

Thursday, 5 December 2019

MARKET ANNOUNCEMENT

2% Royalty Entitlement on Strike's Paulsens East Iron Ore Project

Orion Equities Limited (ASX:OEQ) (**Orion**) refers to recent ASX announcements released by Strike Resourced Limited (ASX:SRK) (**Strike**) in relation to its Paulsens East Iron Ore Project (**Paulsens East**).

Paulsens East is located approximately 140 kilometres west of Tom Price and approximately 233km by road south-east from the Port of Onslow and consists of a high-grade outcropping hematite iron ore ridge extending for approximately three kilometres West to East, with a recently delineated JORC Indicated Mineral Resource¹.

Strike has also recently completed Scoping Study on Paulsens East, which outlines plans to mine and produce iron ore (predominantly Lump Direct Shipping Ore (**DSO**)) with an initial mine life (**LOM**) of four years, with first production targeted for the third quarter 2020. Strike's Scoping Study confirmed the potential for highly favourable economics for Paulsens East.²

Orion notes that it is entitled to a royalty of 2% of gross revenues generated by Strike from Paulsens East. This royalty entitlement stems from Orion's sale of a portfolio of tenements (including the Paulsens East tenement) to Strike in September 2005.³

For further information in this regard, please refer to the following ASX market announcements:

- Orion's announcement dated 23 September 2005: CXL Retains a 25% Free Carried Interest in NT Uranium Tenements; and
- Strike's announcement dated 11 August 2008: Acquisition of Outstanding Interests in Berau Coal and Paulsens East Iron Ore Projects.

³ Orion was then known as Central Exchange Limited (ASX:CXL) and Strike was then known as Fast Scout Limited (ASX:FSL)



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¹ Refer Strike's ASX Announcements dated 4 September 2019: Significant Upgrade of JORC Mineral Resource into Indicated Category at Paulsens East Iron Ore Project and 15 July 2019: Maiden JORC Resource of 9.1 Million Tonnes at 63.4% Fe - Paulsens East Iron Ore Project in the Pilbara

² Refer Strike's ASX Announcement dated 28 November 2019: Excellent Scoping Study Results for Paulsens East Iron Ore Project

For further background information about Paulsens East, please refer to Strike's recent ASX market announcements, as follows:

- 5 December 2019: Drilling and Surface Sampling Results at Paulsens East Iron Ore Project;
- 4 December 2019: High Grade Results Located 1.6km from 9.6Mt Resource at Paulsens East;
- 28 November 2019: Excellent Scoping Study Results for Paulsens East Iron Ore Project;
- 19 November 2019: Beadon Creek Onslow Selected as Preferred Port for Paulsens East:
- 30 October 2019: 2019 Annual Report;
- 24 October 2019: Strike Strengthens Management Team for Paulsens East Iron Ore Project with Key Appointments;
- 10 October 2019: Outstanding Metallurgical Testwork Results at Paulsens East Iron Ore Deposit Indicate 79% Lump Yield with Low Impurities;
- 4 September 2019: Significant Upgrade of JORC Mineral Resource into Indicated Category at Paulsens East Iron Ore Project;
- 1 August 2019: Strong Progress at the Paulsens East Iron Ore Project;
- 15 July 2019: Maiden JORC Resource of 9.1 Million Tonnes at 63.4% Fe Paulsens East Iron Ore Project in the Pilbara; and
- 19 June 2019: Strike's Iron Ore Assets.

The Strike ASX market announcements referred to above may be viewed and downloaded from the Company's website: www.strikeresources.com.au or the ASX website: www.asx.com.au under ASX code "SRK".

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