



Investor Presentation

September 2012



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Summary

Straits announced the following financing and operational initiatives on 7 September 2012

- A \$20 million short term finance facility provided by Glencore
- A \$60 million fully underwritten pro rata renounceable entitlement offer which is being sub-underwritten by Glencore for up to \$40 million and a number of existing shareholders for the balance
- A life of mine off-take agreement with Glencore for production at the Tritton Copper Mine
- A renegotiated repayment schedule for the Mt Muro silver loan with Credit Suisse
- Commencement of cost saving initiatives and operational restructuring, including Board and management changes
- Pursuit of a demerger or sale of Mt Muro



Entitlement offer overview

OFFER SIZE AND STRUCTURE	• Capital raising to raise \$60m by way of a 1.55 for 1 renounceable entitlement offer • Eligible shareholders will be able to apply for additional shares above their entitlement through a “Top-Up Offer” in the entitlement offer • Total shares to be issued under the entitlement offer is 707.6m
OFFER PRICE	• \$0.085 per new share, which at the time of announcement represented a: – 23.5% discount to the 10 day VWAP of \$0.111 – 17.2% discount to the fully diluted theoretical ex-right price of \$0.103
USE OF PROCEEDS	• Pay existing creditors (including repayment of the Glencore Facility) and return to normal payment terms (approximately \$25 million) • Fund the development of Mt Muro through waste stripping activities (approximately \$20 million) • Provide working capital for the Company and pay the costs of the entitlement offer (approximately \$15 million)
CORNERSTONE INVESTOR	• International trading house, Glencore has committed to support Straits by providing: – A \$20m bridging loan – \$40m of sub-underwriting of the entitlement offer – Has entered into a life of mine offtake agreement with Straits in relation production from the Tritton Copper Mine
CLOSING DATE	• 4 October 2012



Corporate and operational initiatives

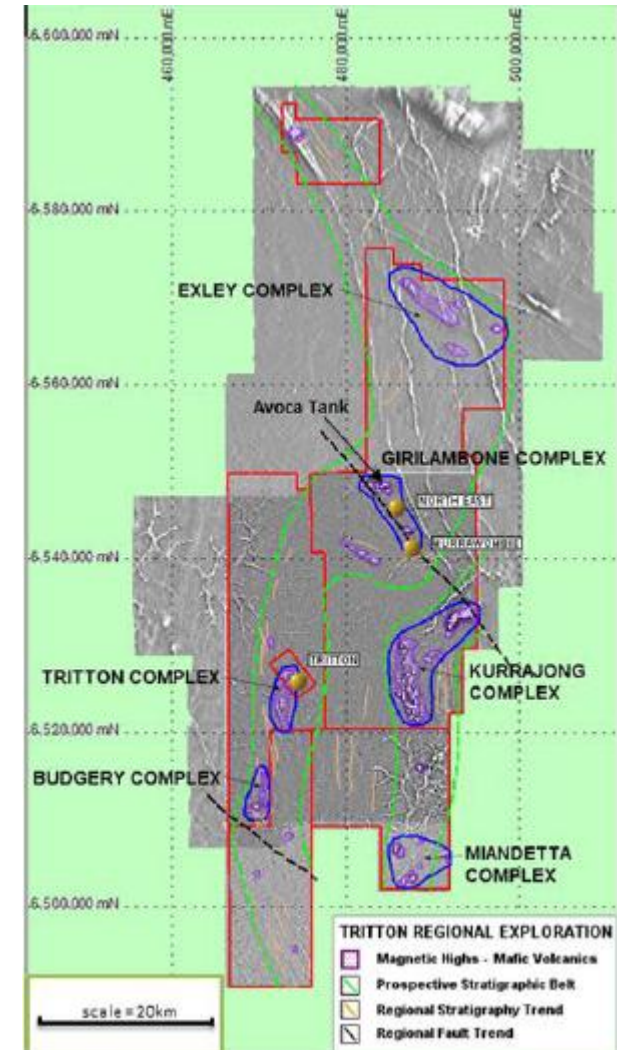
Straits has established a Restructuring Committee with key initiatives to include:

