



COPPER STRIKE LTD

Annual Report for EL 38/2006

LINDA PROJECT

For the year ending 16 April 2008

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INTRODUCTION

The Linda Project (EL 38/2006) is located along the faulted contact between the Mount Read Volcanics and Owen Conglomerate in western Tasmania.

The tenement is situated immediately east and south of the Mount Lyell Copper (gold) mining district. Since 1893 the Mount Lyell mines have produced over 1.2 million tonnes of copper and 45 tonnes of gold, plus smaller amounts of lead and zinc, from around 20 separate orebodies.

The bulk of the Mount Lyell copper production has come from large disseminated pyrite-chalcopyrite orebodies (eg West Lyell, Prince Lyell), but a significant proportion (~30%) has been derived from smaller, but richer, bornite-chalcopyrite deposits (eg North Lyell).

Copper Strike acquired the Linda property for its Mt Lyell-style copper (gold) potential based on the following:

- The property contains Mount Read Volcanics rocks equivalent to those south of the tenement which host the Mount Lyell orebodies, namely andesitic volcanics in the upper part of the Central Volcanic Complex, at or close to the contact with the overlying Lynchford Member of the Tyndall Group.
- There has been extensive geophysical coverage, but limited follow-up drilling, of this prospective stratigraphy in the property.

Work to date includes a review of previous exploration, re-interpretation of an airborne EM survey and construction of a comprehensive 3D geological model to facilitate target definition.

