STRIKE
RESOURCES LIMITED

Berau Coal Project

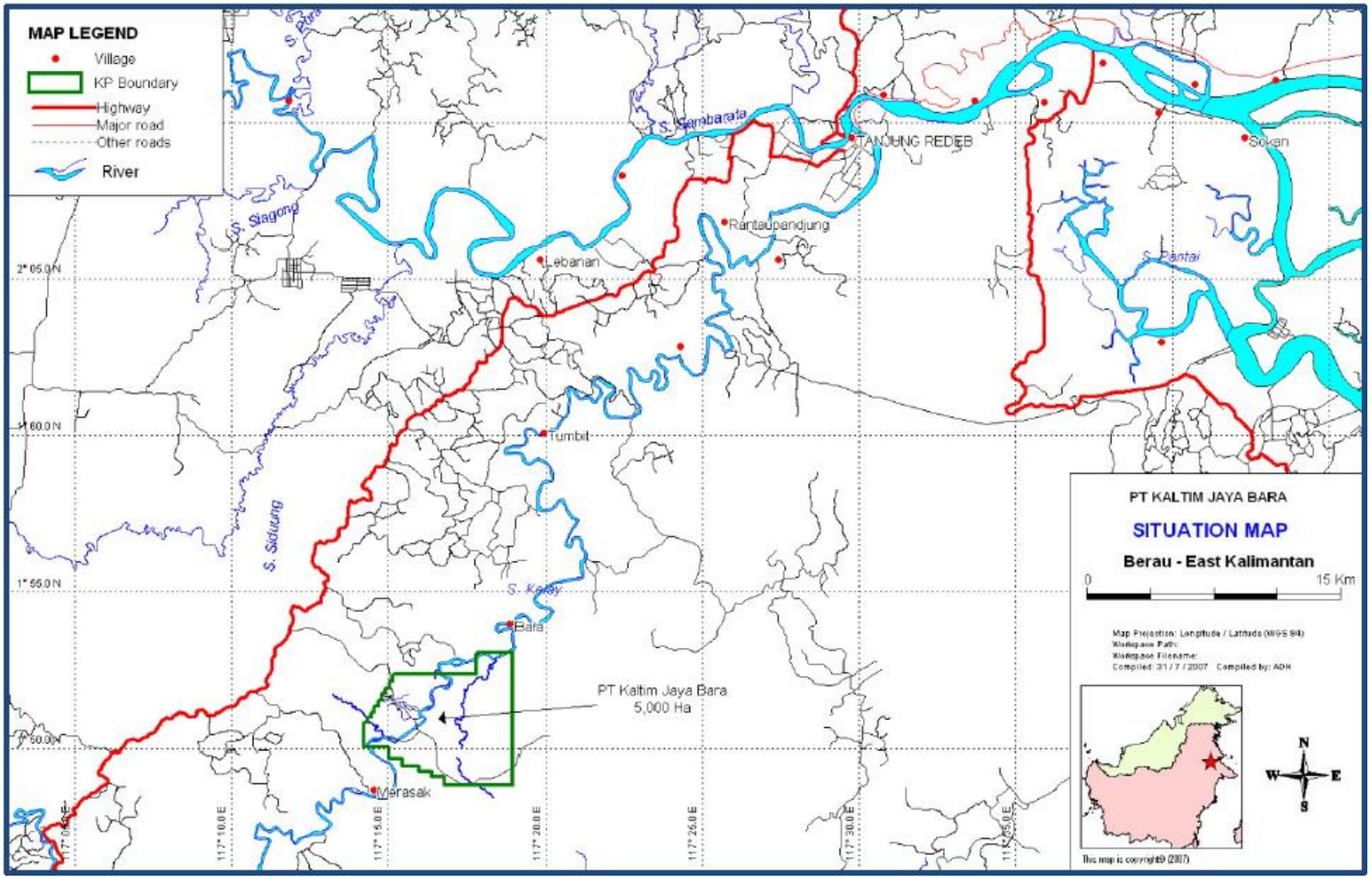
East Kalimantan, Indonesia

Strike Resources Limited owns 100%

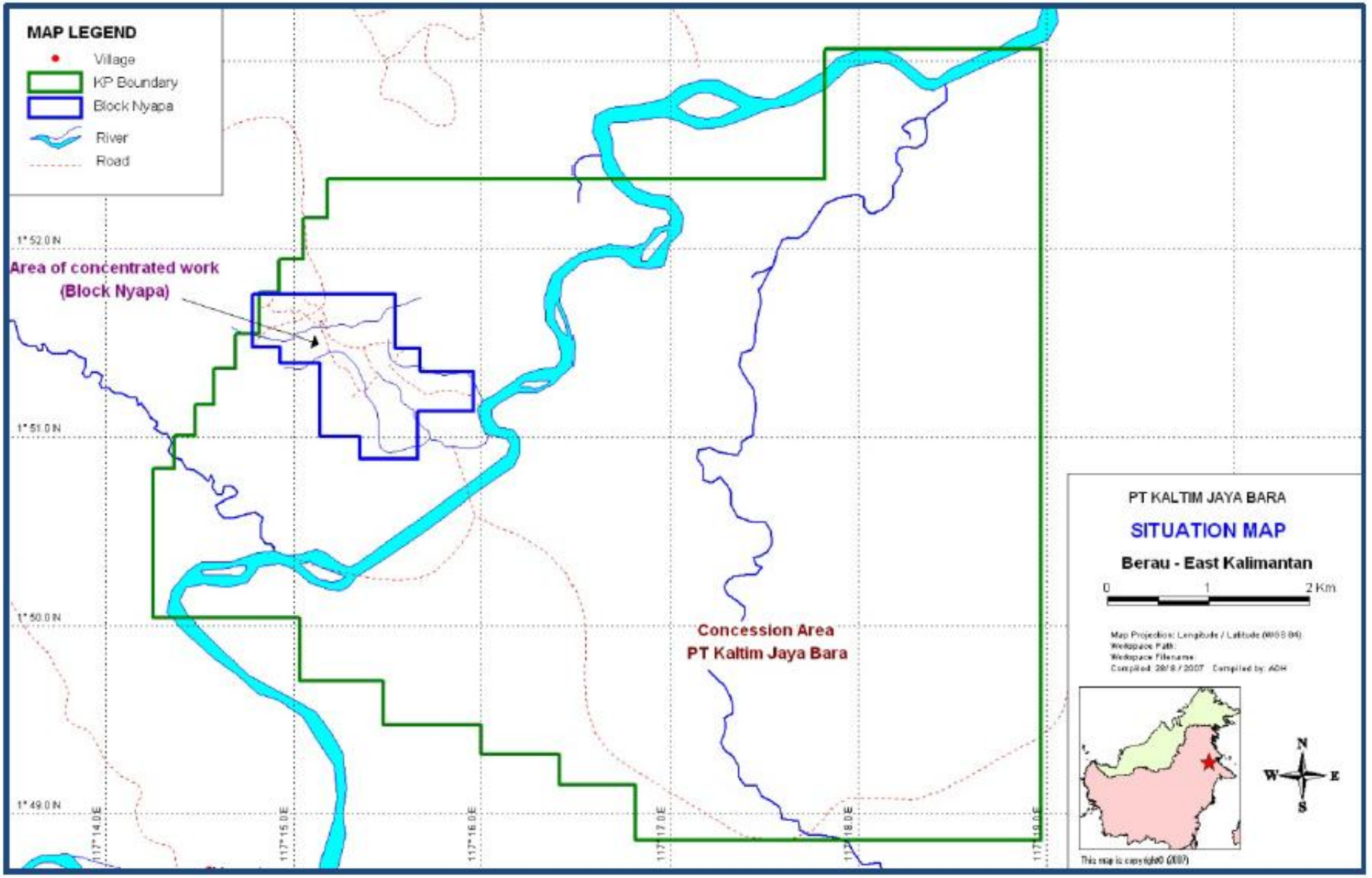
The Company's rights to the Berau Thermal Coal Project are held by an Indonesian subsidiary of the Company, PT Indo Batubara (PTIB) and give the Company exclusive rights to conduct general survey activities, explore for, exploit, mine and sell coal and methane gas and other minerals in the concession area.