- Reduction in corporate overhead with expected head office savings of approximately \$9 million on an annualised basis
- Elimination of all non-essential regional exploration, except for around Tritton and that required to keep tenements in good standing
- Senior management changes with CEO search commenced and continue to search for a CFO
- Strengthening the Board with two new non-executive directors. Straits may appoint a Glencore representative to its Board depending on Glencore's shareholding
- A cost reduction program at Tritton including a reduction in personnel, removal of contractors and a halt on all non-critical works. These measures are expected to save approximately \$20 million in annualised costs against preceding quarter annualised costs.
- Mt Muro demerger or divestment to be pursued
- Hillgrove trade sale process to continue

Tritton Copper



- FY12 production of 23,962 t of copper in concentrate and cement
- FY13 production target of 25,000 t of copper in concentrate
- First Quarter production on target
- New life of mine off-take agreement with Glencore from late 2013
- Plant has spare capacity to achieve 1.8 Mtpa (currently at 1.4 Mtpa)
- Immediate focus on high grade discoveries at Avoca Tank and Kurrajong (currently exploring with one drill rig)
- Additional ore discovered at North East providing potential to fill spare mill capacity and reduce costs
- Near mine focus on extensions to reserves below the current mining areas at North East Mine, conversion of resources to reserves
- Future prospectivity associated with identified significant Mafic complexes contained within the existing tenement package

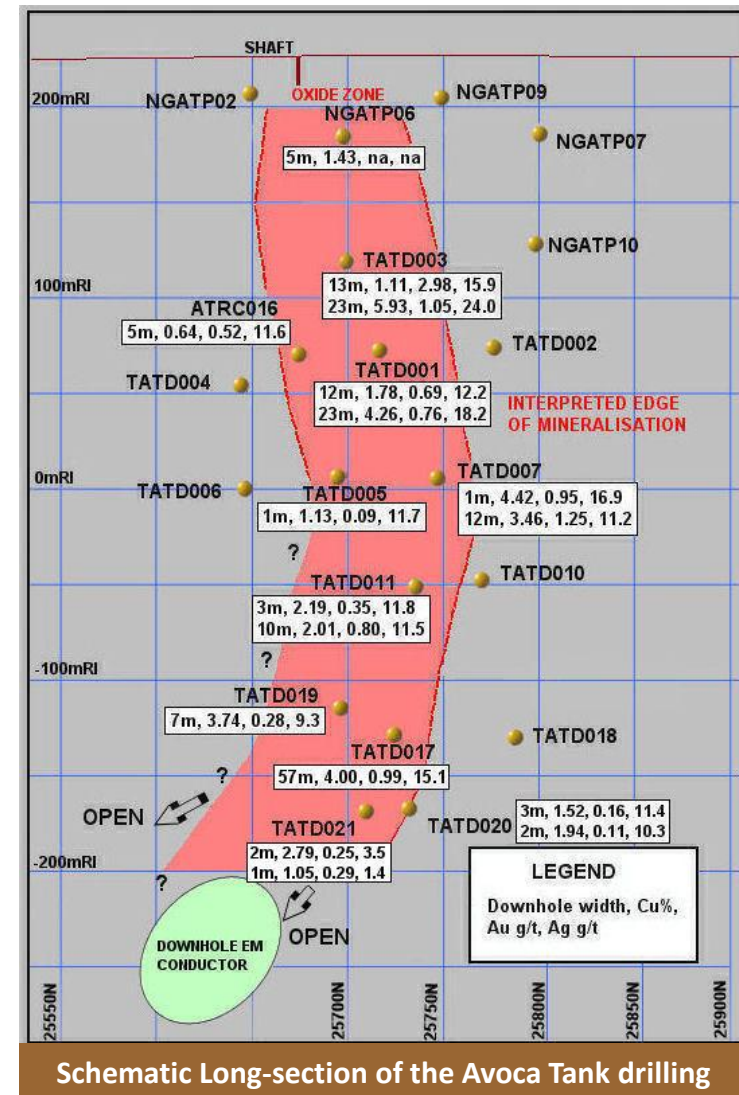




Exploration - Avoca Tank

Avoca Tank

- Located 2km north of Girilambone North mining area
- Infill resource programme (23 holes) commenced
- Scope of program to convert Inferred to Indicated resource to enable progress of the economic evaluation of the project
- Preliminary inferred resource as per 2012 annual report:
1.49Mt @ 2.7% Cu, 0.62g/t Au and 12g/t Ag
- TATD017 returned 84 m @ 2.86% Cu, 0.88 g/t Au, 12 g/t Ag and 0.95% Zn from 395m downhole **including 57m at 4% Cu & 0.99g/t Au**
- Deep sulphide potential confirmed through drilling and down hole EM (DHEM)



