



CEO Presentation

February 2012





Straits is Positioned for Growth

- **Producing Asset Base**

- Copper (Tritton, NSW)

- 25,000 tpa copper production
 - Reserves of 172kt of Cu; Resources of 29.9Mt @1.6%
 - Reducing costs (US\$2.09 in Dec 2011 quarter, down from US\$2.40 in previous quarter)

- Gold (Mt Muro, Indonesia)

- Min 6 year mine plan established at 100koz+ per annum AuEq from FY2013
 - Reserves of 515k oz Au and 9.7M oz Ag (734k oz AuEq); Resources of 2M oz AuEq
 - Plant throughput capable of 1.7Mtpa (currently at 0.9 Mtpa)

- **Strong Exploration Upside**

- FY12 exploration spend of \$20m+, with focus on exploration near Tritton and Mt Muro
 - Avoca Tank (Tritton) high grade Cu discovery in August 2011. To be tested at depth
 - Targeting depth extensions to known gold producing structures at Mt Muro

- **Value in Hillgrove (Antimony), and Listed Investments**

- Hillgrove currently being divested through a public listing
 - Investments in listed companies (VXR and FND) of A\$22m at 31 December 2011



Achievements in previous 12 months

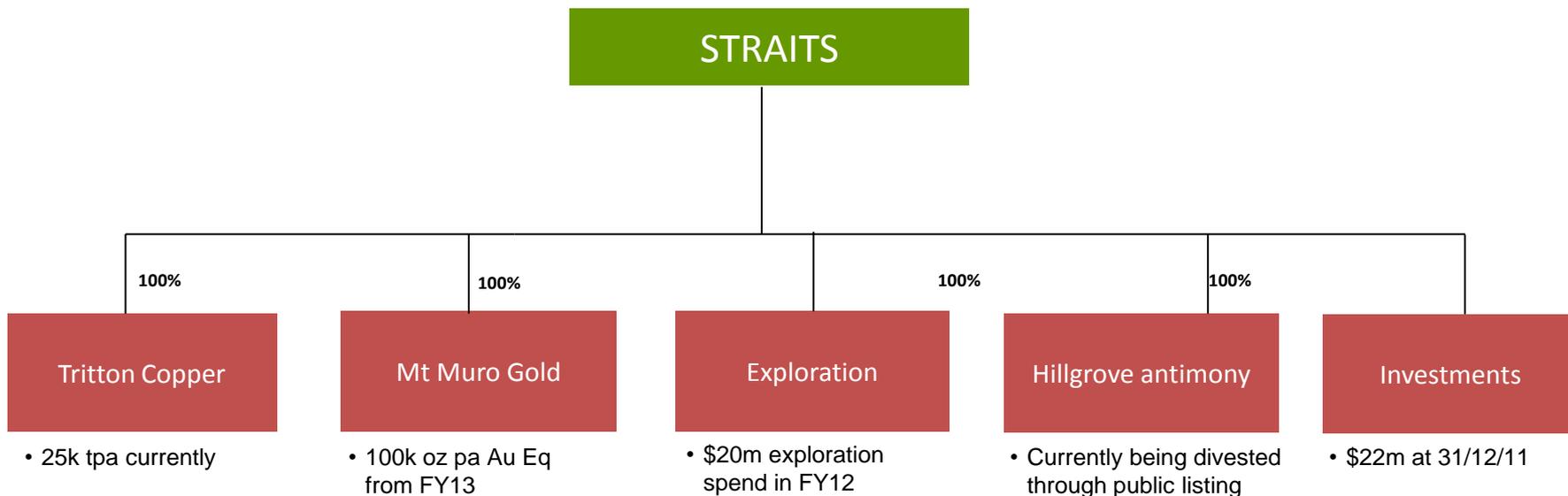
Straits now offers a clean and transparent Copper and Gold Exposure

Significant achievements in the last 12 months.

- De-merger of the metal assets & subsequent sale of coal assets (shareholders received A\$1.72 per share), with metal assets listed as new company renamed Straits Resources
- Tritton copper & Mt Muro gold mines recapitalised
- Finalised buy out & restructuring of Tritton's Cu offtake agreement, to be completed by:
 - repayment of US\$10m short term vendor finance facility; and
 - exercise of option (for US\$9m) to terminate the new offtake agreement
- Significant reserve increases at Tritton & Mt Muro operations
- New Cu discovery at Avoca Tank at Tritton
- GfE & Magontec sold
- Goldminco minorities bought out



SRQ Overview



Market Stats	
ASX code	SRQ
Ordinary shares	325 m
Market capitalisation	A\$221m*
Cash/Investments (31/12/11)	A\$58m
Debt (31/12/11)	A\$123m

SRQ Major Shareholders
Standard Chartered Private Equity 18.8%
Merricks Capital 17.3%
Baker Steel Capital Managers 5.0%
Board & Management 6.5%
Top 20 shareholders 83%

