

# MARKET ANNOUNCEMENT

## Gold Potential of Strike's Pilbara Tenements

### HIGHLIGHTS

- **Review of data from Strike's Paulsens East tenement in the West Pilbara (located ~7km from the Paulsens Gold Mine) has confirmed existence of conglomerate-hosted gold.**
- **Strike's North-West Pilbara tenements (comprising an area of ~310km<sup>2</sup> and initially pegged for Lithium) are favourably located close to the Mt York Lithium-Gold Project and other gold deposits and to adjoining tenements held by Kairos Minerals Limited and De Grey Mining Limited, in an area of significant activity based upon reported Novo/Artemis discoveries in the Pilbara.**
- **Strike is undertaking a review of all historical data and planning further exploration activities for these Pilbara tenements, in light of new conglomerate gold geological models**

Strike Resources Limited (ASX:[SRK](#)) (**Strike**) is pleased to provide the following update in relation to various mining tenements held by it in the Pilbara region of Western Australia.

Strike has noted the significant activity in the Pilbara region with discoveries by [Novo Resources Corp.](#) (TSX-V:NVO) at its joint venture project with [Artemis Resources Limited](#) (ASX:[ARV](#)) in the Pilbara Basin, including a significant quantity of gold nuggets found at surface in the Hardey Formation conglomerate.

Strike has historically held a number of mining tenements in the Pilbara region principally for their iron ore potential, which are associated with the Fortescue Group of rocks. Last year, Strike also undertook an extensive review of the North-West Pilbara region, seeking to peg tenements prospective for Lithium. Pursuant to that review, Strike applied for tenements in the North-West Pilbara region comprising EL 45/4800 and EL 45/4799, which are located ~80km west of Marble Bar and ~200km east of Karratha in an area that has undergone significant recent pegging activity for gold potential. Both of these tenements are now granted.

Given the high level of exploration activity in the Pilbara for gold, Strike recently undertook a review of all its tenements in the area to determine their gold bearing prospectivity. That initial review has indicated the presence of conglomerate-hosted gold in its Paulsens East tenement and, based upon nearby gold deposits, gold exploration potential in its North-West Pilbara tenements.



## Paulsens East Project

This tenement which is located ~7km east of the Paulsens Gold Mine operated by [Northern Star Resources](#) Ltd (ASX:NST) (which has mined over 700k ounces at an average grade of 7.63 g/t Au<sup>1</sup>) has been held by Strike for many years for its deposit of high grade hematite. Strike has historically conducted extensive drilling on the tenement for iron ore.

A recent review by Strike of the historical data within the tenement for other mineralisation has now indicated the presence of a historical gold occurrence, hosted within conglomerate rocks on a faulted contact between the Fortescue Group and Ashburton Basin sediments.

Strike notes the potential of the Paulsens area, given the geological setting with mineralised conglomerates is similar to the Novo/Artemis gold discoveries, with these discoveries having opened up fresh geological models for gold prospectivity compared with traditional paradigms.

Strike notes that the Paulsens East tenement directly abuts the southern boundary of [Chalice Gold Mines](#) Limited's (ASX:CHN) West Pilbara Project tenements, with newly pegged Novo Resources' tenements nearby to the south-east (refer Figure 1).

