

Quarterly Report - June 2010

For the 3 months to 30 June 2010

Highlights

- Drilling to commence at high-priority Apurimac Project Colcabamba target in September.
- Significant progress towards community approvals for remediation and drilling at a number of Apurimac Project concessions, with drilling targeted for commencement in Q4 2010.
- Mining studies at Opaban indicate potential low strip ratio and high conversion of Resources to economically-recoverable material.¹
- Optimisation studies highlight opportunities for lower-cost ore and product transport and reduced capital and operating costs at the Apurimac Project.
- Further significant approvals granted for the Berau Coal Project, including mine plan approval.
- Strong cash position retained with \$42.8 million in cash and liquid securities.

Summary

Corporate

- **Cash position** - Strong cash position retained with ~\$42.8 million in cash and liquid securities as at 30 June, comprised of ~\$41.4 million cash and ~\$1.4 million in ASX-listed securities.

Apurimac Iron Ore Project (Peru)

- **Approvals progress** - Community and environmental approvals for the major drilling campaign at Opaban 1 and 3 and priority satellite targets are progressing in line with schedule.
- **Colcabamba drilling** - Community approvals have been granted to drill the high-priority target of Colcabamba. Drilling is scheduled to commence in the September quarter once environmental approvals have been obtained.
- **Additional drilling targets** - High-priority drilling targets also progressed at Sillaccassa where high-grade ironstone is present at surface and Pacunco, which holds potential for large-scale magnetite mineralisation.
- **Pre-feasibility trade-off studies** - Key outcomes to date are:
 - Strip ratios of less than 2:1 are expected for the Opaban deposit with >80% of resources expected to be economically-recoverable based on the Pre-feasibility Study (PFS) costs.¹
 - Mine sensitivity analysis indicates a robust project relatively insensitive to mining costs, pit design parameters and mining recoveries.¹
 - For production rates of 10, 15 and 20Mtpa the optimised pit, based on current Inferred and Indicated Resources, is adequate for operational mine lives of 18, 12 and 9 years, respectively.¹
 - Potential to significantly reduce capital and operating costs and facilitate production of traditional "fines" and "lump" products via use of a rope conveyor for ore and product transport.

Berau Thermal Coal Project (Indonesia)

- **Development milestones** - achieved during the quarter include:
 - Mining budget and mine plan approved by regional authority.
 - Special Area Port License granted – the first of three licenses required for coal port construction.
 - Proposed coal haul road alignment and logging for mine site approved.
- **Joint venture agreement** - Substantial progress made towards joint venture changes to address Indonesia's new mining law.

¹ A mining study by SRK Consulting includes both Inferred and Indicated Resources. Although the pit optimisations and preliminary design pits are indicative of the potential economically-recoverable material, they do not represent Ore Reserves and further drilling is required to confirm the results.

Apurimac and Cuzco Iron Ore Projects – Peru

(SRK 44%)²

Project Locations



Overview

Strike's Joint venture company Apurimac Ferrum SA (AF) continued to make good progress on its development and exploration programs during the June quarter. The key focus remains the Apurimac Project, which has an iron ore Resource of 269 million tonnes (Mt) at an average grade of 57.3% Fe³. AF's study program for Apurimac for the remainder of financial year 2011, with a budgeted cost of US\$15 million, principally comprises:

- A major drilling campaign with the objectives of:
 - increasing total iron ore mineralisation to between 370Mt and 450Mt (including present Resources) with a grade of 57% to 62% Fe; and
 - increasing the Indicated and Measured proportions of the Resource to the level which would support an operation of up to 20Mtpa for up to 20 years;

(The potential quantity and grade of the target iron ore mineralisation is conceptual in nature. There has been insufficient exploration to define an additional mineral Resource in relation to that target iron ore or to increase the JORC category of any of the existing Inferred Resource to an Indicated or Measured Resource or any of the existing Indicated Resource to a Measured Resource. It is uncertain whether further exploration will result in the determination of an additional Mineral Resource in relation to that target iron ore or in the increase of the JORC category of any existing Inferred Resource to an Indicated or Measured Resource or any of the existing Indicated Resource to a Measured Resource.)

- Supplementing the PFS with trade-off studies to identify the optimum combination of annual mine production, products and ore transport method;
- Completing geotechnical, hydrological and metallurgical core drilling and associated test work to facilitate mining studies and processing optimisation;

² Strike has a 44% interest in these projects, with potential to increase to 100% through a shoot-out mechanism. This mechanism is explained in Strike's [31 December 2009 Half-Year Report](#), at p 15.

³ The total Mineral Resource at the Opaban 1 and 3 concessions is 269.4 Mt, consisting of a 127.19 Mt Inferred Resource at Opaban 1 at 56.7% Fe (using a cut-off grade of 40% Fe) a 133.71 Mt Indicated Resource at Opaban 1 at 57.57% Fe (using a cut-off grade of 40% Fe) and an 8.53 Mt Indicated Resource at Opaban 3 at 62.08% Fe (using a cut-off grade of 55% Fe).

- Undertaking additional baseline environmental studies; and
- Progressing infrastructure development plans in conjunction with the Peruvian Government and private proponents, as a precursor to a potential bankable feasibility study commencing in 2011.

In addition, re-logging of the drilling at Cuzco is underway using the “hydrothermal” mineralisation model (see below) as a prelude to preparing a Resource estimate during the December quarter.

Revised Geological Modelling

Detailed geological work at Opaban has identified the mineralisation as primarily structural controlled hydrothermal style rather than altered limestone or “skarn” mineralisation. Hydrothermal mineralisation is related to mineralised fluids migrating along large structures (faults) within the host rocks, which can form large mineralised systems, especially when multiple structures are present. The recognition of this mineralisation style has enhanced the exploration potential of the AF concessions due to the presence of extensive structural (fault) systems throughout the region and the potential for mineralisation to extend at depth.

Whereas skarn deposits require the presence of limestone units which are generally relatively restricted in area and flat lying, hydrothermal systems can occur within a wide range of host rocks, can be aerially extensive and exhibit significant depth continuity. In addition, hydrothermal deposits tend to be more continuous and consistent than skarn deposits.

This improved geological understanding is being used to underpin the Resource extension drilling at Opaban, the Resource modelling at Cuzco and definition of exploration targets at the Apurimac satellite concessions.