Schematic Long-section of the Avoca Tank drilling

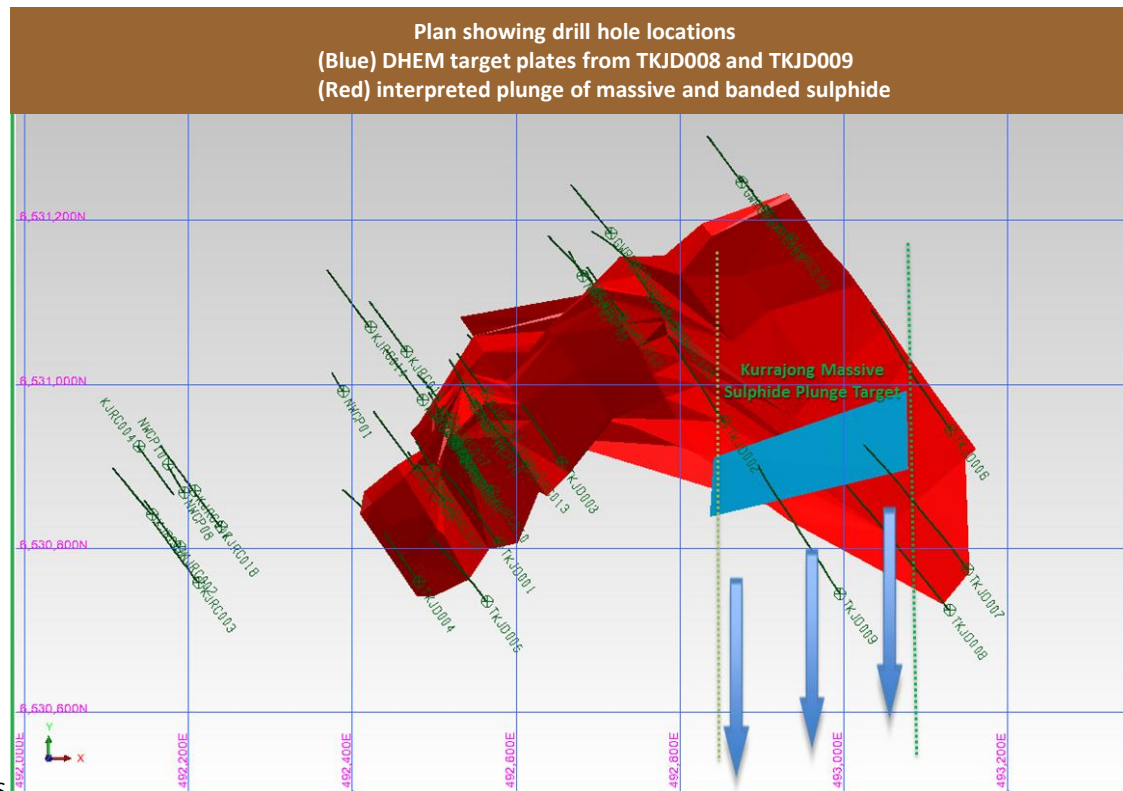
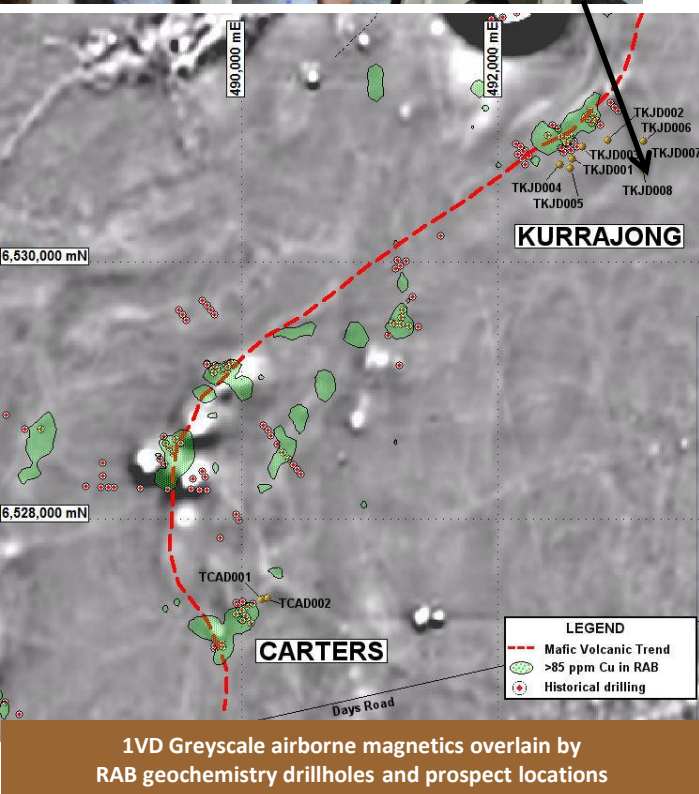