* As at 3 Feb 2012: AUD 220,861,370 (derived from 324,796,141 ordinary shares at AUD 0.68 each)

Tritton Copper





Tritton Overview

- Tritton stabilised at 25,000 tpa copper production
- Significant investment in recapitalisation and efficiency program in FY2011/12
 - Implementation of Paste Fill
 - Change to “bottom up” mining method
 - Change to owner operator
- Focussing on stable future production platform and reduction of costs. US\$2.09 in Dec 2011 quarter, down from US\$2.40 in previous quarter
- Exploration success in 2011
 - 28% increase in total reserves to 172,000 tonnes of Copper
 - Resources of 29.9Mt @ 1.6% Cu
 - Focus on near mine & regional exploration in 2012
 - Avoca Tank discovery

Strong exploration upside, focus on exploration to deliver additional reserves and resources
- Re-negotiated off take agreement, market related TC/RC's from January 2012

Production Statistics from Tritton		FY 2012 (6 months to Dec 2011)	FY 2011	FY2010
Ore Mined (Tritton)	Tonnes	639,606	1,160,476	911,539
	Grade (%)	1.98	2.11	2.35
	Cu Tonnes	636,538	24,486	21,451
Ore Milled	Tonnes	636,538	1,163,732	906,347
	Grade (%)	1.99	2.11	2.37
	Cu Tonnes	12,667	24,555	21,464
Recovery	%	95.6	95.1	94.2
Concentrate	Tonnes	47,683	94,483	81,183
	Cu %	25	25	25
	Cu Tonnes	12,059	23,354	20,226
Copper cement		315	582	621
Total copper produced		12,375	23,936	20,847

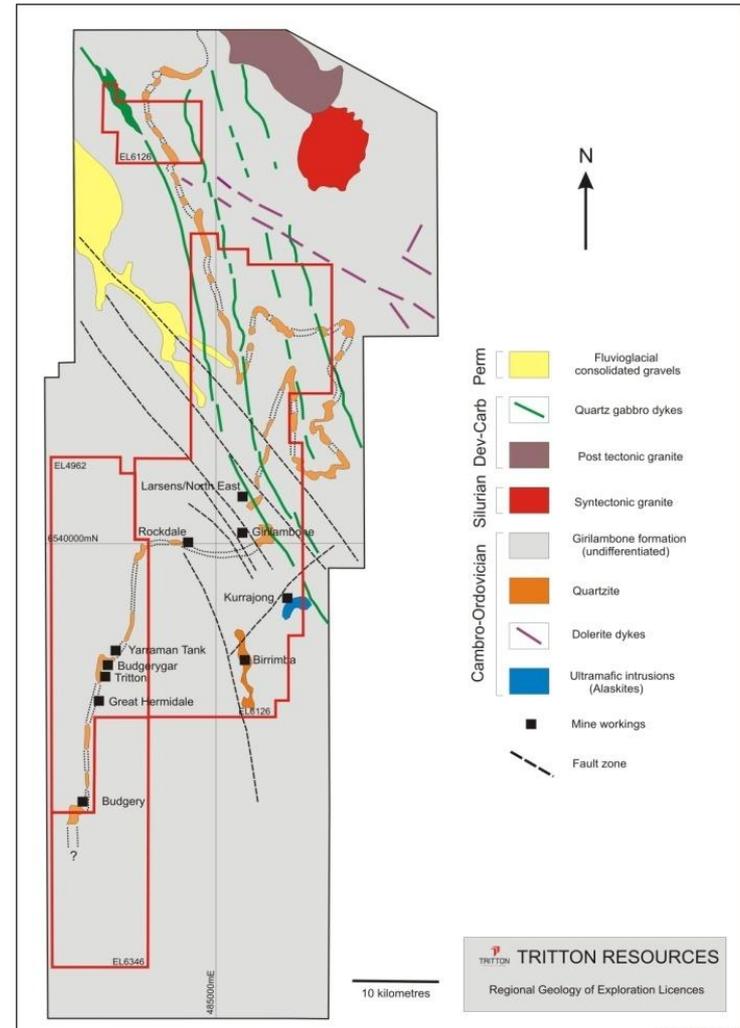
Resources	Measured	Indicated	Inferred	Total
Tonnes (kt)	2,620	19,950	7,340	29,910
Cu (%)	2.5	1.5	1.4	1.6
Reserves	Proved	Probable	Total	
Tonnes (kt)	1,670	8,730	10,400	
Cu (%)	2.3	1.6	1.8	
Cu recoverable (t)	37,000	135,000	172,000	