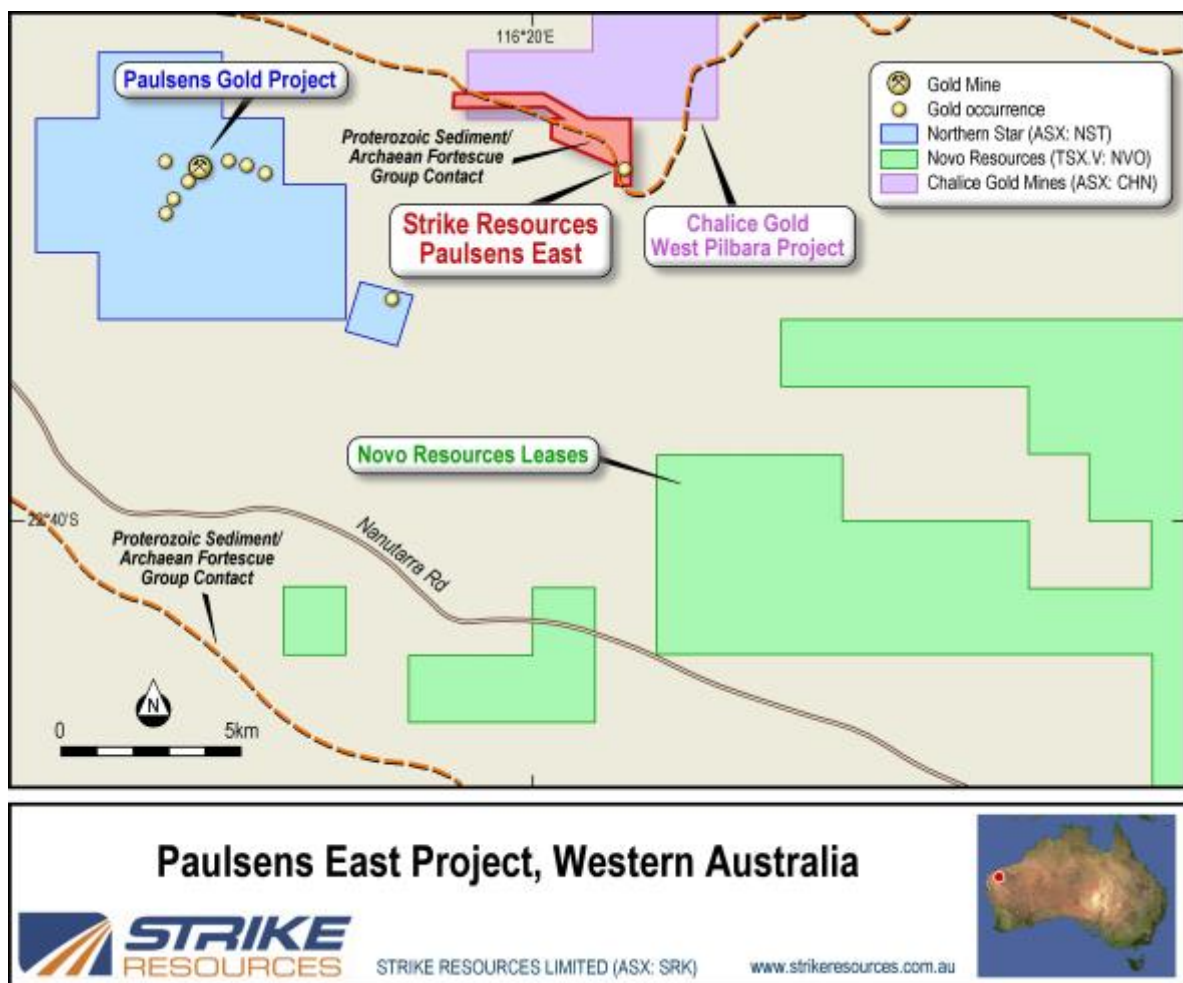


Figure 1 – Strike's Paulsens East Tenement (Retention Licence RL 47/7)

The nature of the geological setting of Strike Paulsen's East tenement, with an existing gold occurrence hosted within conglomerate rocks, provides Strike with the opportunity to conduct further work within the tenement to determine the full extent of its gold bearing potential.

Accordingly Strike intends to organise a field visit to conduct a rock sampling and geological mapping programme within the tenement, as a pre-cursor to a potential drilling programme based upon the results of the field visit.

1 Source: Northern Star Resources Ltd company website: <http://www.nsr ltd.com/>

Strike cautions investors that despite a known gold occurrence within the Paulsen's East tenement, further work is required to confirm that this tenement is prospective for the conglomerate-hosted style of gold mineralisation reported by Novo Resources and Artemis Resources.

### North-West Pilbara Tenements

In August 2016<sup>2</sup>, Strike conducted a detailed review of the Pilbara region and pegged two tenements that it believed were prospective for Lithium. These tenements, totalling ~ 310km<sup>2</sup>, comprise EL 45/4800 (adjacent to the Tabba Tabba Tantalum Mine) (granted in July 2017) and EL 45/4799 (located within ~20km from the [Wodgina Tantalum Mine](#)) (granted August 2017).

In the intervening period, the areas around these tenements have undergone significant recent pegging activity for gold, based largely upon the Novo/Artemis gold discoveries.

These tenements adjoin tenements held by [Kairos Minerals](#) Limited (ASX:KAI) and [De Grey Mining](#) Limited's (ASX:DEG) Pilbara Gold Project, both of which are being explored for gold and are close to Kairos Mineral's [Mt York Lithium-Gold Project](#) and [Pilbara Minerals](#) Limited's (ASX:PLS), [Pilgangoora Lithium-Tantalum Project](#) (refer Figure 2).

