

STRAITS RESOURCES LIMITED  
(ASX: SRQ)

**HILLGROVE SALE ANNOUNCEMENT**

As previously detailed in our March Quarterly Report, Straits has been working with Ancoa NL (previously Court Resources Pty Ltd) regarding a potential acquisition and subsequent listing of its 100% owned Hillgrove Antimony-Gold Project ("Hillgrove").

Straits is pleased to report that it has reached an agreement with Ancoa for the sale of Hillgrove, subject to a successful capital raising and IPO by Ancoa, for \$40m in cash and shares. Straits is to receive \$20m of this consideration in cash and the balance of \$20m in shares at the IPO price, upon the successful completion of Ancoa's IPO.

As part of the agreement, Straits shareholders registered at the record date will receive a priority entitlement to subscribe for shares in the Ancoa IPO. Ancoa has appointed Patersons Securities Limited as Lead Manager to their IPO and is well advanced in this process.

Straits understands that Ancoa's IPO prospectus will be lodged with ASIC on or about 3 October 2011, which would likely constitute the record date for the Straits shareholders to be eligible for the priority offer. Straits shareholders will be updated regarding the priority offer as Ancoa finalises its Issue timetable.

The divestment of Hillgrove has been a published strategic objective for Straits and the consideration composition will not only ensure a significant cash injection into the company, but will provide leverage to future operational success through the shareholding in Ancoa.



**Milan Jerkovic**  
Chief Executive

For further information, please contact either:

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- Mr Dave Greenwood – Corporate Affairs

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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.