Increased Resources Targets

The objective of the next drilling program is to identify iron-ore mineralisation at Apurimac of 370 to 450 Mt at 56% to 62% Fe (including existing Mineral Resources). Priority targets are:

- 300 to 350Mt at 56% to 62% Fe on the Opaban 1 and 3 concessions. The Opaban Resource remains open at depth and to the west, as well as holding potential for parallel mineralised systems. The existing Resource was established by drilling gravity anomalies. It is planned to test several gravity “highs” identified by the same survey but not yet tested by drilling; and
- 70 to 100Mt at 56% to 62% Fe on the Colcabamba, Sillaccassa, Cristoforo and other prioritised satellite concessions.

(The potential quantity and grade of the target iron ore is conceptual in nature. There has been insufficient exploration to define an additional mineral Resource in relation to that target iron ore. It is uncertain whether further exploration will result in the determination of an additional mineral Resource in relation to that target iron ore.)

During the quarter extensive field work was undertaken within the satellite concessions to prioritise existing targets and identify additional prospective areas for more detailed evaluation. This resulted in the up-grading of the Colcabamba, Sillaccassa and Pacunco areas for drill testing during the current campaign. Key target areas comprise:

- Colcabamba, where three large magnetic anomalies lie coincident with major structural zones and extensive areas of outcropping ironstones recording >60% Fe in rock chip samples. Drill testing remains on track for commencement in the September quarter;
- Sillaccassa, which contains large areas of ironstone outcrops similar to those at Colcabamba and associated with regional scale fault structures. Reconnaissance geological surveys and surface sampling underway are expected to outline targets for drilling during the current program; and
- Pacunco, where a large, strongly-magnetic diorite intrusive has been mapped over an area of approximately 1.2km by 1km. The intrusive contains >40% coarse-grained magnetite. Further mapping and sampling is planned prior to drill testing. While it is unlikely that direct shipping ores will be present at this prospect it holds potential for very large tonnages of coarse-grained, magnetite-rich material suitable for up-grading using traditional magnetic separation techniques.

Approvals Progress

The approval processes for the various drilling campaigns are progressing in line with the Company's plans. These processes include both environmental and community approvals.



Consistent with leading industry practice in Peru the AF community team, together with a leading Peruvian community relations consultant, are working with local communities to develop and implement customised programs which enhance the communities and assist in establishing strong and sustainable relationships with them.

Approvals are by way of formal community meetings together with community information sessions and programs to ensure the communities are fully aware of the exploration and development programs and, hence, able to make informed decisions. Approvals are required for each stage of exploration and development work as well as remediation works at Opaban 1 and 3 and several satellite concessions.

Significant progress has been made during the quarter with the affected communities at Apurimac, with the key issue of compensation for past works currently being settled and constructive meetings held with community leaders and stakeholders.

Approvals have been granted at Colcabamba for a drilling program which is scheduled to commence in the September quarter. The community relations team anticipates community approvals will continue to be progressively received as the community programs are rolled out and consultation processes continue from the September quarter onwards. This is expected to enable planned drilling programs to proceed at other Apurimac concessions progressively over the coming months.

The timing of drilling at Opaban 1 and 3 will depend on the completion of the current remediation works and formal community approvals for the proposed programs. While approval timing lies in the hands of the communities, the Company is hopeful that these will be received in time to enable drilling to commence during 2010.

In parallel with the community programs AF is progressing environmental approvals for the drilling campaigns. An application to amend the existing environmental approvals at Opaban 3 has been made. Environmental approvals for Opaban 1 are dependent on finalisation of remediation agreements with the community. An application for environmental approvals for the Colcabamba drilling program is currently in progress.

Ausenco Vector is preparing all environmental impact assessments and declarations as required.

Pre-Feasibility “Trade-off” Studies

The initial Apurimac pre-feasibility study was based on a proposed mine output of 20 million tonnes per annum (**Mtpa**), with ore being crushed, concentrated using magnetic separation, mixed with water and ground to create a slurry for transportation to the coast by pipeline.⁴ AF is conducting trade-off studies on the alternatives of mining 10 and 15Mtpa and producing a concentrate product or combined lump and fines products, to supplement the PFS. The studies are:

- Process Plant and Port Facility Study – conducted by Ausenco.
- Mine Study – conducted by SRK Consulting.⁵
- Concentrate Pipeline Study – conducted by Ausenco PSI.

The studies, complete with capital and operating cost estimates for the 10 and 15Mtpa options, are largely completed and are currently under final review. Initial indications from the studies are:

- Mine strip ratios of between 1.2 and 1.76 when a practical mine design is applied.
- A high conversion ratio (>80%) of resources to economically-recoverable material (design pit) is likely based on current operating costs.
- Mine sensitivity analysis indicates a robust project, relatively insensitive to mining costs, pit-design parameters and mining recoveries.
- A potential mine life based on an optimised pit on current Indicated and Inferred Resources of 18yrs for 10Mtpa, 12yrs for 15Mtpa and 9yrs for 20Mtpa production rates.
- The 10 and 15Mtpa pipeline options are both viable based on a product price of US\$66 per tonne, due to modest capital cost savings.

⁴ Full details of AF's original PFS are contained in Strike's 23 July 2008 ASX announcement entitled: [“Pre-Feasibility Results Confirm World Class Prospects for Apurimac Project in Peru”](#).

⁵ The mining study by SRK Consulting includes both Inferred and Indicated Resources. Although the pit optimisations and preliminary design pits are indicative of the potential economically-recoverable material, they do not represent Ore Reserves and further drilling is required to confirm the results.

- Estimated capital and operating expenditure for the alternative production rates indicate that both are relatively insensitive to production levels and that lower throughput options warrant further work.

Table 1 - Mine costs against production rate

	20 Mtpa	15 Mtpa	10 Mtpa
Capex (US\$) ⁶	\$2,894m	\$2,789m	\$2,416m
Opex (US\$) ⁶	\$17.37/t	\$17.36/t	\$19.81/t

- The process plant and port facility for the 10 and 15Mtpa options study offer advantages in reduced sizing of equipment and the "lump and fines" option provides a considerably simplified process circuit and, hence, reduced capital and operating costs.
- A rope conveyor alternative may represent a superior ore and product transport option to rail or a slurry pipeline due to potentially lower capital and operating costs. Rope conveyors offer large distances between supports and are currently used in similar downhill material transport applications over large distances in rugged terrain, including bauxite ore transport in the Caribbean. In addition, this equipment could facilitate the lower-cost "lump and fines" product option. A more detailed study of this option will commence in the current quarter.
- Opportunities have also been identified for more favourable locations for some of the process plant.