Berau Coal – Project Location

Concession Location Map



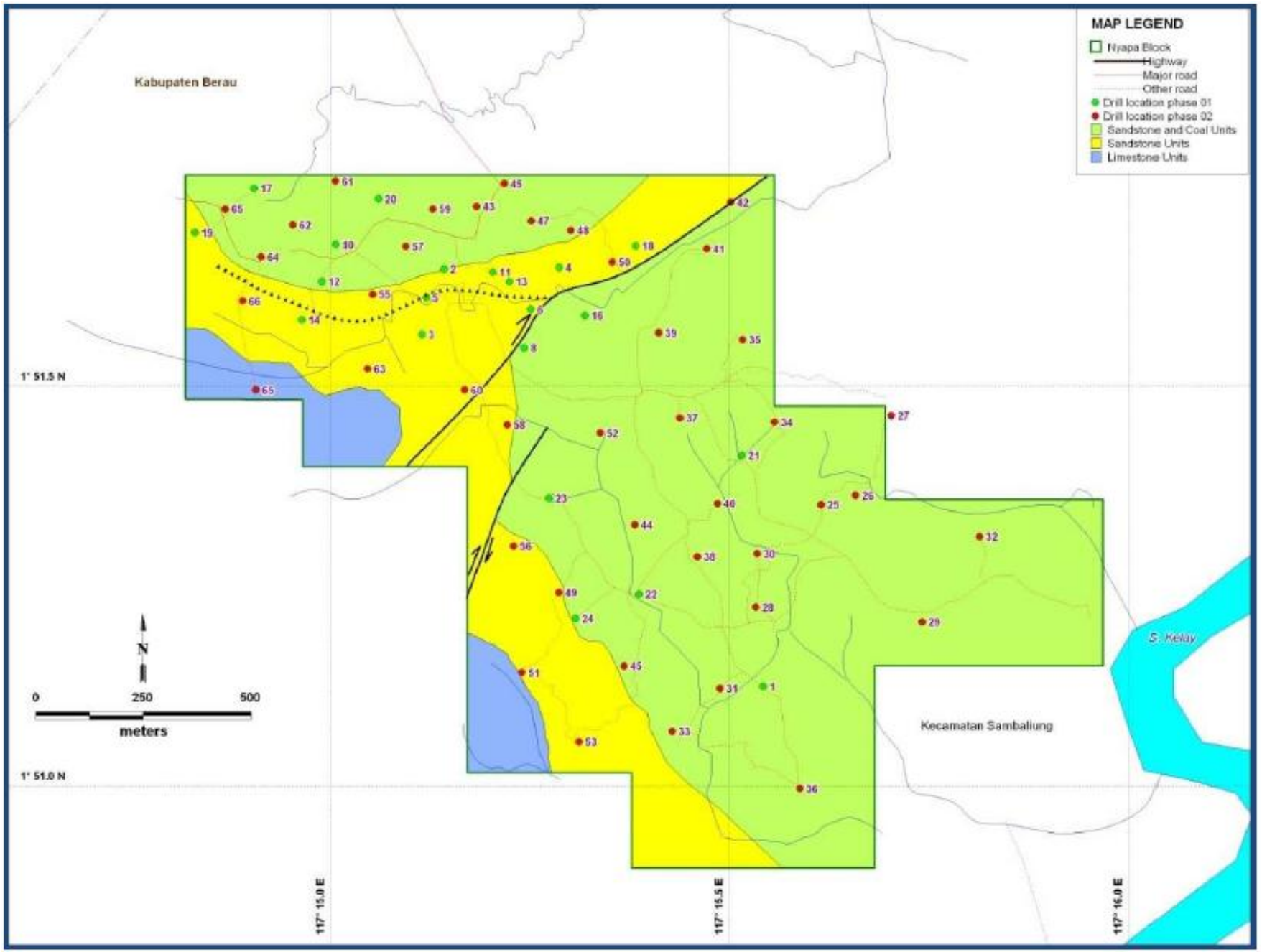
Only 200 ha out of 5000 ha has been drilled



