

Copper Strike Limited

ABN 16 108 398 983

Half-year Financial Report - 31 December 2013

Copper Strike Limited
Contents
31 December 2013

Corporate directory	3
Review of operations	4
Directors' report	5
Auditor's independence declaration	6
Statement of profit or loss and other comprehensive income	7
Statement of financial position	8
Statement of changes in equity	9
Statement of cash flows	10
Notes to the financial statements	11
Directors' declaration	16
Independent auditor's review report to the members of Copper Strike Limited	17

Copper Strike Limited
Corporate directory
31 December 2013

Directors	Tom Eadie (Executive Chairman) John Dunlop (Non-Executive Director) Barrie Laws (Non-Executive Director)
Company secretary	Melanie Leydin
Registered office	Level 9, 356 Collins Street Melbourne, VIC 3000 Tel: 61 3 9640 0955 Fax: 61 3 9642 0698
Principal place of business	Level 9, 356 Collins Street Melbourne, VIC 3000 Tel: 61 3 9640 0955 Fax: 61 3 9642 0698
Share register	Security Transfer Registrars Pty Ltd Alexandra House Suite 1, 770 Canning Highway Applecross WA 6153
Auditor	Grant Thornton Audit Pty Ltd The Rialto, Level 30 525 Collins Street Melbourne Victoria 3000
Solicitors	Baker & McKenzie Level 19 181 William Street Melbourne Victoria 3000
Stock exchange listing	Copper Strike Limited shares are listed on the Australian Securities Exchange (ASX code: CSE)
Website	www.copperstrike.com.au

Highlights

- A high leverage to Syrah Resources Limited's growth prospects at the Balama Graphite and Vanadium Project is expected to be continued in the medium to long term.
- The careful assessment of several companies, projects and exploration opportunities has now been accelerated.
- Results from the drilling for heavy mineral sands on Exploration Licence 5415 near Warracknabeal in Victoria were only mediocre and no further work is being planned.

Exploration Activities – Mineral Sands at Warracknabeal

Based on the discovery of zircon-rich heavy mineral (HM) sands in paleo-beaches by Aberfoyle near Warracknabeal, Victoria in the 1980s, Copper Strike applied for the relevant exploration tenure early in 2012. Following field reconnaissance work last year, the 2013 exploration season consisted of two phases of aircore drilling: Phase 1 in February and Phase 2 in April for a total of 4661m. Phase 1 consisted of 2739m of drilling in 121 holes. Phase 2 completed 1922m in 78 holes. Average hole depth was 22-24m, to a maximum of 30m.

Careful analysis of the drill results during this half year, including mineralogical testwork, has concluded that there is little scope for the discovery of large, shallow, valuable accumulations of heavy minerals on the Copper Strike tenement.

Corporate

Copper Strike is now in the process of accelerating its main corporate strategy of completing a transaction that will effectively utilise the Company's expertise in mineral exploration. A variety of opportunities are being assessed at the current time.

In the medium to long term, the Board supports the strategy of continuing to be heavily leveraged to Syrah and its very successful Balama Graphite & Vanadium Project in Mozambique. The Board believes that there remains huge upside potential at Balama.

Therefore new opportunities will be favoured that do not involve a major sell-down of Copper Strike's share in Syrah, or do not involve a dilution in shareholders' interest in Syrah by issuing large amounts of CSE shares.

In the medium to long term, the strategy is to pay a large franked dividend or make a return of capital to shareholders while maintaining CSE as a vibrant explorer and with large potential to become a producer.

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 Executive Chairman of Copper Strike Ltd. Mr Eadie has more than 20 years experience in the activities being reported on and has sufficient expertise which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Eadie consents to the inclusion of this information in the form and context in which it appears in this report.

Copper Strike Limited
Directors' report
31 December 2013

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Copper Strike Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled for the half-year ended 31 December 2013.

Directors

The following persons were directors of Copper Strike Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mr Tom Eadie (Executive Chairman)
Mr Barrie Laws (Non-Executive Director)
Mr John Dunlop (Non-Executive Director)

Principal activities

During the financial half-year the principal continuing activities of the consolidated entity consisted of:

- Exploration for base and precious metals, and investment activities.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$599,147 (31 December 2012: \$20,588).

