

Wednesday, 1 March 2006

MARKET ANNOUNCEMENT

Update on Kalimantan Coal Agreement

The Company advises that it has secured an extension of the due diligence completion dates under the Kalimantan Coal Agreement ¹ from 3 March 2006 to:

1. 31 March 2006 in relation to KP1 (a thermal coal prospect of approximately 5000ha located approximately 150km north of Balikpapan in East Kalimantan, Indonesia);
2. 15 March 2006 in relation to KP 2 (a thermal coal prospect of approximately 7363ha located 65km southwest of Balikpapan).

The Company is continuing its due diligence of such coal concessions.

For further information:

Victor Ho

Company Secretary

T | (08) 9214 9700

E | vho@strikeresources.com.au

¹ By a cooperation agreement dated 24 November 2005 between Fast Scout Operations Pty Limited (**FSO**) (a wholly owned subsidiary of the Company), PT Indo Batubara (**Indo Coal**) (an Indonesian incorporated Company which represent FSO's interests in Indonesia), PT Kaltim Jaya Coal (**KJC**) and Pt Kaltim Jaya Mineral (**KJM**), KJC and KJM have offered to assign to Indo Coal the legal right to exclusively conduct general survey activities, explore for, exploit, mine and sell all coal in the concession areas covered by KP1, KP2 and KP3 assuming that KP3 is granted by the relevant Indonesian authorities respectively, and FSO has agreed, subject to the satisfaction of the conditions precedent in the agreement, to procure that Indo Coal accepts such assignment; as described in 13.4 of the Company's prospectus dated 23 December 2005.



ASX Code: SRK

www.strikeresources.com.au

STRIKE RESOURCES LIMITED
(formerly Fast Scout Limited)

Level 14, 221 St Georges Terrace, Perth WA 6000

T | (08) 9214 9700

F | (08) 9322 1515

A.B.N. 94 088 488 724

E | info@strikeresources.com.au