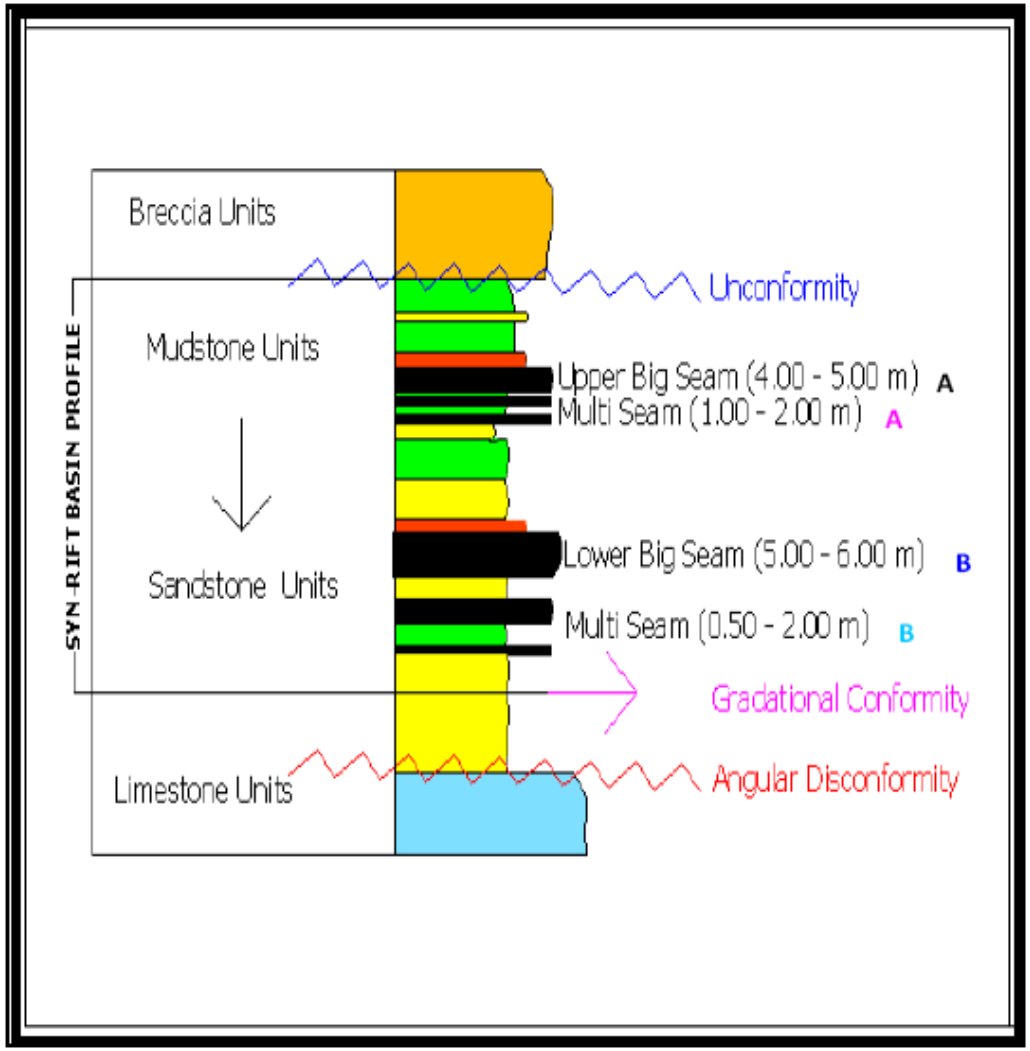
Previous Exploration Summary

- 200 ha high priority block selected for detailed exploration to facilitate rapid exploration to mining timeline
- 66 HQ diamond drill holes (full core) drilled for 4511 meters. 21 of which were geophysically logged down hole. Every hole intersected coal.
- All seams over >0.5m geochemically analysed
- 200 ha block geologically mapped in detail