AF has also commissioned Ausenco Sandwell to conduct a study to determine whether transporting an alternative product mix of lump and sinter feed by rail is preferable to transporting slurry via a pipeline. The rail study is considering the options of transporting 20Mtpa, 15Mtpa and 10Mtpa – the options being considered by the alternative mine production study. This study is scheduled for completion late in the September quarter.

Infrastructure

AF continues to work with proponents for infrastructure which would support the Apurimac and Cuzco projects. Discussions continue with ProInversion, the Government agency responsible for the award of the concession for the proposed San Juan bulk commodities port, as well as with existing rail operators and proponents for new railway operations which could service AF's projects.

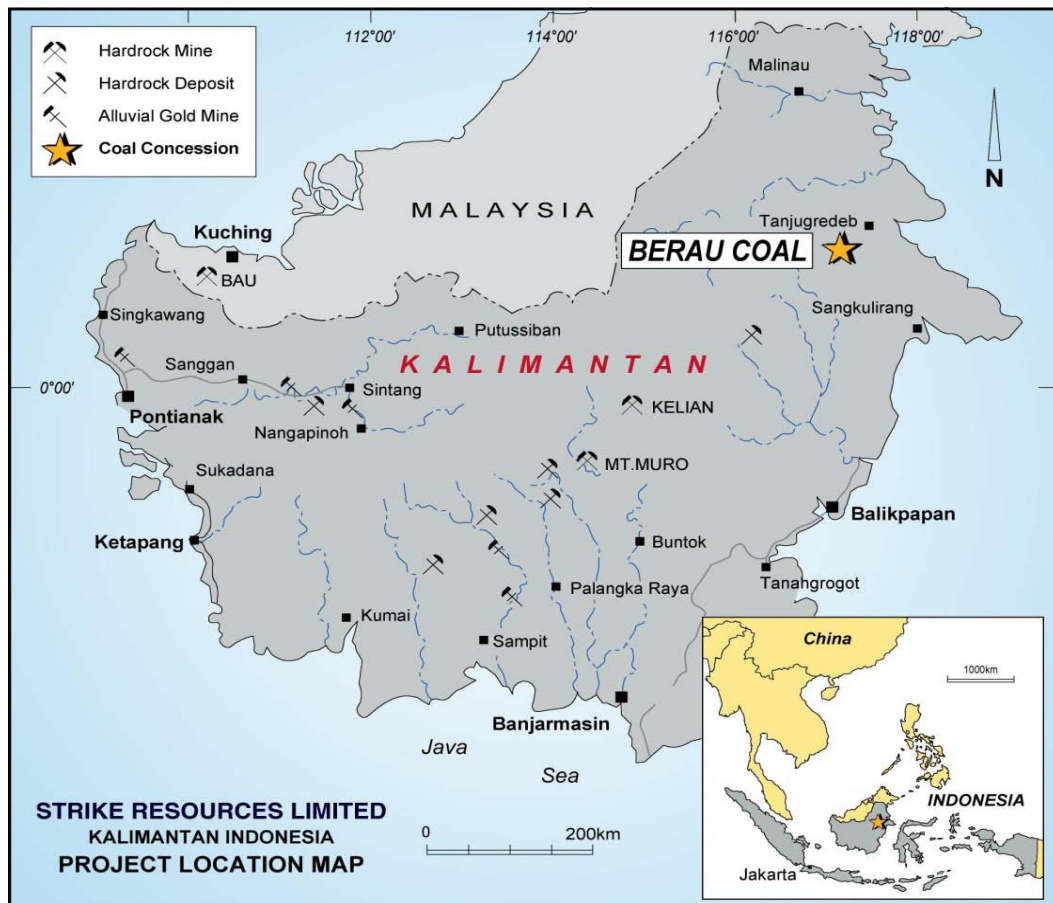
The information in this document which relates to mineral Resources at the Opaban 1 concession has been jointly compiled by Mr Bruce Sommerville, (BAppSc, BSc (Hons)) who is a member of the Australasian Institute of Mining and Metallurgy and is an employee of SRK Consulting Pty Ltd (which is unrelated to Strike Resources Limited) and Mr Hem Shanker Madan (M. Sc (Appl. Geol.) who is a Member of The Australasian Institute of Mining and Metallurgy and is the Chairman of Strike Resources Limited. Mr Madan is responsible for data collection and data quality in respect of the Opaban 1 concession and Mr Sommerville is responsible for mineral Resource estimation in respect of the Opaban 1 concession. The information in this document that relates to mineral Resources at the Opaban 3 concession has been solely compiled by Mr Hem Shanker Madan. Information which relates to exploration targets has been compiled by persons other than Mr Sommerville, including Mr Hem Shanker Madan. Messrs Sommerville and Madan have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking, to qualify as Competent Persons as defined in the 2004 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves (the JORC Code)." Messrs Somerville and Madan consent to the inclusion in this document of the matters based on their information in the form and context in which it appears.

⁶ Capital and operating expenses for the 20Mtpa options have been escalated from the 2008 PFS. Costs for the lower production options have been factored from the 20Mtpa case.

Berau Thermal Coal Project – Indonesia

(SRK 100%)

Project Location



Project Development

During the June quarter several significant steps towards development of the Berau thermal coal project were realised:

- Material progress has been made in discussions with our Indonesian partner PT KJB on the preferred partnership structure and development option for the project.
- The budget and work plan submitted as a requirement under the Mining Production Operations Licence (Izin Usaha Pertambangan Operasi Produksi or IUP Production Operations) under Indonesia's new Mining Law has been approved verbally by the relevant authorities. Official written confirmation of this approval is awaited.
- Advice has been received from our partner PT KJB that approval has been given to the application for a Special Area Port License, one of three port licenses required.
- Advice has been received from our partner PT KJB that approval has been given by Central Forestry to the alignment for the proposed mine-site to barge-port haul road.
- Analysis of all tenders is underway, including the second round of mining contract proposals. This work is aimed at confirming the key capital and operating cost components of the project and facilitating award of the mining and haul road contracts shortly after an investment decision on the Project.

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- Approval has been obtained from Regional Forestry with respect the logging of trees in the area that will be disturbed by the mining operation subject to completion of cataloguing tree species and quantities in the area of disturbance. This work has commenced and will be completed during the September quarter.