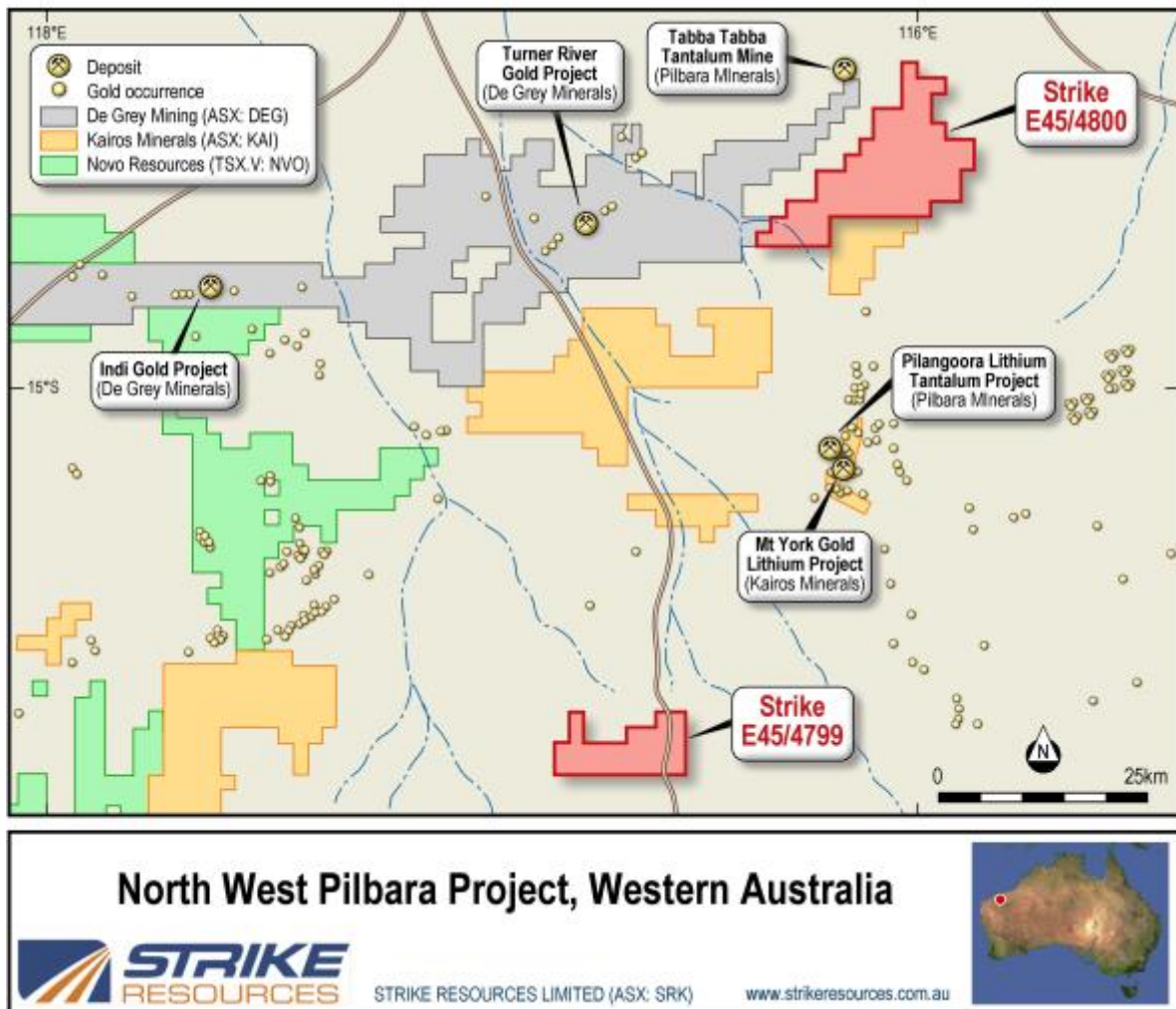


Figure 2 – Strike's North-West Pilbara Tenements (EL 45/4799 and EL 45/4800)

Strike notes that no recorded detailed sampling for gold has been undertaken historically within EL 45/4799 and EL 45/4800.

<sup>2</sup> Refer Strike's ASX Announcement dated 18 August 2016: [New Lithium Projects in Chile and Western Australia](#)

*Strike cautions investors that further work is required to confirm that one or more of its tenements are prospective for gold mineralisation.*

However, in light of this possibility Strike has decided to expedite field evaluation by sending an exploration field team to the Pilbara to undertake preliminary mapping and sampling on its tenements. The results of this work will be reported once available.

Strike has also commenced a review of all historical and publicly available information for these tenements in order to establish the potential strike extent and gold bearing within its tenements.

## FOR FURTHER INFORMATION

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

[Strike Resources](#) is an ASX listed resource company and owns the high grade [Apurimac Magnetite Iron Ore Project](#) and [CUSCO Magnetite Iron Ore Project](#) in Peru and is currently developing its [Burke Graphite Project](#) in Queensland and [lithium](#) exploration tenements in Western Australia.

## [JORC CODE \(2012\)](#) COMPETENT PERSONS' STATEMENTS

The information in this document that relates to Exploration Results is based on, and fairly represents, information and supporting documentation prepared by Mr Peter Smith, BSc (Geophysics) (Sydney) AIG ASEG, who is a Member of [The Australasian Institute of Geoscientists](#) (AIG). Mr Smith is a consultant to Strike Resources Limited. Mr Smith has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the [2012 Edition](#) of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves" (JORC Code). Mr Smith has approved and consented to the inclusion in this document of the matters based on his information in the form and context in which it appears.

## 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 minerals/commodities, 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.