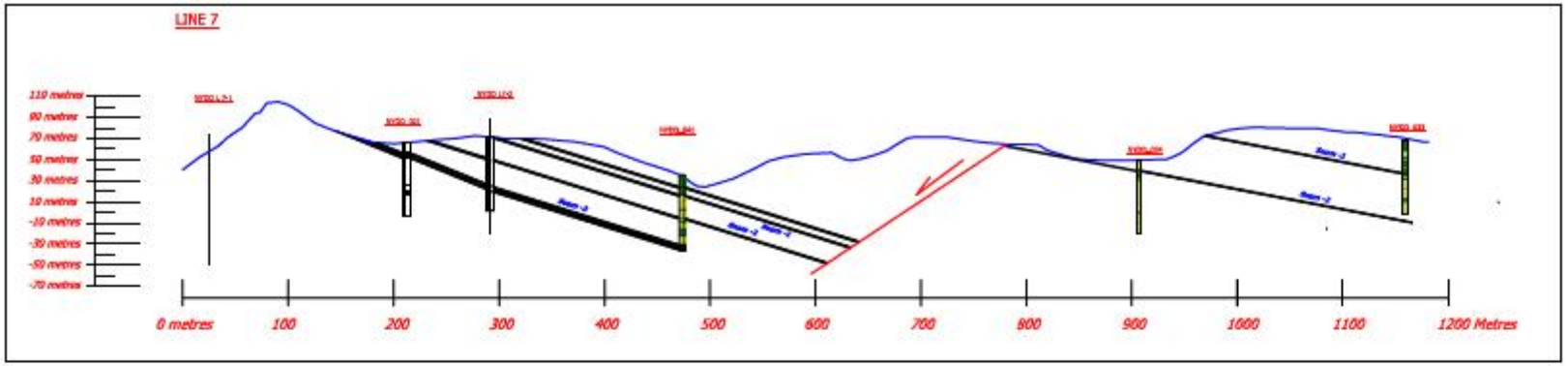
Drill hole locations within the 200 ha high priority block