Paulsens East Iron Ore - Western Australia

(SRK 100%)

As previously reported, in November 2009 Strike executed a farm-out agreement for this project with Process Minerals International Pty Ltd (**PMI**), a subsidiary of ASX-listed Mineral Resources Limited (ASX Code: MIN).

PMI has completed field validation of Strike's drilling results. During the September quarter PMI intends to undertake a desktop pre-feasibility study to assess the development options for the project, with a focus on determining the preferred product and mining rate along with the product transport and port options.

Under the farm-out agreement PMI has exclusive rights to explore for and mine iron ore from Paulsens East. Strike retains the rights to other minerals. If PMI mines iron ore at this project it will pay Strike a royalty of A\$3.20 per tonne, subject to variations in line with movements in an iron ore benchmark price.

Cash Position

The Strike group's total cash and investments in liquid securities as at 30 June 2010 was ~A\$ 42.8 million, comprised of ~\$41.4 million cash and ~\$1.4 million in ASX-listed securities.

Strike's cash holding includes exposure to ~US\$960,000 held in at-call accounts and term deposits at 30 June. The Strike group also has a smaller exposure to the Peruvian Nuevo Sol and the Indonesian Rupiah currencies. These foreign currency holdings facilitate Strike's operations and activities in Peru and Indonesia.

Mineral Tenements

Apurimac Ferrum S.A. Concessions

(Strike Resources has a 44% interest in the Apurimac Ferrum S.A. (AF) concessions at Apurimac and Cuzco, through its 44% interest in AF. Strike has potential to increase its interest in AF to 100% through a shoot-out mechanism, which is explained in Strike's [31 December 2009 Half-Year Report](#), at p 15.)

Apurimac Project - Peru

Concession Name	Area (Ha)	District	Province	National Chart Reference	Code	Title	File Number
(1) Opaban I	999.00	Andahuaylas	Andahuaylas	Andahuaylas (28-P)	05006349X01	No. 8625-94/RPM Dec. 16, 1994	20001465
(2) Opaban III	990.00	Andahuaylas	Andahuaylas	Andahuaylas (28-P)	05006351X01	No. 8623-94/RPM Dec. 16, 1994	20001464
(3) Los Andes I	999.00	Andahuaylas	Andahuaylas	Andahuaylas (28-P)	05006372X01	No. 0134-95-RPM Jan. 31, 1995	200001481
(4) Pitumarca II	1,000.00	Pampachiri	Andahuaylas	Andahuaylas (28-P)	05006385X01	No. 8686-94-RPM Dec. 22, 1994	20001478
(5) Lucrecia Esperanza	66.43	Pampachiri	Andahuaylas	Chalhuna (29-P)	01-00649-99	No. 00623-2001-INACC/J Jul. 26, 2001	11032475
(6) Nueva Oropampa 6	400.00	Pampachiri	Andahuaylas	Chalhuna (29-P)	01-00860-99	No. 04043-2000-RPM Oct. 13, 2000	11032603
(7) Mapsa 2001	800.00	San Jerónimo / Pacucha	Andahuaylas	Andahuaylas (28-P)	01-01204-01	No. 00590-2002-INACC/J Apr. 8, 2002	11032600
(8) Coriminas II	1,000.00	Pampachiri / Sañayca / Capay	Andahuaylas	Chalhuna (29-P)	01-01624-99	No. 02760-2000-RPM, Jul. 25, 2000	11032965
(9) Coriminas V	1,000.00	Pampachiri	Andahuaylas	Chalhuna (29-P)	01-01626-99	No. 0936-00-RPM Mar.16, 2000	20003140
(10) Ferrum 1	965.06	Andahuaylas / San Jerónimo	Andahuaylas	Andahuaylas (28-P)	01-02983-04	No. 00228-2005-INACC/J Jan. 19, 2005	11053798
(11) Ferrum 2	1,000.00	San Jerónimo	Andahuaylas	Andahuaylas (28-P)	01-02984-04	No. 00227-2005-INACC/J Jan. 19, 2005	11053836
(12) Ferrum 3	1,000.00	Andahuaylas / San Gerónimo	Andahuaylas	Andahuaylas (28-P)	01-02985-04	No. 00229-2005-INACC/J Jan. 19, 2005	11053807
(13) Ferrum 4	1,000.00	San Jerónimo / Lucre	Andahuaylas / Aymaraes	Andahuaylas (28-P)	01-02986-04	No. 00230-2005-INACC/J Jan. 19, 2005	11053810
(14) Ferrum 5	959.43	Lucre	Aymaraes	Andahuaylas (28-P)	01-02987-04	No. 00323-2005-INACC/J Jan. 25, 2005	11053816
(15) Ferrum 7	437.00	San Juan de Chacña	Aymaraes	Andahuaylas (28-P)	01-02989-04	No. 00396-2005-INACC/J Jan. 27, 2005	11053822
(16) Ferrum 8	900.00	Andahuaylas / Talavera	Andahuaylas	Andahuaylas (28-P)	01-02990-04	No. 00232-2005-INACC/J Jan. 19, 2005	11053827
(17) Ferrum 9	1,000.00	Lucre / San Juan de Chacña	Aymaraes	Andahuaylas (28-P)	01-02991-04	No. 00324-2005-INACC/J Jan. 25, 2005	11053830
(18) Ferrum 10	1,000.00	San Juan de Chacña	Aymaraes	Andahuaylas (28-P)	01-02992-04	No. 00325-2005-INACC/J Jan. 25, 2005	11053833
(19) Ferrum 11	1,000.00	Lucre / San Juan de Chacña	Aymaraes	Andahuaylas (28-P)	01-02993-04	No. 02512-2005-INACC/J Jun. 12, 2005	11053835
(20) Ferrum 13	600.00	Andahuaylas / Pacucha / San Jerónimo / Talavera	Andahuaylas	Andahuaylas (28-P)	01-03139-06	No. 4416-2006-INACC/J Oct. 16, 2006	11061068
(21) Ferrum 26	827.51	Andahuaylas	Andahuaylas	Andahuaylas (28-P)	01-02274-07	No. 000853-2007-INGEMMET/PCD/PM Sept. 07, 2007	11073793