Drilling of 2 holes will commence March 2008

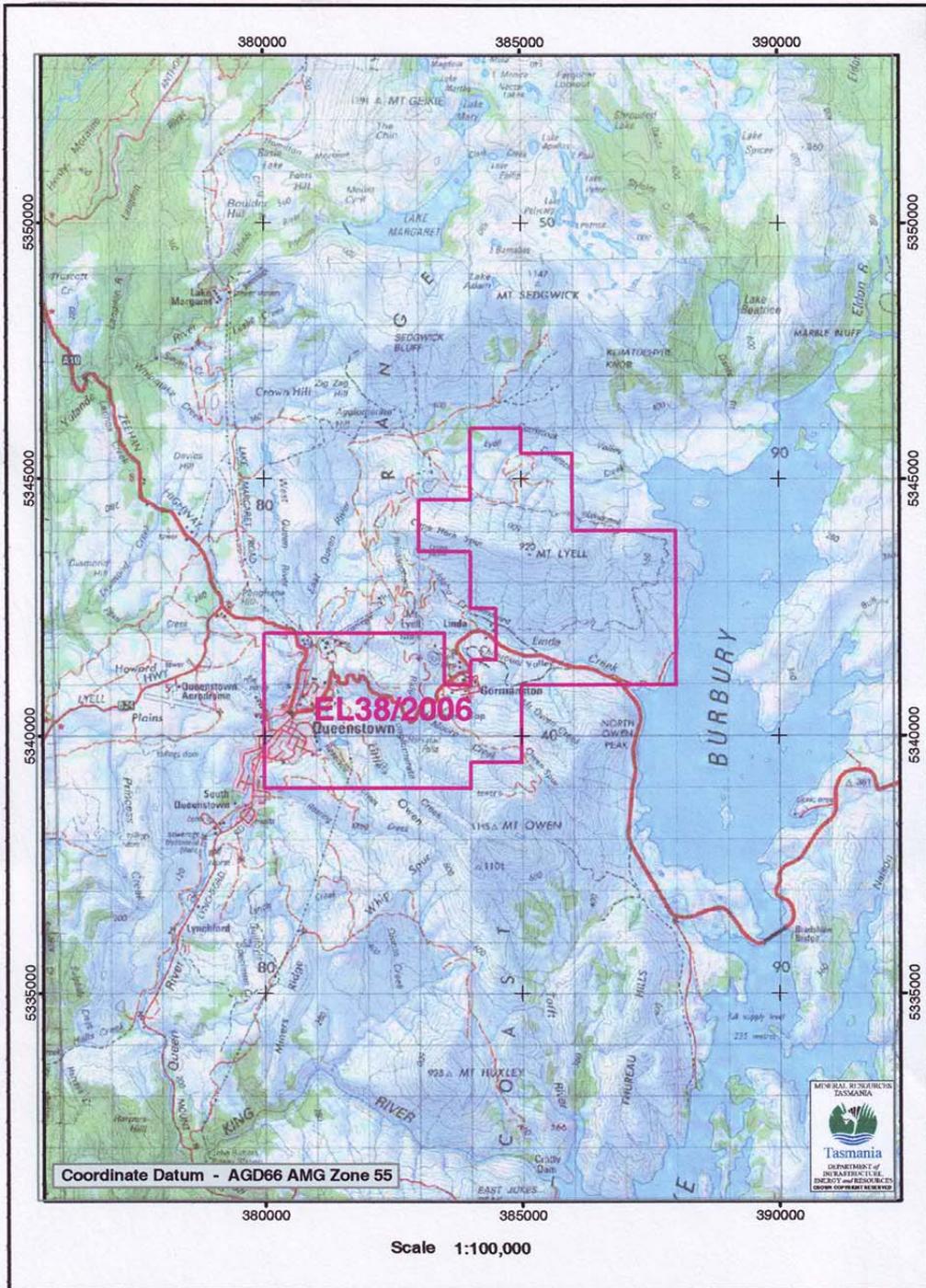


Figure 1 Location of EL38/2006

1 TENEMENT DETAILS

EL 38/2006 was granted to Copper Strike Limited Ltd on 16th April 2006, for a period of 5 years and comprises approx 24 km² in area in the Land District of Montagu vicinity of Mt Lyell, Queenstown (Figure1).

The area is covered by the 1:25000 scale Gormanstone and Owen map sheets and is rugged as shown in the photos below.



Figure 2 Images from the tenement area.

The licence is situated immediately east and south of the Mount Lyell Copper (gold) mining district and located directly to the south of Copper Strike's Lake Margaret tenement (see figure 3). The southern end of the Mt Lyell Mining Lease extends into the exploration licence.

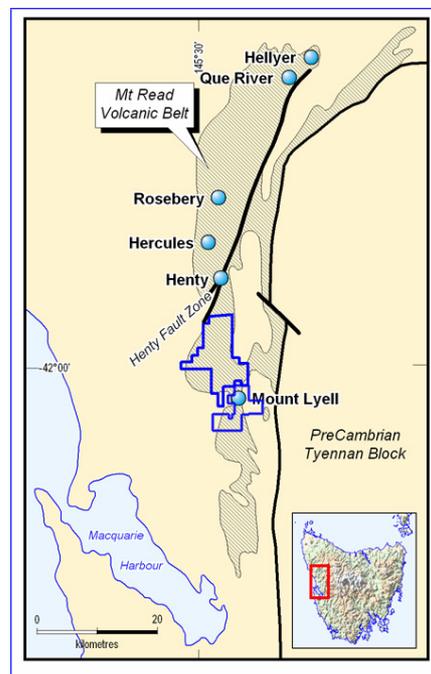


Figure 3 Regional geological setting and simplified geology of Copper Strike's Linda exploration licence along with the Lake Margaret tenement to the north also held by Copper Strike

2 REGIONAL GEOLOGICAL SETTING

The surface geology is mainly Late Cambrian Owen Group siliclastic rocks with outcrops of Middle Cambrian Mt Read Volcanics, prospective for volcanic hosted base metal and gold deposits. Structural elements of the area include the NW trending Great Lyell Fault and North Lyell Fault.