Refer to the detailed Review of Operations preceding this report.

Financial Position

The net assets of the consolidated entity increased by \$7,548,857 to \$27,243,891 as at 31 December 2013 (30 June 2013: \$19,695,034). This was a result, mainly, of the increase in the value of ordinary shares held in Syrah Resources Limited of \$11,640,006 which is partly offset by an increase in the deferred tax liability relating to financial assets of \$3,492,002.

The consolidated entity's working capital, being current assets less current liabilities decreased by \$410,049 to \$1,479,522 (30 June 2013: \$1,889,571). This largely relates to operating expenditure and the funding of exploration activities during the period.

The Directors believe the consolidated entity is in a strong and stable position to expand and grow its current operations.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Ernest Thomas Eadie
Executive Chairman

3 March 2014
MELBOURNE

Grant Thornton Audit Pty Ltd
ACN 130 913 594

The Rialto, Level 30
525 Collins St
Melbourne Victoria 3000

Correspondence to:
GPO Box 4736
Melbourne Victoria 3001

T +61 3 8320 2222
F +61 3 8320 2200
E info.vic@au.gt.com
W www.grantthornton.com.au

Auditor's Independence Declaration
To The Directors of Copper Strike Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Copper Strike Limited for the half-year ended 31 December 2013, I declare that, to the best of my knowledge and belief, there have been:

- a No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b No contraventions of any applicable code of professional conduct in relation to the review.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



B. L. Taylor
Partner - Audit & Assurance

Melbourne, 3 March 2014

Grant Thornton Audit Pty Ltd ACN 130 913 594
a subsidiary or related entity of Grant Thornton Australia Ltd ABN 41 127 556 389

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Ltd is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions. In the Australian context only, the use of the term 'Grant Thornton' may refer to Grant Thornton Australia Limited ABN 41 127 556 389 and its Australian subsidiaries and related entities. GTIL is not an Australian related entity to Grant Thornton Australia Limited.

Liability limited by a scheme approved under Professional Standards Legislation. Liability is limited in those States where a current scheme applies.

Copper Strike Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2013

		Consolidated	
	Note	31 December 2013	31 December 2012
		\$	\$
Revenue	4	58,578	76,357
Other income	5	-	45,000
Expenses			
Administration costs		(180,882)	(140,531)
Exploration expenditure written off		(573,984)	-
Employee benefits expense		(159,187)	(74,357)
Depreciation and amortisation expense		(378)	(1,256)
Loss before income tax benefit		(855,853)	(94,787)
Income tax benefit		256,706	74,199
Loss after income tax benefit for the half-year attributable to the owners of Copper Strike Limited		(599,147)	(20,588)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Gain on the revaluation of available-for-sale financial assets, net of tax		8,148,004	3,499,741
Other comprehensive income for the half-year, net of tax		8,148,004	3,499,741
Total comprehensive income for the half-year attributable to the owners of Copper Strike Limited		<u>7,548,857</u>	<u>3,479,153</u>
		Cents	Cents
Basic earnings per share		(0.56)	(0.02)
Diluted earnings per share		(0.56)	(0.02)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Copper Strike Limited
Statement of financial position
As at 31 December 2013

		Consolidated	
	Note	31 December	30 June 2013
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		1,518,170	1,970,774
Trade and other receivables		43,353	47,389
Other		24,317	12,939
Total current assets		<u>1,585,840</u>	<u>2,031,102</u>
Non-current assets			
Available-for-sale financial assets	6	34,110,016	22,470,010
Property, plant and equipment		283	661
Exploration and evaluation	7	-	445,552
Deferred tax	8	1,645,481	1,523,866
Other		17,885	17,759
Total non-current assets		<u>35,773,665</u>	<u>24,457,848</u>
Total assets		<u>37,359,505</u>	<u>26,488,950</u>
Liabilities			
Current liabilities			
Trade and other payables		47,163	69,769
Employee benefits		59,155	71,762
Total current liabilities		<u>106,318</u>	<u>141,531</u>
Non-current liabilities			
Deferred tax	9	10,009,296	6,652,385
Total non-current liabilities		<u>10,009,296</u>	<u>6,652,385</u>
Total liabilities		<u>10,115,614</u>	<u>6,793,916</u>
Net assets		<u>27,243,891</u>	<u>19,695,034</u>
Equity			
Issued capital		11,221,853	11,221,853
Reserves	10	22,060,511	13,912,507
Accumulated losses		(6,038,473)	(5,439,326)
Total equity		<u>27,243,891</u>	<u>19,695,034</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Copper Strike Limited
Statement of changes in equity
As at 31 December 2013