Concession Name	Area (Ha)	District	Province	National Chart Reference	Code	Title	File Number
(22) Ferrum 27	1,000.00	Pacucha / San Jerónimo / Andahuaylas	Andahuaylas	Andahuaylas (28-P)	01-02629-07	No. 000581-2007-INGEMMET/PCD/PM Sept. 05, 2007	11073799
(23) Ferrum 36	1,000.00	San Jerónimo / Andahuaylas	Andahuaylas	Andahuaylas (29-P)	10553307	RP. 0176-2008-INGEMMET/PCD/PM Feb. 29, 2008	11075418
(24) Cristoforo 22	379.52	Andahuaylas / San Jerónimo	Andahuaylas	Andahuaylas (29-P)	01-01656-02	RP2849-2007-INGEMMET/PCD/PM Dec. 13, 2007	11067786
(25) Ferrum 28	1,000.00	San Jerónimo	Andahuaylas	Andahuaylas (29-P)	10507407	RP0601-2008-INGEMMET/PCD/PCM Mar, 07, 2008	11075423
(26) Ferrum 29	1,000.00	San Jerónimo	Andahuaylas	Andahuaylas (29-P)	10507507	RP0365-2008-INGEMMET/PCD/PM Mar, 07, 2008	11075419
(27) Ferrum 30	963.20	Tumay Huaraca	Andahuaylas	Chalhuana (29-P)	10525907	PP 1024-2008-INGEMMET/PCD/PM May, 05, 2008	11076757
(28) Ferrum 31	327.24	Andahuaylas	Andahuaylas	Andahuaylas (29-P)	10552807	RP 1266-2008-INGEMMET/PCD/PM May, 12, 2008	11076509
(29) Ferrum 32	900.00	San Jerónimo	Andahuaylas	Andahuaylas (29-P)	10552907	RP0402-2008-INGEMMET/PCD/PM Mar, 07, 2008	11075425
(30) Ferrum 33	900.00	San Jerónimo	Andahuaylas	Andahuaylas (29-P)	10553007	RP0547-2008-INGEMMET/PCD/PM Mar, 07, 2008	11075421
(31) Ferrum 34	800.00	San Jerónimo	Andahuaylas	Andahuaylas (29-P)	10553107	RP0764-2008-INGEMMET/PCD/PM Apr. 17, 2008	11075427
(32) Ferrum 35	1,000.00	San Jerónimo / Kishuara	Andahuaylas	Andahuaylas (29-P)	10553207	RP0347-2008-INGEMMET/PCD/PCM Mar, 07, 2008	11075426
(33) Ferrum 37	695.34	Andahuaylas / Kishuara / Talavera	Andahuaylas	Andahuaylas (29-P)	10621507	RP 1164-2008-INGEMMET/PCD/PM May, 12, 2008	11076534
(34) Ferrum 56	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P)	10133508	RP 1971-2008-INGEMMET/PCD/PM Jun 19, 2008	11077123
(35) Ferrum 57	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P)	10133608	RP 3279-2008-INGEMMET/PCD/PM Sept. 9, 2008	11081417
(36) Ferrum 58	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P)	10133708	Jun 27, 2008 RP 2206-2008-INGEMMET/PCD/PM	11077127
(37) Ferrum 59	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P)	10133808	Jun 27, 2008 RP 2272-2008-INGEMMET/PCD/PM	11077122
(38) Ferrum 61	1,000.00	Sañayca	Aymaraes	Andahuaylas (29-P)	010073308	-	in process
(39) Pacunco 1	800.00	Kishuara	Andahuaylas	Andahuaylas (29-P)	10019508	RP 1806-2008-INGEMMET/PCD/PM May 29, 2008	11076523
(40) Minas Huaycco	800.00	Circa	Abancay	Abancay (28Q)	10168708	RP 2541-2008-INGEMMET/PCD/PM Aug. 08, 2008	11081416
(41) Cassio 100	400.00	Tumay Huaraca	Andahuaylas	Chalhuana (29-P)	10182808	RP 3321-2008-INGEMMET/PCD/PM Sept. 10, 2008	11081415

Cuzco Project – Peru

Concession Name	Area (Ha)	District	Province	National Chart Reference	Code	Title	File Number
(1) Flor de María	906.94	Santo Tomás	Chumbivilcas	Livitaca (29-S)	05006521X01	No. 7078-95-RPM Dec. 29, 1995	20001742
(2) Delia Esperanza	1,000.00	Santo Tomás	Chumbivilcas	Livitaca (29-S)	05006522X01	No. 0686-95-RPM Mar. 31, 1995	20001743
(3) Julia Clara	1,000.00	Colquemarca	Chumbivilcas	Livitaca (29-S)	05006523X01	No. 4600-95/RPM Sept. 26, 1995	20001744
(4) El Pacífico I	618.95	Cápacmarca	Chumbivilcas	Livitaca (29-S)	05006536X01	No. 7077-95/RPM Dec. 29, 1995	20001785
(5) El Pacífico II	1,000.00	Santo Tomás	Chumbivilcas	Livitaca (29-S)	05006524X01	No. 7886-94/RPM Nov. 25, 1994	20001746
(6) Ferrum 14	268.40	Chamaca	Chumbivilcas	Livitaca (29-S)	01-03047-05	No. 05032-2005-INACC/J Nov. 30, 2005	11053842
(7) Ferrum 15	992.13	Chamaca / Colquemarca	Chumbivilcas	Livitaca (29S)	10494906	RJ. 0753-2007-INACC/J Mar. 05, 2007	11073796
(8) Ferrum 17	500.00	Colquemarca	Chumbivilcas	Livitaca (29S)	10026607	RP. 1815-2007-INGEMMET/PCD/PM Oct. 30, 2007	11073794
(9) Ferrum 18	800.00	Quiñota / Haquira	Chumbivilcas /Cotabambas	Santo Tomas (29R)	10026707	RP 1761-2008-INGEMMET/PCD/PM May 29, 2008	11076514

Strike Resources Limited Concessions

(The concessions at Apurimac and Cuzco listed in the tables below are 100% owned by Strike Resources, subject to an option for AF to acquire those concessions.)