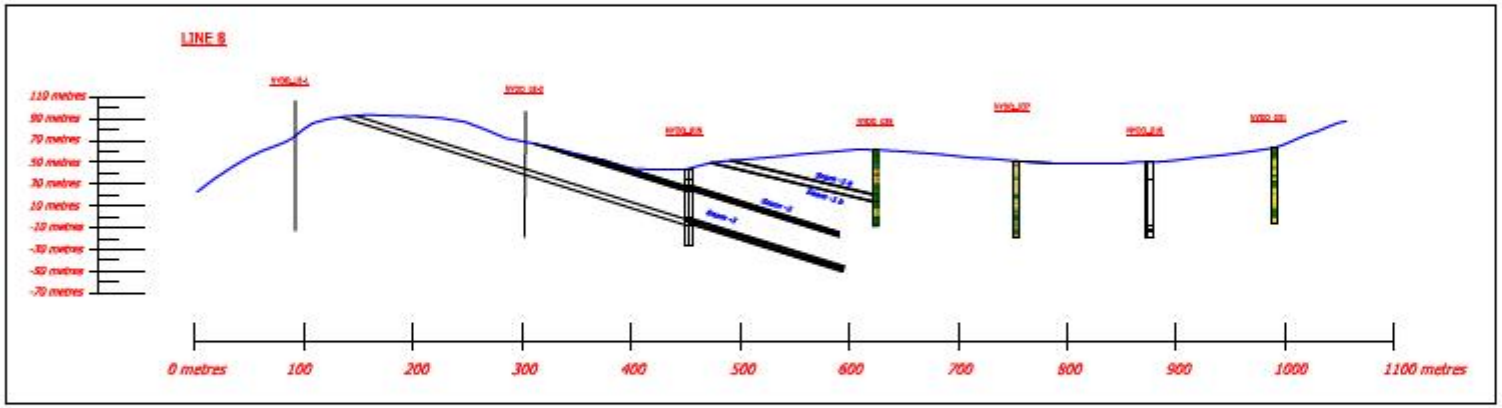


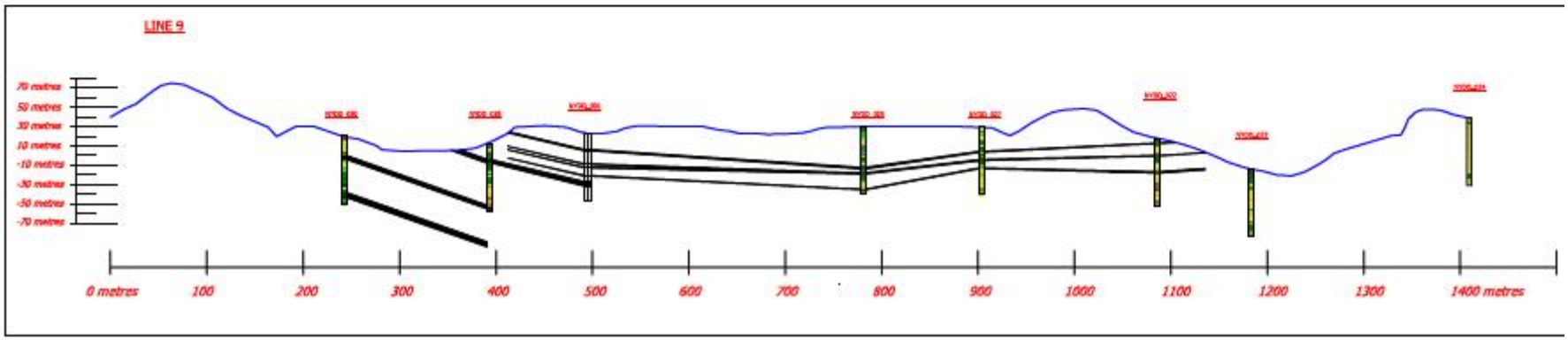
Simplified Stratigraphy



The Berau coal deposit comprises a number of coal seams within a sequence of mudstones, siltstones and conglomerates correlated as being within the Latih Formation. The coal seams dip approximately 15-25 degrees to the north-east


LINE 7
110 metres
90 metres
70 metres
50 metres
30 metres
10 metres
-10 metres
-30 metres
-50 metres
-70 metres
0 metres
100
200
300
400
500
600
700
800
900
1000
1100
1200 Metres


LINE 8
110 metres
90 metres
70 metres
50 metres
30 metres
10 metres
-10 metres
-30 metres
-50 metres
-70 metres
0 metres
100
200
300
400
500
600
700
800
900
1000
1100 metres


LINE 9
70 metres
50 metres
30 metres
10 metres
-10 metres
-30 metres
-50 metres
-70 metres
0 metres
100
200
300
400
500
600
700
800
900
1000
1100
1200
1300
1400 metres

Average Coal Quality

	JORC Inferred
Coal Tonnes (millions)	**8**
TMAR *= Total Moisture As Received*	**17**
CVAR *= Calorific Value As Received*	**5,600**
IMADB *= Inherent Moisture Air Dried Basis*	**14**
AADB *= Ash Air Dried Basis*	**5.6**
VMADB *= Volatile Matter Air Dried Basis*	**40**
FCADB *= Fixed Carbon Air Dried Basis*	**40**
TSADB *= Total Sulphur Air Dried Basis*	**0.64**
CVADB *= Calorific Value Air Dried Basis*	**5,800**
CVDB *= Calorific Value Oven Dried*	**6,800**
CVDAF *= Calorific Value Dry Ash Free*	**7,200**
HGI *= Hardgrove Grindability Index*	**50**

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves has been compiled by Mr Hem Shanker Madan who is a Member of The Australian Institute of Mining and Metallurgy. Mr Madan is the Managing Director of the Company. Mr Madan has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves (the JORC Code)." Mr Madan consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Current Exploration Summary

- Detailed geological mapping of the entire 5000 ha (currently in progress). New coal seams identified at numerous localities over the 5000 ha concession.

- 5000 m diamond drilling for 50 holes. 2 drill rigs.

  Commencing late October 08, anticipated completion in January 09.