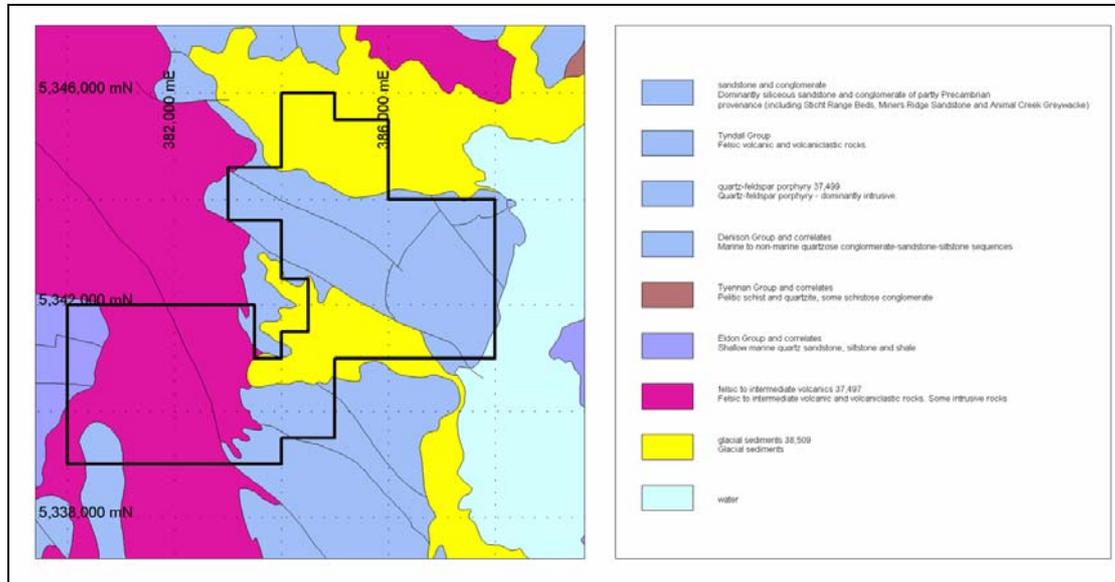


Figure 4 Surface Geology (agd66)

Economically important deposits in the area are disseminated chalcopyrite-pyrite ore bodies in alteration assemblages of quartz-sericite or quartz-chlorite-sericite in the Mt Lyell field (eg West Lyell, Prince Lyell), and from smaller, but richer, bornite-chalcopyrite deposits (eg North Lyell).

3 EXPLORATION PHILOSOPHY AND OBJECTIVES

Copper Strike acquired the Linda property for its Mt Lyell-style copper (gold) potential which lie just to the west of the License.



Figure 5 Location of EL38/2006 with respect to the Mt Lyell ore bodies (black dots)

The exploration objective is to construct a new solid geology 3D model from all available geological and geophysical data in the area to explore for altered Mt Read Volcanics at depth near the contact of the Great Lyell Fault.

4 PREVIOUS WORK

Historical workings at Great Lyell, Copper Estates and Duke Lyell are evidence of mineralization on the edge of the Mt Lyell mineral system.

Some of the present Exploration Licence was for many years part of the Mt Lyell Mining Lease, and only limited records of any work undertaken prior to a reduction of the ML to its' present size are available.

A summary of the main work carried out is as follows:

- 1956-57 the BMR conducted geophysical programs which generated a number of anomalies
- 1961 drilling under historical workings by Mt Lyell.
- 1970-71 literature review and sampling of the Great Lyell adit, with disappointing results (Wells, 1971).
- 1971-72 sampling of gossan and mineralization from the Great Lyell – Duke Lyell area (Wells, 1972).
- 1973-74 geological mapping, extensive IP (that suffered from interference related to mining) and ground magnetic (Wells, 1974).
- 1974-75 geological mapping, further IP, soil geochemistry (Brophy, 1975).
- 1975-76 rock chip over IP anomalies, sampling of dumps at historic workings (Brophy, 1976).
- 1984-85 two diamond holes (G12 and G13) drilled at Gormanston (Beddows, 1985).

5 WORK COMPLETED BY COPPER STRIKE IN 2007

In this first year of tenure, Copper Strike Ltd has reviewed open file data and developed a 3D model of the Queenstown North Area between the Great Lyell Mine to Lake Margaret to assist targeting drilling and develop further understanding of the local geology.