Apurimac Project - Peru

Concession Name	Area (Ha)	District	Province	National Chart Reference	Code	Title	File Number
(1) Ferrum 38	800.00	Turpo/ Andahuaylas	Andahuaylas	Andahuaylas (29-P)	10015205	RP1288-2008-INGEMMET/PCD/PM May, 12, 2008	11064280
(2) Ferrum 39	1,000.00	Andahuaylas / Turpo	Andahuaylas	Andahuaylas (29-P)	10047605	RP 1573-2008-INGEMMET/PCD/PM May 29, 2008	11064281
(3) Ferrum 40	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P)	10623507	RP 2905-2008-INGEMMET/PCD/PM Aug 19, 2008	11076528
(4) Ferrum 41	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P)	10131408	RP 1965-2008-INGEMMET/PCD/PM Jun 19, 2008	11076755
(5) Ferrum 42	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P)	10131508	RP 1975-2008-INGEMMET/PCD/PM Jun 19, 2008	11077114
(6) Ferrum 43	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P)	10131608	RP 3243-2008-INGEMMET/PCD/PM Sept. 9, 2008	11077113
(7) Ferrum 44	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P)	10131908	RP 1934-2008-INGEMMET/PCD/PM Jun 19, 2008	11077115
(8) Ferrum 45	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P)	10132008	RP 2283-2008-INGEMMET/PCD/PM Jun 27, 2008	11077116
(9) Ferrum 46	1,000.00	Tumay Huaraca / Turpo / Andahuaylas	Andahuaylas	Andahuaylas (29-P)	10132108	RP 2523-2008-INGEMMET/PCD/PM Aug. 08, 2008	11079784
(10) Ferrum 47	1,000.00	Andahuaylas / Tumay Huaraca	Andahuaylas	Andahuaylas (29-P)	10132208	RP 1908-2008-INGEMMET/PCD/PM Jun 18, 2008	11077117

Concession Name	Area (Ha)	District	Province	National Chart Reference	Code	Title	File Number
(11) Ferrum 48	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P)	10132308	RP 1756-2008-INGEMMET/PCD/PM May 29, 2008	11076584
(12) Ferrum 49	1,000.00	Andahuaylas / Tumay Huaraca	Andahuaylas	Andahuaylas (29-P)	10132408	RP 2000-2008-INGEMMET/PCD/PM Jun 19, 2008	11077118
(13) Ferrum 50	900.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P)	10132508	RP 1922-2008-INGEMMET/PCD/PM Jun 19, 2008	11077120
(14) Ferrum 51	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P)	10132608	RP 1893-2008-INGEMMET/PCD/PM Jun 18, 2008	11077121
(15) Ferrum 52	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P)	10132708	RP 2803-2008-INGEMMET/PCD/PM Aug 18, 2008	11079786
(16) Ferrum 53	1,000.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P)	10132808	RP 2550-2008-INGEMMET/PCD/PM Aug. 08, 2008	11079787
(17) Ferrum 54	700.00	Colcabamba	Andahuaylas	Andahuaylas (29-P)	10132908	RP 2899-2008-INGEMMET/PCD/PM Aug. 19, 2008	11079788
(18) Ferrum 55	800.00	Andahuaylas	Andahuaylas	Andahuaylas (29-P)	10133408	RP 2951-2008-INGEMMET/PCD/PM Aug. 19, 2008	11079789
(19) Ferrum 60	200.00	Abancay	Abancay	Abancay (28Q)	10073208	RP 2986-2008-INGEMMET/PCD/PM Aug. 19, 2008	11084879
(20) Ferrum 62	900.00	Lambrama	Abancay	Abancay (28Q)	10073408	RP 3177-2008-INGEMMET/PCD/PM Sept. 8, 2008	TBA
(21) Ferrum 63	300.00	Curpahuasi	Grau	Abancay (28Q)	10073008	RP 3040-2008-INGEMMET/PCD/PM Aug. 28, 2008	11076586
(22) Pichirhua 1	800.00	Pichirhua	Abancay	Andahuaylas (29-P)	10151708	RP 2638-2008-INGEMMET/PCD/PM Aug. 11, 2008	11079794
(23) Pichirhua 2	400.00	Pichirhua	Abancay	Andahuaylas (29-P)	10151808	RP 3183-2008-INGEMMET/PCD/PM Sept. 8, 2008	11081445
(24) Colcabamba 1	600.00	Lucre/ Colcabamba	Aymaraes	Andahuaylas (29-P)	10212308	RP 2986-2008-INGEMMET/PCD/PM Aug. 19, 2008	11079780
(25) Colcabamba 2	500.00	Lucre/ Colcabamba	Aymaraes	Andahuaylas (29-P)	10212408	RP 3177-2008-INGEMMET/PCD/PM Sept. 8, 2008	11081451
(26) Colcabamba 3	900.00	Colcabamba/ Toraya	Aymaraes	Andahuaylas (29-P)	10217208	RP 3040-2008-INGEMMET/PCD/PM Aug. 28, 2008	11079781
(27) Sillaccassa 1	700.00	Santa Maria de Chicmo	Andahuaylas	Chincheros (28- O)	10212608	RP 5088-2008-INGEMMET/PCD/PM Nov. 19, 2008	11079791
(28) Sillaccassa 2	400.00	Santa Maria de Chicmo	Andahuaylas	Chincheros (28- O)	10212508	RP 3183-2008-INGEMMET/PCD/PM Sept. 8, 2008	11081449
(29) Cristoforo 14*	1000	Pampachiri	Andahuaylas	Andahuaylas (29-P)	01-02327-99	No. 02693-2000 RPM 24 Jul. 2000	11034702
(30) Cristoforo 28*	500	Toraya	Aymaraes	Chalhuanka (29-P)	01-00152-05	No. 01824-2005 INACC/J 4 May 2005	11064280
(31) Ferroso 29*	400	Tumay Huaraca	Andahuaylas	Andahuaylas (29-P)	01-00473-05	No. 01709-2005 RPM 21 Apr. 2004	11064281
(32) Helimag 1	900	Huancaray	Andahuaylas	TBA	01-00152-05	No. 000741-2010 INEMMET/PCD/PM 22 Mar. 22 2010	11064280

*Strike Resources holds an option to acquire these concessions. Under the terms of the AF Settlement Agreement, Strike's rights under the option will be transferred to AF.

