

MARKET ANNOUNCEMENT

New Lithium Projects in Chile and Western Australia

Strike Resources Limited (ASX:[SRK](#)) is pleased to report that it has taken steps to secure exploration tenements in Chile and Western Australia considered prospective for lithium, including:

- Applying for ~4,700 hectares of exploration concessions in northern Chile where previous exploration work has identified lithium occurrences; and
- Applying for ~31,000 hectares of exploration licence tenements in the North Pilbara, Western Australia, adjacent to known occurrences and deposits of lithium held by [Pilbara Minerals](#) Limited (ASX:[PLS](#)) and [Altura Mining](#) Limited (ASX:[AJM](#)).

In addition, Strike is presently in discussions with various parties to acquire interests in a range of more advanced lithium and other attractive commodity resource projects.

This follows a decision by Strike to actively seek to build/acquire a portfolio of mining projects in commodities that in the Company's view have strong market fundamentals and in locations which Strike has significant operating experience – principally, Australia and South America.

Demand for lithium has grown rapidly in recent years and is forecast to continue to grow in the medium term as the metal is a key component used in the Lithium-Ion batteries found in modern electronic appliances, electric and hybrid vehicles and industrial and household electrical storage.

Australia and Chile are the two largest producers of lithium in the world, with Chile possessing the world's largest confirmed reserves of lithium.

Chile Exploration Concessions

Chile is the world's second largest producer of lithium and holds the world's largest confirmed reserves of the metal.¹

Strike has, through its associates in Chile, lodged applications to secure a number of exploration concessions in Northern Chile totaling approximately 4,700 hectares in area, in a region that hosts some of the largest lithium deposits and operations in the world.





The project area is reported to contain 'caliche' style mineralisation which is formed predominantly from hardened deposits of sedimentary alkali metal salts (halides, nitrates and sulfates). Caliches consist mainly of calcium carbonates (CaCO_3) but in some parts of northern Chile, Argentina and Bolivia, these minerals are relatively rich in lithium and other elements.

Initial soil sampling reported by the previous holders of the concessions has confirmed the presence of lithium mineralisation within the tenements, with assay results returning elevated grades of lithium above 1,000 ppm.

From a mining perspective, should an economic concentration of lithium be defined in the caliche mineralisation, given the shallow and soft nature of the mineralisation, a low cost mining operation could be envisaged.

When the concessions are granted, Strike plans to undertake an exploration programme to review historical data and undertake geological mapping, drilling and metallurgical sampling and test work.

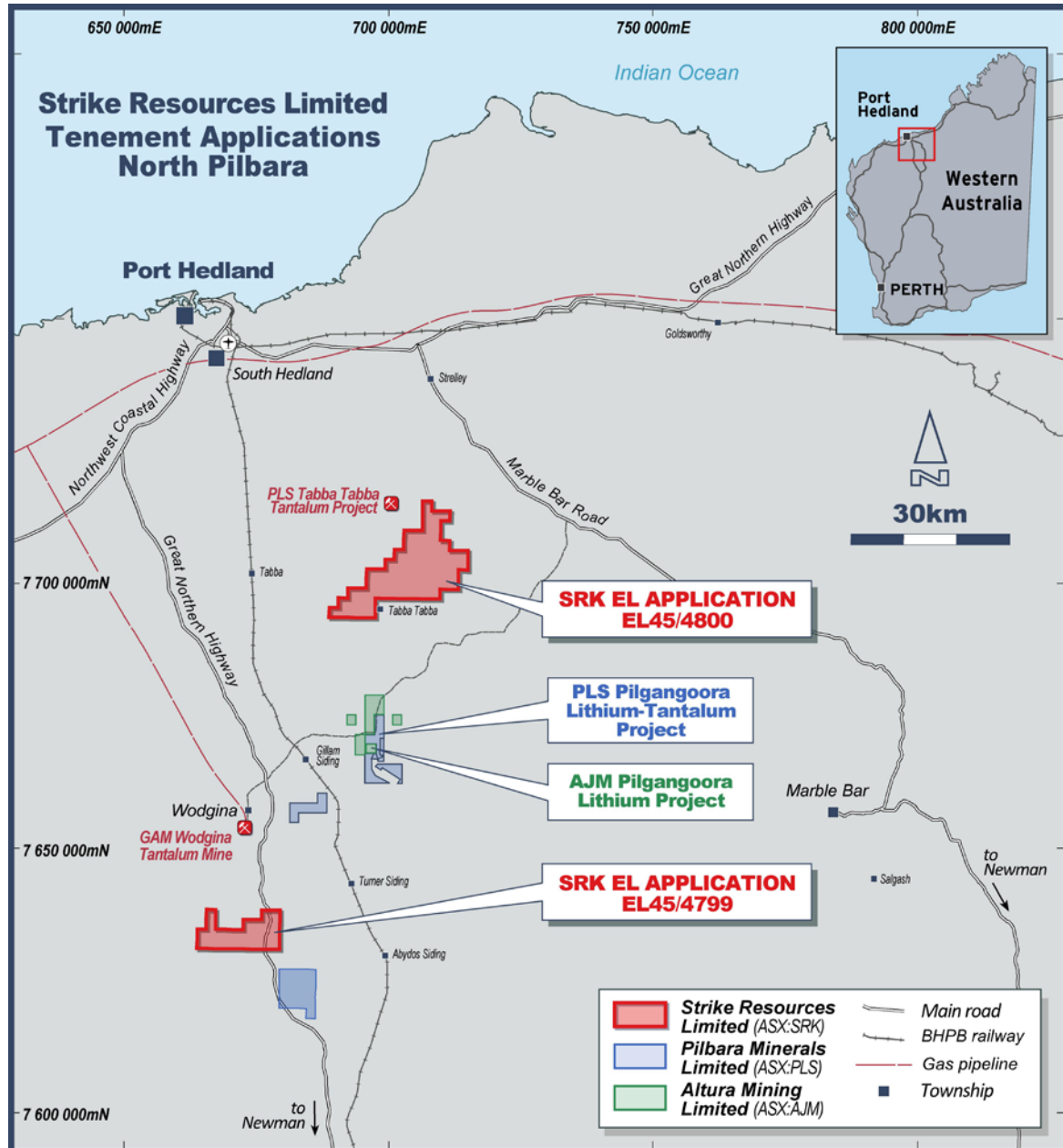
As in many other deposits of this nature, lithium is reported to occur in association with other elements and in this case the predominant metals associated with lithium appear to be strontium (Sr), sodium (Na), uranium (U), and rubidium (Rb), with other elements present to a lesser extent. Accordingly, it is anticipated that an initial metallurgical test work programme would need to be conducted in order to assess the viability of recovering lithium and the other elements in the ore, and to identify the optimal processing route to maximise recovery of lithium and potentially other elements at the lowest possible cost.