5.1 3D Geological Model

A rectangular area approximately 10 by 10km defined by the coordinates 380,000E to 390,000E and 5340000N to 535,000N, centered on the northern extent of the Great Lyell fault to the Margaret fault was selected for modeling. The aim of the project was to define the geometry of the Cambrian Ordovician boundary with the objective to locate potentially untested Cambrian rocks to 500m and define the significant element of geology and mineralization of the Queenstown field of the Mt Lyell style Cu-Au deposit.

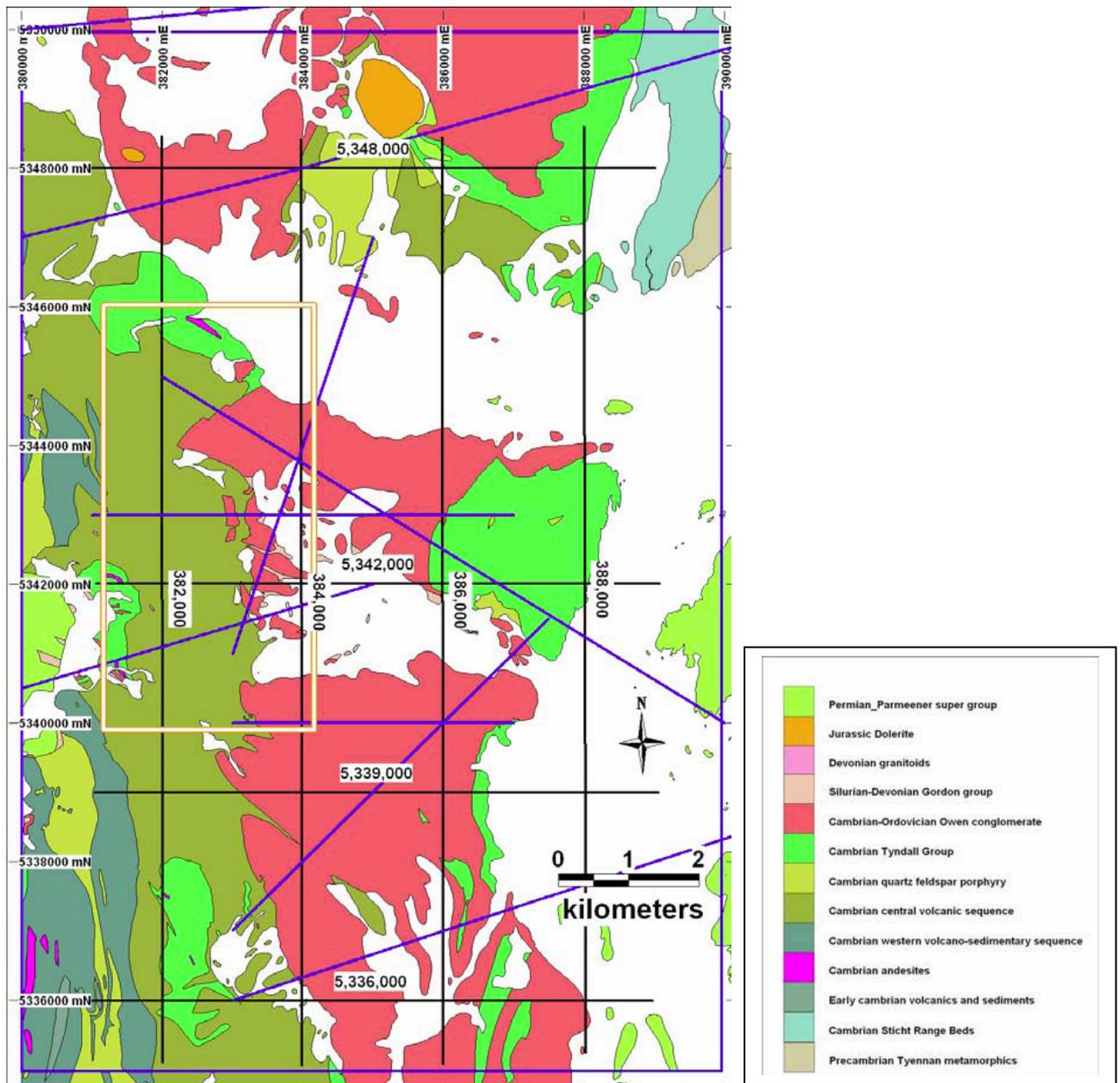


Figure 6 Region of the 3D model (outer purple rectangle) showing the geological units used as the basis for developing the solid geology.

The model was constructed by PostGraduate Niche, a division of Global Discovery Pty, Ltd, in Newport Victoria.

In order to construct a geometrically consistent 3D geological a solid geology map was constructed using 1:25,000 maps published by the MRT (Figure 2) , a 1:25,000 map from Mt Lyell Mines (Willis 1997) and from mapping by Noll (PhD 2004).