Cuzco Project – Peru

Concession Name	Area (Ha)	District	Province	National Chart Reference	Code	Title	File Number
(1) Ferrum 72	1,000.00	Ccapi	Paruro	Cotabamba(28R)	10408208	RP 4435-2008-INGEMMET/PCD/PM Oct. 21, 2008	11084851
(2) Ferrum 73	1,000.00	Ccapi	Paruro	Cuzco(28S)	10409608	RP 5050-2008-INGEMMET/PCD/PM Nov. 19, 2008	11084874
(3) Ferrum 74	1,000.00	Ccapi	Paruro	Cuzco(28S)	10408208	RP 5006-2008-INGEMMET/PCD/PM Nov. 19, 2008	11084871
(4) Ferrum 75	302.85	Ccapi	Paruro	Cotabamba(28R)	10409808	RP 5130-2008-INGEMMET/PCD/PM Nov. 19, 2008	11084873
(5) Ferrum 76	973.83	Capacmarca	Chumbivilcas	Cotabamba(28R)	10409908	RP 4323-2008-INGEMMET/PCD/PM Oct. 20, 2008	11084870
(6) Ferrum 77	1,000.00	Ccapi	Paruro	Cotabamba(28R)	10408108	RP 5227-2008-INGEMMET/PCD/PM Nov. 19, 2008	11084868
(7) Ferrum 65	1,000.00	Ccapi	Paruro	TBA	010580008	RP 0337-2009-INGEMMET/PCD/PM Feb. 19, 2009	TBA
(8) Ferrum 66	100.00	Ccapi	Paruro	TBA	010580208	RP 1613-2009-INGEMMET/PCD/PM 4 Jun. 2009	TBA
(9) Ferrum 67	100.00	Capacmarca	Chumbivilcas	TBA	010579908	R.P. 5849-2008-INGEMMET/PCD/PM 17 Dec. 2008	TBA
(10) Ferrum 68	1,000.00	Pomacanchi	Acomayo	Cusco-28-S Livitaca-29-S	010579808	RP 1185-2009-INGEMMET/PCD/PM Mar. 31 2009	TBA
(11) Ferrum 69	1,000.00	Pomacanchi	Acomayo	TBA	010579608	R.P. 1633-2009-INGEMMET/PCD/PM 4 Jun. 2009	TBA
(12) Ferrum 70	1,000.00	Pomacanchi	Acomayo	Livitaca-29-S	010579608	R.P. 1848-2009-INGEMMET/PCD/PM 11 Jun. 2009	TBA
(13) Ferrum 71	1,000.00	Pomacanchi	Acomayo	Livitaca-29-S	010579508	RP 1120-2009-INGEMMET/PCD/PM Mar. 31, 2009	TBA
(14) Colcabamba 4	400.00	Pomacanchi	Acomayo	TBA	010580108	RP 1117-2009-INGEMMET/PCD/PM Mar. 31, 2009	TBA

Paulsens East Project – Western Australia

(These concessions are 100% beneficially owned by Strike Resources, subject to the farm-out agreement detailed under the section on the Paulsens East Project on p7 of this report.)

Tenement No	Status	Grant Date	Expiry Date	Area (blocks /ha)	Area (km ²)
(1) EL 47/1328	Granted	05/10/06	04/10/11	6 blocks	18
(2) PL 47/1170	Granted	27/03/06	26/03/11	164 hectares	1.64
(3) M 47/1437*	Pending	N/A	N/A	164 hectares	1.64

* Subject to the farm-out referred to in the Paulsens East Project section of this report.

* Representing an application to convert PL 47/1170 into a mining lease.

Securities Information (as at 30 Jun 2010)

Distribution of ordinary, fully-paid shares

Spread of Holdings	Number of Holders	Number of Units	% of Total Issued Capital
1 - 1,000	547	281,861	0.217%
1,001 - 5,000	1,508	4,748,719	3.652%
5,001 - 10,000	587	4,754,126	3.656%
10,001 - 100,000	757	23,414,579	18.006%
100,000 - and over	80	96,834,983	74.469%
Total	3,479	130,034,268	100%

Top 20 ordinary, fully-paid shareholders

Rank	Shareholder	Total Shares	% Issued Capital
1	ANZ Nominees Limited	24,183,059	18.597
2	Orion Equities Limited	13,190,802	10.144
3	Database Systems Limited	9,377,090	7.211
4	HSBC Custody Nominees (Australia) Limited	8,900,433	6.845
5	Ferrous Resources Limited	6,370,000	4.899
6	Nefco Nominees Pty Ltd	4,681,760	3.600
7	National Nominees Limited	4,461,962	3.431
8	Alara Resources Limited	3,573,889	2.748
9	Redhill Partners Pte Ltd	2,347,227	1.805
10	Mr George Macfie	1,200,000	0.923
11	Citicorp Nominees Pty Limited	1,166,900	0.897
12	Pater Investments Pty Ltd	1,125,000	0.865
13	Mr Gordon Anthony	800,000	0.615
14	Aliana Pty Ltd	700,000	0.538
15	Empire Holdings Pty Ltd	700,000	0.538
16	J P Morgan Nominees Australia Limited	650,631	0.500
17	Mr David Thompson	621,000	0.478
18	M&M Holdings Pty Ltd	600,000	0.461
19	Mr Farooq Khan	530,010	0.408
20	Mrs Anupam Shobha Madan & Mr Hem Shanker Madan	507,497	0.390
Total		85,687,260	65.893

Appendix 5B

Mining Exploration Entity Quarterly Report

Name of entity

Strike Resources Limited and controlled entities

ABN

94 088 488 724

Quarter ended

30 June 2010

Consolidated statement of cash flows

Consolidated

Cash flows related to operating activities	Current quarter June 2010 \$'000	Year to date June 2010 \$'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration & evaluation	(228)	(2,393)
(b) development	-	-
(c) production	-	-
(d) administration	(1,395)	(7,441)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	538	1,949
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
1.8 Other – legal and professional fees	-	(856)
Net Operating Cash Flows	(1,085)	(8,741)

Notes:

Strike has prepared a consolidated cashflow report incorporating the entities that it controlled during the year:

- (1) Strike Operations Pty Ltd ABN 12 102 978 370 (SOPL), a wholly-owned subsidiary;
- (2) PT Indo Batubara (PTIB), a company registered in Indonesia of which SOPL is the 100% beneficial owner;
- (3) Strike Resources Peru SAC (Strike Peru), a wholly-owned subsidiary incorporated in Peru;
- (4) Ferrum Holdings Limited (FHL), a wholly-owned subsidiary company incorporated in British Anguilla;
- (5) Strike Australian Operations Pty Ltd ACN 119 438 265, a wholly-owned subsidiary;
- (6) Strike Indo Operations Pty Ltd ACN 124 702 245 (SIOPL), a wholly-owned subsidiary;
- (7) PT Orion Indo Mining (PTOIM), a company registered in Indonesia of which SIOPL is the 100% beneficial owner; and
- (8) Strike Finance Pty Ltd ACN 136 444 696 (SRKF), a wholly-owned subsidiary.



