

Strike catches ASX eye, reveals potential Peru deals

Kate Haycock
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STRIKE Resources has admitted to the Australian Securities Exchange that it has had discussions with potential buyers for its Peruvian iron ore projects, and is negotiating offtake deals with steel mills.

The company today answered an ASX query about Strike's soaring share price, which has jumped 54% from late February.

In the last two days alone the company's price has soared from \$1.88 to a high of \$2.80 in today's session.

In its response, the company said it had been in "detailed negotiations" with parties over the sale of all or part of its iron ore interests in Peru, or an investment in the same projects.

This could be a sizeable transition and the company said it would be more than the company's current market capitalisation.

Strike also said it was in discussions with Chinese and Japanese steel mills over offtake from the project, but no agreement has yet been reached.

In July this year the company announced a JORC-compliant inferred resource for its Apurimac project of 172 million tonnes grading 62.28% iron.

The company says it would like to define much larger resources across its Peruvian projects, with Peruvian Government reports detailing resource targets in excess of 700Mt iron ore at Apurimac and 500Mt at the Cuzco project.

Shares in the Perth-based company settled back down to \$2.45 in mid-afternoon trade.



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