Four N-S and four E-W trending geological cross-sections (represented by the black lines in Figure 2 above) were constructed at 12,500 scale and augmented by existing sections from Noll's work (blue lines – representing cross sections). These cross sections are presented in Appendix 1 of the report by PNG which is included as Appendix 1 of this annual report.

The cross sections were then modeled and refined against potential field data, mainly magnetics as the gravity survey did not have an adequate spatial resolution. A number of forward modeled iterations were made to test the sensitivity of the model to the dip direction of the Great Lyell Fault and the size and shape of alteration envelopes. These sections are provided in Appendix 2 of the PNG report. The cross-sections were reconciled into a 3D model that was then used to predict depth below ground of the base of the Cambrian in the Linda Valley and to design two drill holes to test the position. The solid geology model is presented as an interactive PDF in Appendix 2, a detailed DXF image in Appendix 3 and as a fixed image below.

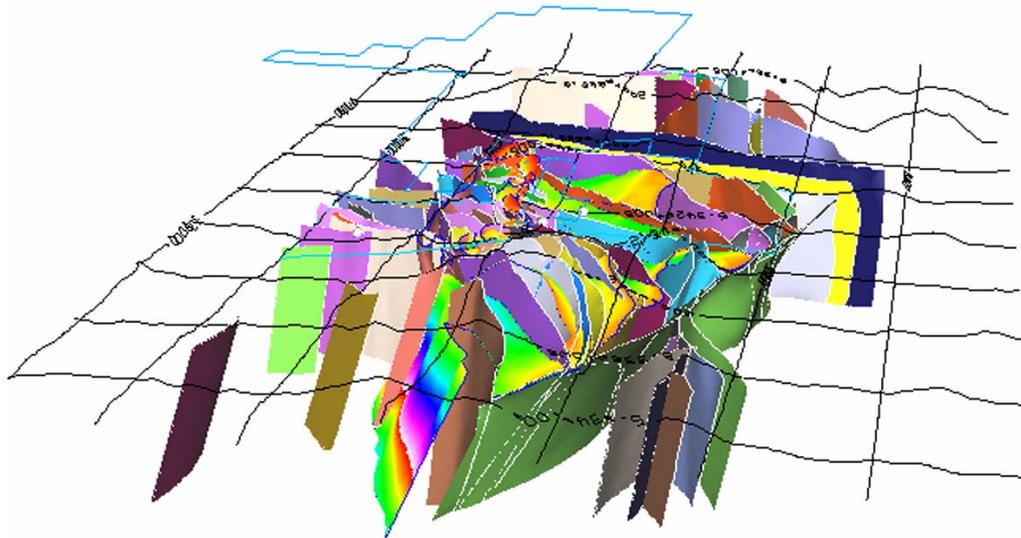


Figure 7 Result of 3D Modeling of the solid geology model

6 PROPOSED WORK PROGRAM FOR 2008

The results of 3D modeling have lead to the definition of 2 drill targets with drilling planned to commence Late March 2008.