WA Exploration Licence Tenements

The North Pilbara hosts a number of lithium and tantalum prospects associated with pegmatites that are related to the Sisters Supersuite of monzogranites and other high end intrusives that intruded the Archean greenstone terrain of the East Pilbara approximately 3 billion years ago. Lithium and tantalum mineralisation occurs either within the pegmatite veins or within alluvials draining the elevated areas containing the pegmatite veins.

Strike has applied for two exploration licences totaling ~31,000 hectares that exist within the extent of the known lithium and tantalum mineral fields in the region, adjacent to licences that have outcropping lithium and tantalum elevated pegmatite occurrences. Given the widespread cover of thin wind-blown sands and tertiary laterites/duricrusts, the potential of sub-cropping and shallow buried lithium and tantalum rich pegmatites and alluvial deposits is considered a strong possibility.

The exploration licence areas lie nearby known lithium deposits of [Pilbara Minerals Limited](#) (ASX:PLS) and [Altura Mining Limited](#) (ASX:AJM), the [Wodgina Tantalum Mine](#) (owned by [Global Advanced Metals](#) (GAM)) and Pilbara Minerals' [Taba Tantalum Project](#).



When the licences are granted, Strike plans to undertake an exploration programme of geological mapping, drilling and metallurgical sampling with the primary targeted minerals being lithium, tantalum and rare earth elements associated with pegmatites and/or alluvials.

FOR FURTHER INFORMATION

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ABOUT STRIKE RESOURCES LIMITED (ASX:[SRK](#))

[Strike Resources](#) is an ASX listed resource company, owner of the high grade [Apurimac Magnetite Iron Ore Project](#) and [Cusco Magnetite Iron Ore Project](#) in Peru. Strike retains significant cash reserves and is presently reviewing alternative options with regard to utilisation of these funds.

DISCLAIMER – FORWARD LOOKING STATEMENTS

This announcement contains “forward-looking statements” and “forward-looking information”, including statements and forecasts which include without limitation, expectations regarding future performance, costs, production levels or rates, mineral reserves and resources, the financial position of Strike, industry growth and other trend projections. Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “expects”, “is expected”, “is expecting”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes”, or variations (including negative variations) of such words and phrases, or state that certain actions, events or results “may”, “could”, “would”, “might”, or “will” be taken, occur or be achieved. Such information is based on assumptions and judgements of management regarding future events and results. The purpose of forward-looking information is to provide the audience with information about management’s expectations and plans. Readers are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Strike and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, changes in market conditions, future prices of gold and silver, the actual results of current production, development and/or exploration activities, changes in project parameters as plans continue to be refined, variations in grade or recovery rates, plant and/or equipment failure and the possibility of cost overruns.

Forward-looking information and statements are based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date such statements are made, but which may prove to be incorrect. Strike believes that the assumptions and expectations reflected in such forward-looking statements and information are reasonable. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Strike does not undertake to update any forward-looking information or statements, except in accordance with applicable securities laws.

1 Source: U.S. Geological Survey