

8 MAY 2012

ASX / MEDIA RELEASE

STRAITS RESOURCES LIMITED
(ASX: SRQ)

Sale of Hillgrove Antimony Project

Emu Nickel NL has advised the Company of its failure to raise a minimum \$60 million required under the terms of the Sale & Purchase Agreement relating to the Hillgrove antimony/gold project.

Accordingly, this Agreement is now terminated (see attached Emu Nickel NL announcement).

Straits will pursue negotiations on a trade sale with parties which have recently approached the Company wishing to put forward acquisition proposals.



Milan Jerkovic
Chief Executive

For further information, please contact either:

- Mr Milan Jerkovic – Chief Executive Officer
- Mr Dave Greenwood – Corporate Affairs

on +61 8 9480-0500, or visit our website at www.straits.com.au.

References in this report to "Straits Resources Limited", "Straits" and "Company" include, where applicable, its subsidiaries.

About Straits Resources

Straits Resources Ltd (ASX Code: SRQ) is a mining and exploration company focused on copper and gold in Australia and Asia. Straits owns and operates the Tritton copper mine in NSW and the Mt Muro gold mine in Indonesia and has an exciting exploration portfolio focusing on projects in NSW and South Australia.

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Termination of Sale and Purchase Agreement for the sale of the Hillgrove antimony/gold project

Emu Nickel NL (**Emu**) and Straits Resources Limited (**Straits**) were parties to a sale and purchase agreement for the sale of the Hillgrove antimony/gold project. A condition of this agreement was for Emu to raise sufficient funds for the project and Emu had lodged a prospectus for that purpose with a minimum raise of \$60M.

Despite the board's continuing confidence in the Hillgrove asset, the minimum raise has not been and, in the board's opinion, will not be achieved in a reasonable time frame given the current market. Accordingly the raising has been abandoned. The agreement between Emu, Straits and ANCOA NL (now named Bullantco NL) is at an end.

Emu will re-evaluate its WA properties and look at new opportunities.

It is intended that Emu apply for re-quotation on ASX as soon as possible.

For more information on the company visit www.emunickel.com.au

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