Copper Strike is planning to drill one diamond hole on the Little Owen Spur near Queenstown to Drill test an old but extensive IP anomaly adjacent to the Mt Lyell Mining Lease. Extensive pyrite alteration on and adjacent to the mining lease typically surrounds the 'Prince Lyell' style of deposit. The IP anomaly is supportive of the pyritic zone extending into the subsurface where the drill hole is planned.

Specifications: Collar approx: 382110E, 5340200N, 383mRL (AGD66) Dip: -60 to 060AMG (048 mag). Proposed length: 400m

Copper Strike is planning to drill a second hole in the Gormanston area to drill an under-tested zone where host altered volcanic, some 400m along strike from the Iron Blow deposit and below the Great Lyell Fault (and Owen Conglomerate), dip eastwards out of the Mine Lease onto the EL.

Specifications: Collar approx: 383750E, 5340725N, 390mRL (AGD66) Dip: -70 to 270AMG (258 mag). Proposed length: 400m

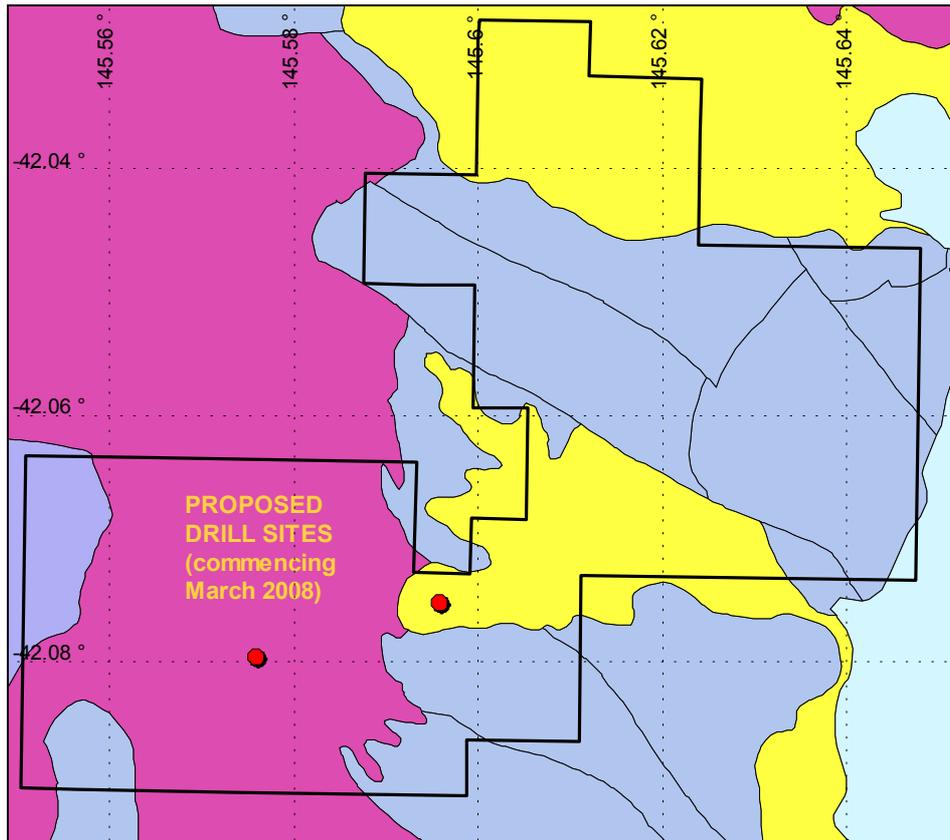


Figure 8 Location of 2008 proposed drill sites

7 EXPENDITURE

Expenditure on EL 38/2006 16 April 2007 to 15 April 2008 was \$comprising:

- Geology (modelling) \$9,525.00
- Administration \$ 962.00
- Expenses \$958.00

Total Expenditure to date is \$11,445.00

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