

Peruvian assets looking good for Strike

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Paul Garvey

STRIKE Resources says its soon-to-be-acquired Peruvian iron ore assets have the potential to turn the company into "a major iron ore producer", following the completion of Strike's due diligence into the projects.

Strike said it expected to complete the acquisition of the two projects within six weeks, following the completion of the company's due diligence.

Strike chairman John Stephenson described the acquisition as very significant for the company.

"The underlying resources defining these deposits are world-class and comparable with the best in the Pilbara, Western Australia, in terms of grade and potential tonnages," he said.



As part of its due diligence, Strike calculated an inferred resource of 21 million tonnes grading 63.1% iron based on recent drilling on a gravity anomaly in the Opaban III deposit.

The drilling on which the resource was based was carried out in 2005 to validate a 730Mt high-grade iron ore resource estimated in 1961.

The projects also include a resource target of 210-260Mt at Opaban I, and a gravity anomaly about 10 times larger than that encountered at Opaban III.

Shares in Strike were up 8.5c at \$1.61 this morning.

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