Consolidated	Contributed equity \$	Accumulated losses \$	Reserves \$	Total equity \$
Balance at 1 July 2012	11,221,853	(5,182,950)	16,156,008	22,194,911
Loss after income tax benefit for the half-year	-	(20,588)	-	(20,588)
Other comprehensive income for the half-year, net of tax	-	-	3,499,741	3,499,741
Total comprehensive income for the half-year	-	(20,588)	3,499,741	3,479,153
Balance at 31 December 2012	<u>11,221,853</u>	<u>(5,203,538)</u>	<u>19,655,749</u>	<u>25,674,064</u>

Consolidated	Contributed equity \$	Accumulated losses \$	Reserves \$	Total equity \$
Balance at 1 July 2013	11,221,853	(5,439,326)	13,912,507	19,695,034
Loss after income tax benefit for the half-year	-	(599,147)	-	(599,147)
Other comprehensive income for the half-year, net of tax	-	-	8,148,004	8,148,004
Total comprehensive income for the half-year	-	(599,147)	8,148,004	7,548,857
Balance at 31 December 2013	<u>11,221,853</u>	<u>(6,038,473)</u>	<u>22,060,511</u>	<u>27,243,891</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Copper Strike Limited
Statement of cash flows
For the half-year ended 31 December 2013

	Consolidated	
	31 December	31 December
	2013	2012
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees (inclusive of GST)	(380,772)	(133,846)
Interest received	27,178	29,011
Other revenue	29,422	12,900
	<u>(324,172)</u>	<u>(91,935)</u>
Net cash used in operating activities		
Cash flows from investing activities		
Payments for exploration and evaluation	(128,432)	(154,611)
	<u>(128,432)</u>	<u>(154,611)</u>
Net cash used in investing activities		
Cash flows from financing activities		
Net cash from financing activities	-	-
	<u>-</u>	<u>-</u>
Net decrease in cash and cash equivalents	(452,604)	(246,546)
Cash and cash equivalents at the beginning of the financial half-year	1,970,774	2,760,309
	<u>1,518,170</u>	<u>2,513,763</u>
Cash and cash equivalents at the end of the financial half-year		

The above statement of cash flows should be read in conjunction with the accompanying notes

Copper Strike Limited
Notes to the financial statements
31 December 2013

Note 1. General information

The financial report covers Copper Strike Limited as a consolidated entity consisting of Copper Strike Limited and the entities it controlled. The financial report is presented in Australian dollars, which is Copper Strike Limited's functional and presentation currency.

The financial report consists of the financial statements, notes to the financial statements and the directors' declaration.

Copper Strike Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 9
356 Collins Street
Melbourne Victoria 3000

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial report.

The financial report was authorised for issue, in accordance with a resolution of directors, on 3 March 2014. The directors have the power to amend and reissue the financial report.

Note 2. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2013 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2013 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

New, revised or amending Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Any significant impact on the accounting policies of the consolidated entity from the adoption of these Accounting Standards and Interpretations are disclosed below. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 10 Consolidated Financial Statements

The consolidated entity has applied AASB 10 from 1 July 2013. AASB 10 supersedes AASB 127 Consolidated and Separate Financial Statements and Interpretation 112 Consolidation – Special Purpose Entities. AASB 10 revises the definition of control and provides extensive new guidance on its application. These new requirements have the potential to affect which of the Group's investees are considered to be subsidiaries and therefore change the scope of consolidation. The requirements on consolidation procedures, accounting for changes in non-controlling interests and accounting for loss of control of a subsidiary are unchanged.

Management has reviewed its control assessments in accordance with AASB 10 and has concluded that there is no effect on the classification (as subsidiaries or otherwise) of any of the Group's investees held during the period or comparative periods covered by these financial statements.