Close up pictures of massive and banded sulphide TKJD008 572 to 578m downhole



Exploration - Kurrajong/Carters Trend

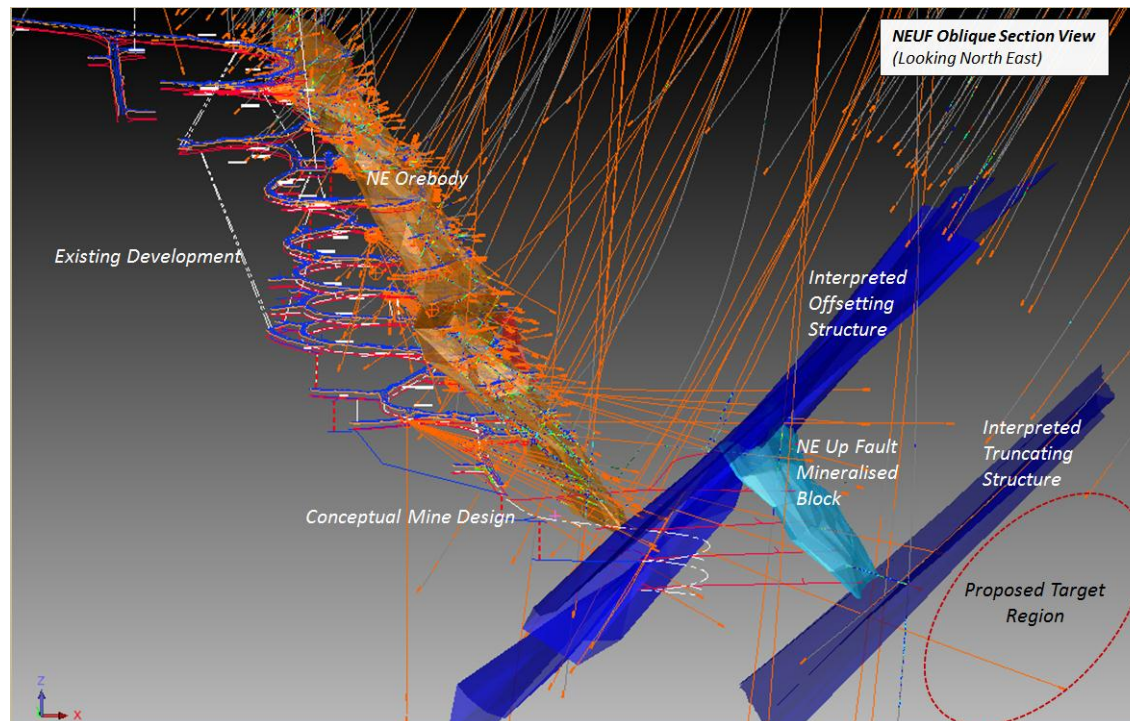
- Kurrajong located 20km east of Tritton
- 9 holes to date have confirmed existence of a significant mineralised system over 650m in strike length - open in all directions and down dip
- Hole TKJD008 returned 6m @ 3.92% Cu, 0.39 g/t Au, 10.9 g/t Ag and 0.56% Zn
- Massive Sulphide Target open at depth and up dip from Holes TKJD007, TKJD008 and TKJD009





Exploration - North East

- Drilling from UG has produced significant mineralised intercepts at the **North East** (NE) mine (including the North East Fault Block deposit)
- Further Upside exists at the **Larsens Mine** also located at the Girilambone North Mining center
- The results to date suggest a likely increase to the NE resources and reserves which will be reported once modelling and evaluation work is complete
- Underground Drilling is currently focused on Tritton Grade-control at the NE mine exploration and definition to recommence in the next quarter



