



COPPER STRIKE LTD

Final Report for EL 35/2004

**LAKE MARGARET PROJECT
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INTRODUCTION

The Lake Margaret Project (EL 35/2004) is located along the faulted contact between the Mount Read Volcanics and Owen Conglomerate in western Tasmania. The Copper Strike tenement is situated immediately north 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 Lake Margaret 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.
- Lower in the Mount Read Volcanics stratigraphy are a number of pyritic alteration zones which have not been drill tested in any detail.
- Previous exploration of the property appears to have been directed more towards stratiform massive sulphide mineralisation rather than discordant Mt Lyell-type copper-gold orebodies.

Previous work to date by Copper Strike Ltd includes a review of previous exploration, re-interpretation of an airborne EM survey, completion of a local IP survey and one diamond drill hole located to test an anomaly from interpretation of the IP data. No new work was completed in 2008 or 2009.

The license is being surrendered in full due to the current global financial downturn and the lack of success in securing a joint venture partner for the project

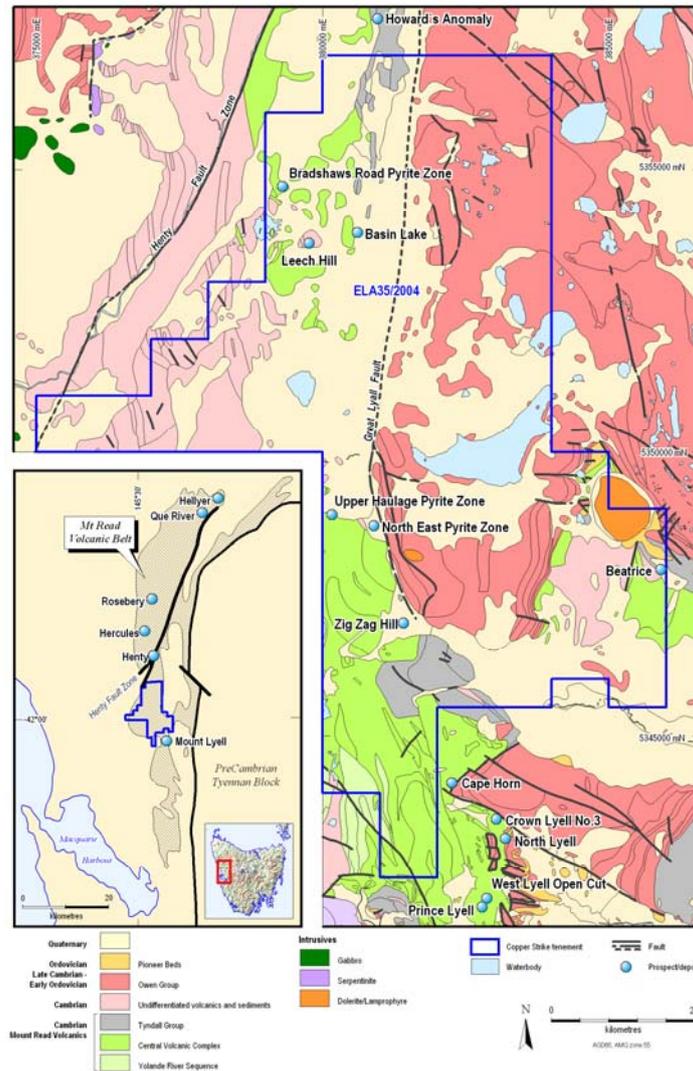


Figure 1 Lake Margaret: Regional geological setting and simplified geology of Copper Strike's tenement

1 TENEMENT DETAILS

EL 35/2004 was granted to Copper Strike Limited Ltd on 22nd February 2005, until 24th December 2009 (subject to conditions) and comprises approx 69 km² in area. The Mt Lyell Mining Lease overlaps (and takes precedence over) the southern boundary of the tenement; at least one other small Mining Lease is present.

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.

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 PREVIOUS WORK

The main focus in previous exploration at Lake Margaret has been for stratabound "VHMS" Pb-Zn-Ag mineralisation, and "Mt Lyell type" Cu-Au associated with massive pyrite. A comprehensive summary of previous exploration for the Lake Margaret Project Area, including a list of exploration reports relevant to EL35/2004 was included as Appendix 1 in the Copper Strike Ltd. Annual Report for EL35/2004 Lake Margaret Project for the year ending 24th December 2005 .

4 WORK BY COPPER STRIKE DURING THE PERIOD OF TENURE

A review of the geophysics, particularly airborne EM, was completed in 2005 and included as Appendix 2 in the Copper Strike Ltd. Annual Report for EL35/2004 Lake Margaret Project for the year ending 24th December 2005.

In February 2006 an Induced Polarization survey was conducted on the tenement in by SJ Geophysics to define a drilling target following the work and proposal of Vicary (2003) for Aurion Gold. Details and results from this survey were included in the Copper Strike Ltd Annual Report for EL35/2004 Lake Margaret Project for the year ending 24th December 2006.

A drill target was identified from the IP survey completed in April 2006 and drilled November 2006. A drill hole logging report was presented in Appendix 3 and detailed logs in Appendix 4 of the Copper Strike Ltd Annual Report for EL35/2004 for the year ending 24th December 2006. Preliminary assay results were reported in Appendix 5. Finalized assay data is included as appendix 1 of the Copper Strike Ltd Annual Report for EL35/2004 for the year ending 24th December 2007.

In 2008 a geological field visit was made to prospective areas in the northern part of the tenement. No sampling was done. No field work was conducted in EL35/2004 aside from this regional reconnaissance.

5 CONCLUSION

Copper Strike unsuccessfully sought a joint venture partner to continue exploration in the area. The previous IP survey shows the anomaly open to the north and Copper Strike planned to extend the IP survey to the north and south of the existing grid to define new drill targets. Unfortunately Copper Strike Ltd did not succeed in finding a partner and in the current economic climate has decided to relinquish the license in full.

6 EXPENDITURE

Total Expenditure on EL 35/2004 over the period of tenure was \$ 189,2481 with only administrative expenses of \$100 since the last annual report.

7 REFERENCES

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