



KAGARA LTD

ACN: 008 988 583

Second Floor

24 Outram Street

West Perth WA 6005

PO Box 1320

West Perth WA 6872

Tel: + 61 8 9481 1211

Fax: + 61 8 9481 1233

E-mail: admin@kagara.com.au

Web: www.kagara.com.au

1 March 2011

Company Announcements Office
ASX Ltd
4th Floor, 20 Bridge St
SYDNEY NSW 2000

Dear Sir,

Kagara the largest shareholder in Copper Strike Ltd

Kagara Limited (Kagara) notes the announcement released by Copper Strike Limited (CSE) today (Tuesday, 1 March 2011) regarding Kagara's takeover bid for CSE. Contrary to what is stated in that announcement:

- (1) Kagara's bid for CSE has not lapsed, but closed in accordance with its terms on 28 February 2011; and
- (2) Kagara's shareholding in CSE is 17.5%, making it the largest single shareholder in CSE.

Kagara is surprised at CSE's announcement, given that CSE would have been aware of the above facts.

Kagara does not support the joint venture development plan for the Einasleigh project as outlined by the CSE directors and management in the ASX release of CSE on January 31 2011.

Yours faithfully

JOE TREACY
Executive Director