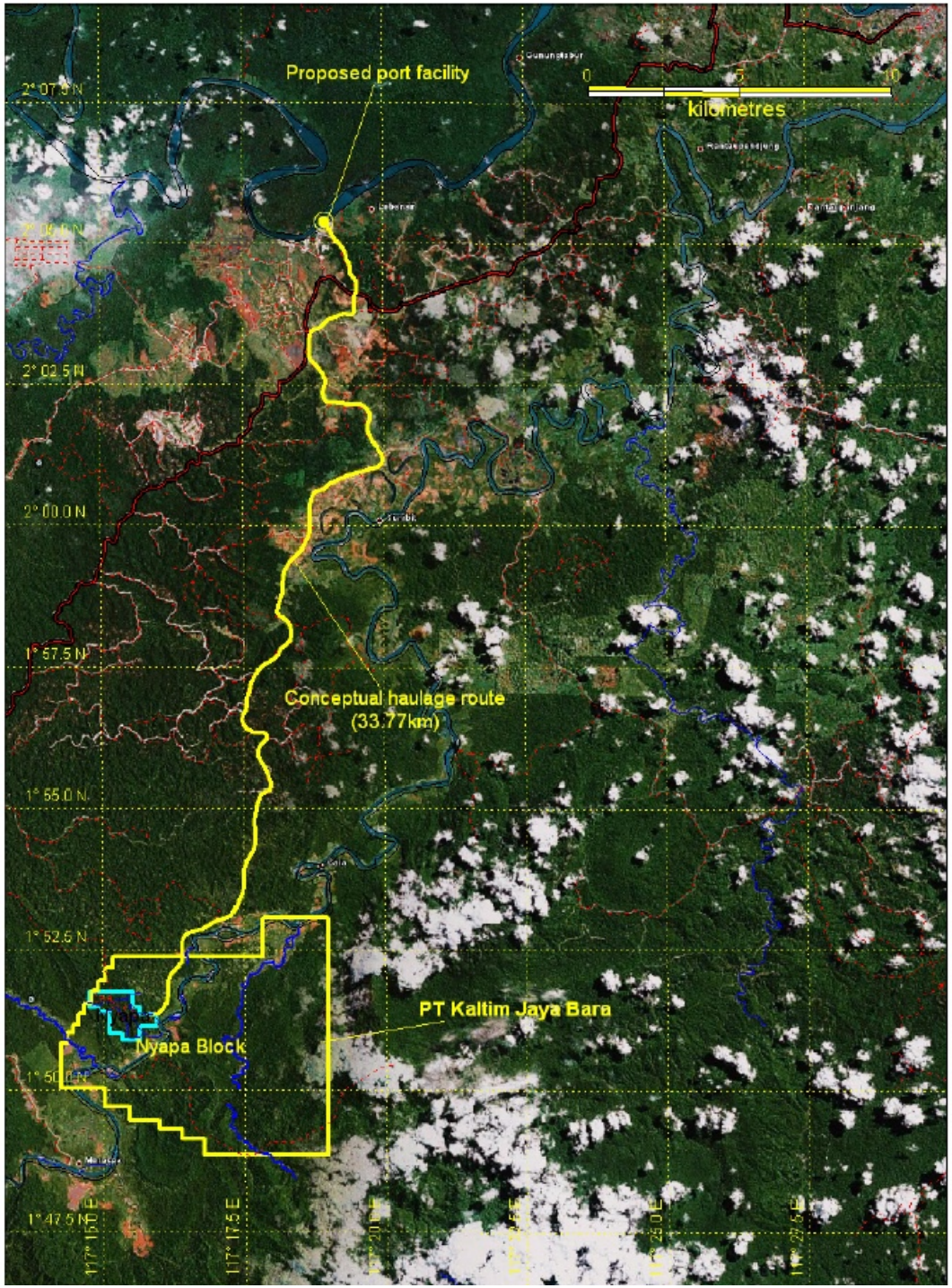
Purpose of current drilling is twofold

1. Extensional Resource Drilling & Infill Drilling (1 drill rig).

   This drilling will bring all of the known resource into the JORC Indicated category with a large proportion anticipated to be classified as JORC measured. The current 8 MT resource is open in 3 directions, therefore the likelihood of this round of drilling producing significant additional tonnes is highly likely.