		Consolidated	
		Current quarter June 2010 \$'000	Year to date June 2010 \$'000
1.8	Net Operating Cash Flows (carried forward)	(1,085)	(8,741)
Cash flows related to investing activities			
1.9	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	(1,139)
	(c) other fixed assets	(166)	(300)
1.10	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.11	Loans to other entities*	(1,697)	(2,888)
1.12	Loans repaid by other entities	-	-
1.13	Other (provide details if material)	-	-
	Net investing cash flows	(1,863)	(4,327)
1.14	Total operating and investing cash flows	(2,948)	(13,068)
Cash flows related to financing activities			
1.15	Proceeds from issues of shares, options, etc.	-	-
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	-	-
1.18	Repayment of borrowings	-	-
1.19	Dividends paid	-	-
1.20	Other (provide details if material)	-	-
	Payment for share issue and options costs	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(2,948)	(13,068)
1.21	Cash at beginning of quarter/year to date	44,302	55,727
1.22	Exchange rate adjustments to item 1.20	89	(1,216)
1.23	Cash at end of quarter	41,443	44,443

Note:

Loans to other entities comprised loans to Associate entity Apurimac Ferrum S.A. (Peru) pursuant to an executed Loan and Mortgage Agreement formalised by public deed dated 23 July 2009.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

	Current quarter June 2010 \$'000
1.24 Aggregate amount of payments to the parties included in item 1.2	(379)
1.25 Aggregate amount of loans to the parties included in item 1.11	-
1.26 Explanation necessary for an understanding of the transactions: Directors' fees, salaries and superannuation for the quarter. Included in the June quarter is a "one off" payment of \$151,000 which represents the payout of accrued employee entitlements to directors of the Company on transition from executive to non-executive roles.	

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows N/A	
2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest N/A	

Financing facilities available

	Amount available \$'000	Amount used \$'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	Next Quarter \$'000
4.1 Exploration and evaluation	177
4.2 Development	875
4.3 Loans to Associate*	3,542
4.4 Administration	1,140
Total	5,734

Note:

*Loans to Associate will comprise loans to Apurimac Ferrum S.A. (Peru) pursuant to an executed Loan and Mortgage Agreement formalised by public deed dated 23 July 2009. Strike Resources Ltd holds its interest in the Peruvian Apurimac Ferrum iron ore project through its shareholding in Apurimac Ferrum S.A.

Reconciliation of cash

		Consolidated	
Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$'000	Previous quarter \$'000
5.1	Cash on hand and at bank	6,067	3,736
5.2	Deposits at call	35,376	40,566
5.3	Bank overdraft	-	-
5.4	Other (Bank Bills)	-	-
Total: cash at end of quarter (item 1.22)		41,443	44,302

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (4))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	Nil		
6.2	Interests in mining tenements	Cristoforo 14*	Option	Option
	acquired or	Cristoforo 28*	Option	Option
	increased	Ferroso 29*	Option	Option

*Full details of these concessions are contained in the table on p12.

Issued and quoted securities at end of current quarter

		Total number	Number quoted	Issue price per security (see note 4) (cents)	Amount paid up per security (see note 4) (cents)
7.1	Preference ⁺ securities ⁺	-			
7.2	Changes during quarter				
	(a) Increases through issues	-			
	(b) Decreases through returns of capital, buy-backs, redemptions	-			
7.3	Ordinary securities ⁺	130,034,268	130,034,268		
7.4	Changes during quarter				
	(a) Increases through issues	-			
	(b) Decreases through returns of capital, buy-backs	-			
7.5	Convertible debt securities ⁺	-			
7.6	Changes during quarter				
	(a) Increases through issues	-			
	(b) Decreases through securities matured, converted	-			
7.7	Options			<i>Exercise price</i>	<i>Expiry date</i>
	Unlisted options	1,833,333		17.8 cents	9 February 2011
	Unlisted options	1,666,667		27.8 cents	9 February 2011
	Director options	4,600,000		93.8 cents	21 July 2011
	Director options	500,000		93.8 cents	13 September 2011
	Director options	500,000		207.8 cents	7 March 2012
	Director options	3,300,000		278.8 cents	7 March 2012
	Employee options	33,000		287.8 cents	1 May 2012
	Director options	4,000,000		397.8 cents	3 December 2012
	Employee options	250,000		287.8 cents	4 March 2013
	Unlisted options	903,404		275.0 cents	29 July 2011
	Employee options	250,000		275.0 cents	13 October 2013
	Director options	750,000		250.0 cents	24 November 2012
	Director options	750,000		275.0 cents	24 November 2012
	Director options	750,000		325.0 cents	24 November 2012
7.8	Issued during quarter	-			
7.9	Exercised during quarter	-			
7.10	Expired during quarter	100,000		287.8 cents	1 May 2012
7.11	Debentures (<i>totals only</i>)	-			
7.12	Unsecured notes	-			

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Stephen Gethin
Company Secretary

Date: 30 July 2010

+ See Chapter 19 of the ASX Listing Rules for defined terms.

Notes

- 1) The Company currently holds the following share investments:

Company	No Shares	%	30 June 2010	Market Value
			Closing Price	
Alara Resources Limited (AUQ)	12,750,000	15.8	\$0.086	\$1,096,500.00
Orion Equities Limited (OEQ)	505,026	2.8	\$0.435	\$219,686.00
Queste Communications Ltd (QUE)	826,950	2.9	\$0.130	\$107,504.00
Total				\$1,423,690.00

- 2) The Company holds foreign currencies denominated in US dollars, Peruvian Nuevo Soles and Indonesian Rupiah. Fluctuations in foreign exchange rates have been accounted for in this cashflow report using the exchange rates as at 30 June 2010.
- 3) The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent.
- 4) Issued and quoted securities. The issue price and amount paid up is not required in items 7.1 and 7.3 for fully-paid securities.
- 5) The definitions in, and provisions of, AASB 1022: Accounting for Extractive Industries and AASB 1026: Statement of Cash Flows apply to this report.
- 6) Accounting Standards: ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.