STRIKE RESOURCES LIMITED

Wednesday, 15 April 2009

MARKET ANNOUNCEMENT

COMPANY UPDATE

BERAU THERMAL COAL PROJECT

(100%, East Kalimantan, Indonesia)

Strike's focus is on the development of a strip mining operation producing 1.5 million tonnes per annum initially and increasing to 3 million tonnes per annum. The project feasibility study (encapsulating a number of resource, mine planning, infrastructure (mine, transportation and port) and marketing studies) is expected to be completed by May 2009 at which time a decision is expected to be made on the commencement of mine development.

Strike provides the following update on the Berau Project:

- Minarco-MineConsult has been engaged to provide a JORC Reserve and Resource upgrade based on recently completed 5,000 metres of diamond core drilling – this is expected to be completed within the next two weeks; and
- An agreement with a joint venture consortium developing a 300 megawatt Indian power station to exclusively conduct due diligence and evaluation of the Berau Coal Project in relation to entering into (up to a 50%) a joint venture and (up to a 100%) off-take agreement with respect to the Berau Coal Project has been extended from 15 April to 6 May 2009.

PERU ARBITRATION AND D&C DISPUTE

The Company refers to its previous market announcements in relation to D&C's claims and allegations concerning, amongst other matters, the validity of the IAC Transaction and the exercise of the Options by Strike.[1] These disputes are currently the subject of arbitration proceedings before the Lima Chamber of Commerce filed initially by Strike and followed subsequently by arbitration applications filed by D&C.

Strike provides the following update in relation to these matters:

- On 27 March 2009, at an Apurimac Ferrum S.A (**AF**) Shareholders' Meeting (convened by the Arbitration Panel (**Panel**)), shareholders approved a secured debt funding mechanism to meet AF's existing budget to 31 December 2009. The debt is secured

1 2 June 2008 entitled "Strike Moves to 68.5% Interest in Peruvian Iron Ore Projects"; 18 June 2008 entitled "Update Regarding Strike's Interest in Peruvian Iron Ore Assets"; 18 July 2008 entitled "Update – Strike's Interest in Peruvian Iron Ore Assets"; 24 July 2008 entitled "General Company Update"; 28 August 2008 entitled "Company Update"; 15 September 2008 entitled "Project Development and Company Update"; 9 October 2008 entitled "Company Update"; 31 October 2008 "September 2008 Quarterly Report" 31 January 2009 "December 2008 Quarterly Report" and 18 March 2009 "December 2008 Half Year Report".

over AF's mineral concessions, attracts a 3% interest rate and is repayable within 12 months;

- Strike has advanced US$844,768.20 to AF (being its 1/5th share of the total budget across the 5 AF shareholders) during the first round of funding calls and the 3 D&C group of companies have advanced US$1,000 each. The remaining AF shareholder, Iron Associates Corporation (**IAC**), did not contribute its portion of the funding call;
- Only those contributors who have advanced their full 1/5th portion under the first round are entitled to contribute equally towards meeting the funding deficit/shortfall under a second/final round of funding call – being Strike. This second rounding funding call is due on or about 23 April and Strike has not yet determined the extent to which (if any) it will advance funds to AF to meet the deficit/shortfall of US$3.376 million;
- The Panel set the definitive claims filed by each party – these claims are now final and cannot be altered under the rules of the Arbitration. Detailed submissions in support of each parties' claims are due to be filed on 5 May with rebuttals due on 2 June 2009;
- D&C has sought a precautionary measure from the Panel for Strike to deposit the US$17.25 million D&C options exercise monies into "escrow" pending the final determination of the Panel – a decision is pending from the Panel in this regard;
- The Panel has ruled that any party not covering its part of the Arbitration fees and costs will not be entitled to file a suit with its definitive claims and such non-payment will not suspend and/or terminate the Arbitration proceedings. Strike has paid its share of Arbitration fees (~US$275k). As far as Strike is aware, the D&C group of companies have not paid their share of the Arbitration fees;
- Whilst each party has clearly stated its legal position against the other, both Strike and D&C continue to investigate the possibility of a commercial settlement of their dispute.

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