Mt Muro Gold Mine



Mt Muro

- Total production in FY12 of 23,160 oz Au and 529,130 oz Ag
- Targeting production of 90,000 to 110,000 oz AuEq in FY13
- Production for September 2012 Quarter expected to be 14,000 to 16,000 oz AuEq
- Credit Suisse silver loan restructured to defer all silver deliveries until March 2013 when production rates are expected to significantly increase
- Plant throughput capable of 1.7 Mtpa
- Fewer working areas = stable production & lower costs
- Minimum 6 year mine plan established at plus 100 k oz per annum AuEq from FY2013
- Process commenced to investigate future options including a demerger or sale of the mine to a 3rd party



Straits is Positioned for Growth

- A copper and gold focused metals mining & exploration company
- Strong production performance expected in FY2013 from :
 - Tritton (25,000 t of copper in concentrate) and
 - Mt Muro (90,000 to 110,000 oz AuEq)
- Significant copper growth through Avoca Tank and Kurrajong
- World class copper exploration portfolio with geologically visible drill ready exploration targets
- Substantial cost saving program at corporate and operational levels
- Positioned to deliver strong repeatable earnings from two fully capitalised mines in FY2013

Appendix



Tritton Key Figures

- Tritton Production Statistics

Production Statistics from Tritton		FY 2012	FY 2011	FY2010
Ore Mined (Tritton)	Tonnes	1,260,656	1,160,476	911,539
	Grade (%)	1.96	2.11	2.35
	Cu Tonnes	24,709	24,486	21,451
Ore Milled	Tonnes	1,254,355	1,163,732	906,347
	Grade (%)	1.96	2.11	2.37
	Cu Tonnes	24,585	24,555	21,464
Recovery	%	94.8	95.1	94.2
Concentrate	Tonnes	93,580	94,483	81,183
	Cu %	25	25	25
	Cu Tonnes	23,734	23,354	20,226
Copper cement		587	582	621
Total copper produced		23,962	23,936	20,847

- Tritton Resources & Reserves

Resources	Measured	Indicated	Inferred	Total
Tonnes (kt)	3,110	19,194	7,156	29,460
Cu (%)	2.4	1.5	1.7	1.6
Reserves	Proved	Probable	Total	
Tonnes (kt)	1,184	6,603	7,787	
Cu (%)	2.0	1.7	1.8	
Cu recoverable (t)	22,100	108,000	130,100	



Mt Muro Key Figures

- Mt Muro Production Statistics

Production Statistics Mt Muro	FY 2012	FY 2011	FY 2010
Ore milled	653,409	325,035	615,544
Gold grade (g/t)	1.18	2.5	2.6
Silver grade (g/t)	34	29	12
Gold recovery (%)	93.4	92.6	89.7
Silver recovery (%)	72.5	72.9	58.9
Gold production (oz)	23,160	25,022	45,521
Silver production (oz)	529,130	228,502	143,496

- Mt Muro Resources & Reserves (Probable)

Resources	Measured	Indicated	Inferred	Total
Tonnes (kt)	36	11,670	8,050	19,756
Au (g/t)	1.2	2.0	1.6	1.8
Ag (g/t)	36	44	28	38
Reserves (probable)	June 2012	Dec 2011	June 2011	June 2010
Tonnes (kt)	7,586	6,820	5,930	1,900
Au (g/t)	2.0	2.5	2.5	3.4
Ag (g/t)	42	59	59	64
Au (oz)	458,400	515,000	438,000	190,500
Ag (oz)	7,711,100	9,680,000	8,060,000	2,700,000



Competent Person Statements

Competent Person Statement for Mineral Resources and Drilling Results:

The information in this presentation to Mineral Resources and Drilling Results is based on information compiled by Byron Dumpleton, who is a member of the Australian Institute of Geoscientists. Mr Dumpleton is a full-time employee of Straits Resources Limited and has sufficient experience relevant to the style of mineralisation, type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code for Reporting of Mineral Resources and Ore Reserves”. Mr Dumpleton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Mineral Resources reported are inclusive of Ore Reserves.

Discrepancies in Resource Table summations may occur due to rounding.

Competent Person Statement for Ore Reserves:

The information in this presentation that relates to Ore Reserves is based on information compiled by Peter Storey, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Storey is a full-time employee of Straits Resources Limited and has sufficient experience relevant to the style of mineralisation, type of deposit under consideration and to the activity which he is undertaken to qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code for Reporting of Mineral Resources and Ore Reserves”. Mr Storey consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Discrepancies in Reserve Table summations may occur due to rounding.

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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.