholders dated 3 February, Copper Strike has recently signed placement, joint venture development and off-take agreements with Jintai and Taifeng. The first step in the process to complete the deals is for our new partners to undertake their due diligence assessment of Copper Strike in March. Copper Strike, Jintai and Taifeng are also pursuing all of the necessary Chinese and Australian government approvals. Equally important is Shareholder approval.

Copper Strike intends to send out a Notice of Meeting in late March to Shareholders for a General Meeting in late April. The purpose of this meeting is to seek Shareholder approval for the issue of the shares and options under the agreements signed with Jintai and Taifeng. Along with the Notice of Meeting, there will be a detailed description of the agreements that we have signed, an Independent Expert's Report on the value of the agreements to our Shareholders and further information concerning our incoming partners and their intentions.

Why is Copper Strike excited about the agreements with Jintai and Taifeng? First of all the agreements provide for a placement of shares at 18c that if completed will inject \$5.8 million into Copper Strike. These funds will be applied to complete the Bankable Feasibility Study for the Einasleigh Project and to finalise formalities for the grant of the Mining Leases. Then if the Project is as robust as studies to date suggest, the next step would be the financing of development under the terms agreed with Jintai and Taifeng.

We never had any doubt that Einasleigh had potential and now we believe we have a way forward to develop the Project. The Board of Directors intend to recommend that all Shareholders welcome in our new partners by voting for the issue of shares and options under the agreements with Jintai and Taifeng.

Please don't hesitate to call me at Copper Strike's offices on (03) 9640 0955 or on my mobile, 0419 880 333, if you have any questions.

Yours sincerely

Tom Eadie

A handwritten signature in black ink, appearing to read "Tom Eadie".

Executive Chairman