Copper Strike Limited
Notes to the financial statements
31 December 2013

Note 2. Significant accounting policies (continued)

AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13

The consolidated entity has applied AASB 13 and its consequential amendments from 1 January 2013. The standard provides a single robust measurement framework, with clear measurement objectives, for measuring fair value using the 'exit price' and provides guidance on measuring fair value when a market becomes less active. The 'highest and best use' approach is used to measure non-financial assets whereas liabilities are based on transfer value. The standard requires increased disclosures where fair value is used.

Note 3. Operating segments

The consolidated entity is organised into one operating segment which consists of exploration for base and precious metals, with the emphasis on mineral sands, as well as copper and copper-gold mineralisation within Australia. This operating segment is based on internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining allocation of resources.

Note 4. Revenue

	Consolidated	
	31 December 2013	31 December 2012
	\$	\$
Interest	22,556	56,857
Rent	33,521	19,500
Other revenue	2,501	-
	<u>58,578</u>	<u>76,357</u>

Note 5. Other income

	Consolidated	
	31 December 2013	31 December 2012
	\$	\$
Gain on recognising financial assets	-	45,000
	<u>-</u>	<u>45,000</u>

The amount of \$45,000 recognised in the prior period relates to the initial gain on recognising the value of Copper Strike receiving 1,000,000 fully paid ordinary shares in Superior Resources Limited (SPQ) for consideration in abandoning its exploration licence application EPMA 18985 in North Queensland.

Under AASB 139 the investment in Syrah Resources Limited, and Superior Resources Limited has been designated as available for sale and has been valued at fair value with subsequent movements being recognised directly to equity through the available for sale reserve.

Copper Strike Limited
Notes to the financial statements
31 December 2013

Note 6. Non-current assets - available-for-sale financial assets

	Consolidated	
	31 December	30 June 2013
	2013	2013
	\$	\$
Ordinary shares	<u>34,110,016</u>	<u>22,470,010</u>
<i>Reconciliation</i>		
Reconciliation of the fair values at the beginning and end of the current and previous financial half-year are set out below:		
Opening fair value	22,470,010	25,630,012
Additions	-	45,000
Revaluation increments/decrements	<u>11,640,006</u>	<u>(3,205,002)</u>
Closing fair value	<u>34,110,016</u>	<u>22,470,010</u>

Financial assets available for sale are ordinary shares in listed companies.

AASB 13 'Fair Value Measurement' requires disclosure of fair value measurements by level of the fair value hierarchy, as follows: -

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group's financial assets are all valued using Level 1, being quoted prices from the ASX. The fair value method is unchanged from the previous reporting period.

Note 7. Non-current assets - exploration and evaluation

	Consolidated	
	31 December	30 June 2013
	2013	2013
	\$	\$
Exploration and evaluation expenditure	<u>-</u>	<u>445,552</u>
<i>Reconciliations</i>		
Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:		
Consolidated	Exploration & evaluation \$	Total \$
Balance at 1 July 2013	445,552	445,552
Expenditure during the half-year	128,432	128,432
Impairment of assets	<u>(573,984)</u>	<u>(573,984)</u>
Balance at 31 December 2013	<u>-</u>	<u>-</u>

No further work is proposed on the Warracknabeal mineral sands prospect in Victoria. Consequently all costs incurred to date have been written off to profit or loss.

The consolidated entity continues to seek acquisition opportunities.

Copper Strike Limited
Notes to the financial statements
31 December 2013

Note 8. Non-current assets - deferred tax

Consolidated	
31 December	
2013	30 June 2013
\$	\$

Deferred tax asset comprises temporary differences attributable to:

Amounts recognised in profit or loss:

Tax losses	1,594,677	1,456,320
Employee benefits	20,562	24,799
Accrued expenses	3,300	6,000
Capital raising costs	26,942	36,747
	<u>1,645,481</u>	<u>1,523,866</u>
Deferred tax asset		

Note 9. Non-current liabilities - deferred tax

Consolidated	
31 December	
2013	30 June 2013
\$	\$

Deferred tax liability comprises temporary differences attributable to:

Amounts recognised in profit or loss:

Exploration expenditure	(3,239)	130,427
Interest receivable	4,530	5,955
	<u>1,291</u>	<u>136,382</u>
Amounts recognised in equity:		
Revaluation of available-for-sale financial assets	10,008,005	6,516,003
Deferred tax liability	<u>10,009,296</u>	<u>6,652,385</u>

Note 10. Equity - reserves

Consolidated	
31 December	
2013	30 June 2013
\$	\$

Available-for-sale reserve	<u>22,060,511</u>	<u>13,912,507</u>
----------------------------	-------------------	-------------------

Available-for-sale reserve

The reserve is used to recognise increments and decrements in the fair value of available-for-sale financial assets.

Copper Strike Limited
Notes to the financial statements
31 December 2013

Note 10. Equity - reserves (continued)

Movements in reserves

Movements in each class of reserve during the current financial half-year are set out below:

Consolidated	Available- for-sale \$	Total \$
Balance at 1 July 2013	13,912,507	13,912,507
Revaluation - gross	11,640,006	11,640,006
Deferred tax	<u>(3,492,002)</u>	<u>(3,492,002)</u>
Balance at 31 December 2013	<u>22,060,511</u>	<u>22,060,511</u>

Note 11. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 12. Contingent liabilities

There has been no material change to the consolidated entity's contingent liabilities as at 31 December 2013.

Note 13. Commitments

Consolidated	
31 December	
2013	30 June 2013
\$	\$

Exploration Assets

Committed at the reporting date but not recognised as liabilities, payable:

One to five years	<u>-</u>	<u>425,572</u>
-------------------	----------	----------------

The consolidated entity has no commitments at 31 December 2013.

Note 14. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiary in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest	
		31 December 2013 %	30 June 2013 %
Sherwood Ventures Pty Ltd	Australia	100.00%	100.00%

Note 15. Events after the reporting period

Since 31 December 2013, the fair value of the investment in Syrah Resources Limited (ASX Code: SYR) has decreased to \$30.140 million as at 28 February 2014. This is a decrease of \$3.970 million since 31 December 2013.

No other matter or circumstance has arisen since 31 December 2013 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Copper Strike Limited
Directors' declaration
31 December 2013

In the directors' opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Ernest Thomas Eadie
Executive Chairman

3 March 2014
MELBOURNE

Grant Thornton Audit Pty Ltd
ACN 130 913 594

The Rialto, Level 30
525 Collins St
Melbourne Victoria 3000

Correspondence to:
GPO Box 4736
Melbourne Victoria 3001

T +61 3 8320 2222
F +61 3 8320 2200
E info.vic@au.gt.com
W www.grantthornton.com.au

Independent Auditor's Review Report To the Members of Copper Strike Limited

We have reviewed the accompanying half-year financial report of Copper Strike Limited (“Company”), which comprises the consolidated financial statements being the statement of financial position as at 31 December 2013, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement or description of accounting policies, other explanatory information and the directors’ declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year’s end or from time to time during the half-year.

Directors’ responsibility for the half-year financial report

The directors of Copper Strike Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such controls as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor’s responsibility

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Copper Strike Limited consolidated entity’s financial position as at 31 December 2013 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Copper Strike Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

Grant Thornton Audit Pty Ltd ACN 130 913 594
a subsidiary or related entity of Grant Thornton Australia Ltd ABN 41 127 556 389

‘Grant Thornton’ refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Ltd is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another’s acts or omissions. In the Australian context only, the use of the term ‘Grant Thornton’ may refer to Grant Thornton Australia Limited ABN 41 127 556 389 and its Australian subsidiaries and related entities. GTIL is not an Australian related entity to Grant Thornton Australia Limited.

Liability limited by a scheme approved under Professional Standards Legislation. Liability is limited in those States where a current scheme applies.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we complied with the independence requirements of the Corporations Act 2001.

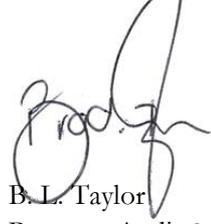
Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Copper Strike Limited is not in accordance with the Corporations Act 2001, including:

- a giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and
- b complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



B. L. Taylor
Partner - Audit & Assurance

Melbourne, 3 March 2014