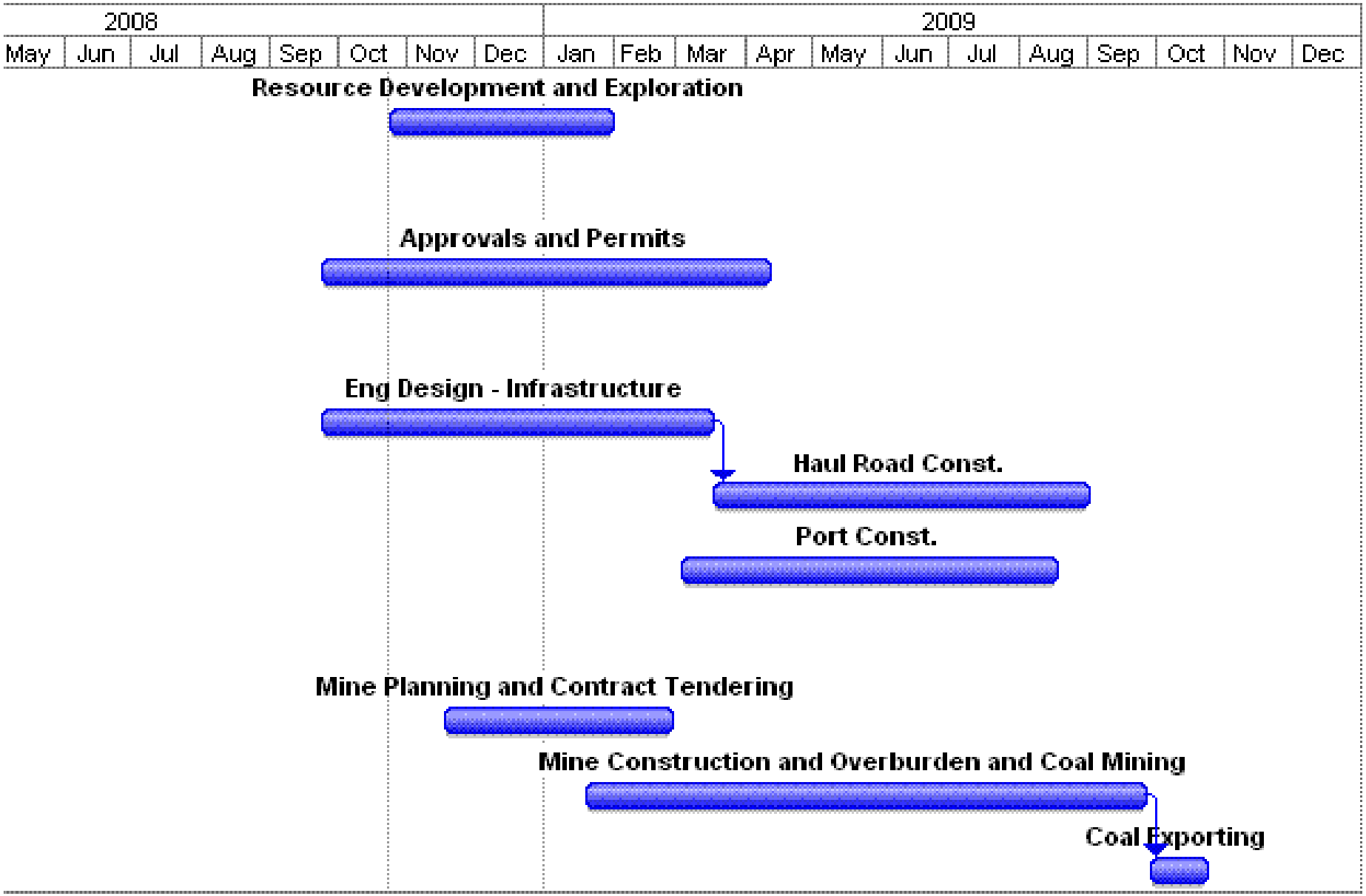
2. Exploration Drilling (1 drill rig)

   Drilling will target recently mapped coal seams with an aim to define an additional 10,000,000 tonne resource outside the 200 ha priority block.



Proposed haul road (to be constructed) is 34 km in length

Production Schedule



Photos of the project

The discovery coal seam

Close-up view of the coal

A typical drill site (diamond core)

Drilling HQ full core

Verifying the geological logging

Down-hole geophysical logging

Preparing the coal for analysis

Exploration – discovering additional coal seams

Positive Community Relations