Tritton Project Summary

Tritton Mines Comprises

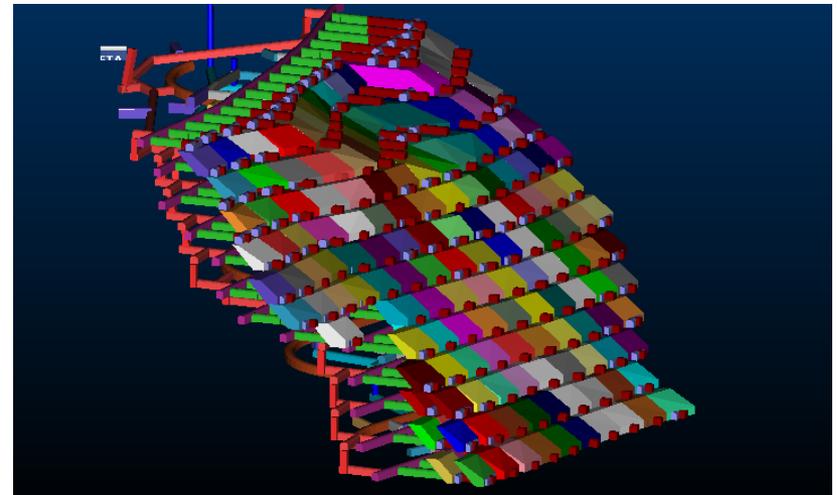
Tritton Decline	Mechanised underground (decline) copper mine operating at 0.85 to 1.1 Mtpa
Tritton Concentrator	1.6 Mtpa copper concentrate processing plant located at Tritton.
Copper Cement Plant	1,100 tpa Cu cement plant at Murrawombie
Murrawombie Decline	Pending restart, mechanised underground decline mine with planned 500,000 tpa production rate located 22 km from Tritton via sealed road.
North East Decline	Mechanised underground (decline) copper mine operating at 400,000 to 500,000 tpa located in the northern mines area, 5 km north of Murrawombie.
Larsens Decline	In development, mechanised underground (decline) copper mine adjacent to and accessed from the North East decline.
Budgery Project	Advanced copper project, located 13 km south of Tritton undergoing preliminary feasibility studies.
Avoca Tank	Recent VMS discovery located 2 km north of the North East Decline, undergoing further drilling and preliminary scoping studies. Mining Lease application in progress.
Regional Exploration	1,757 km ² of prospective VMS terrain





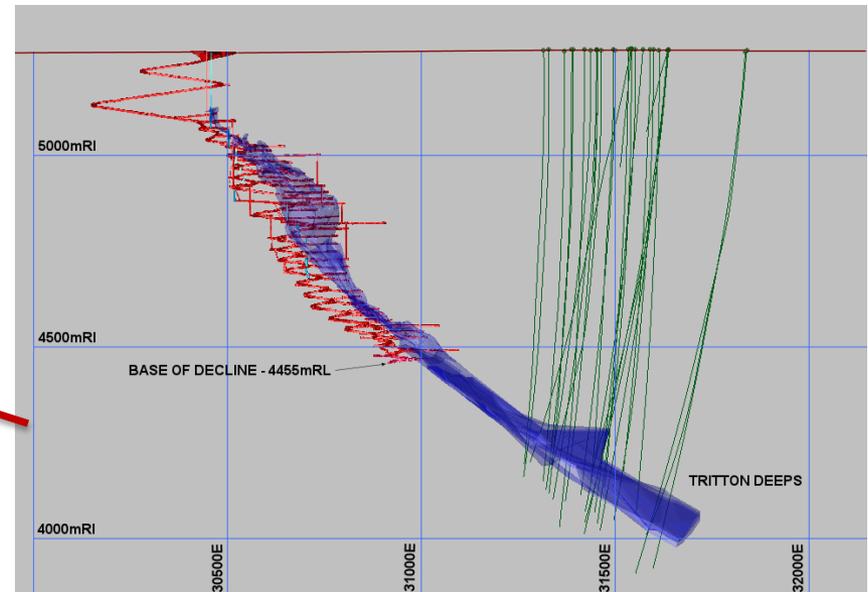
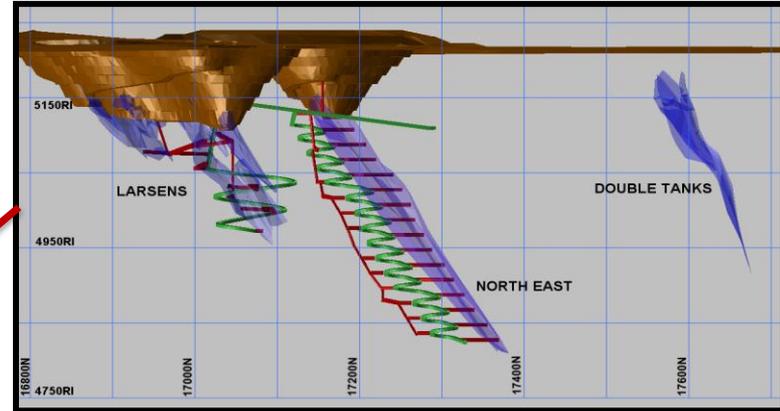
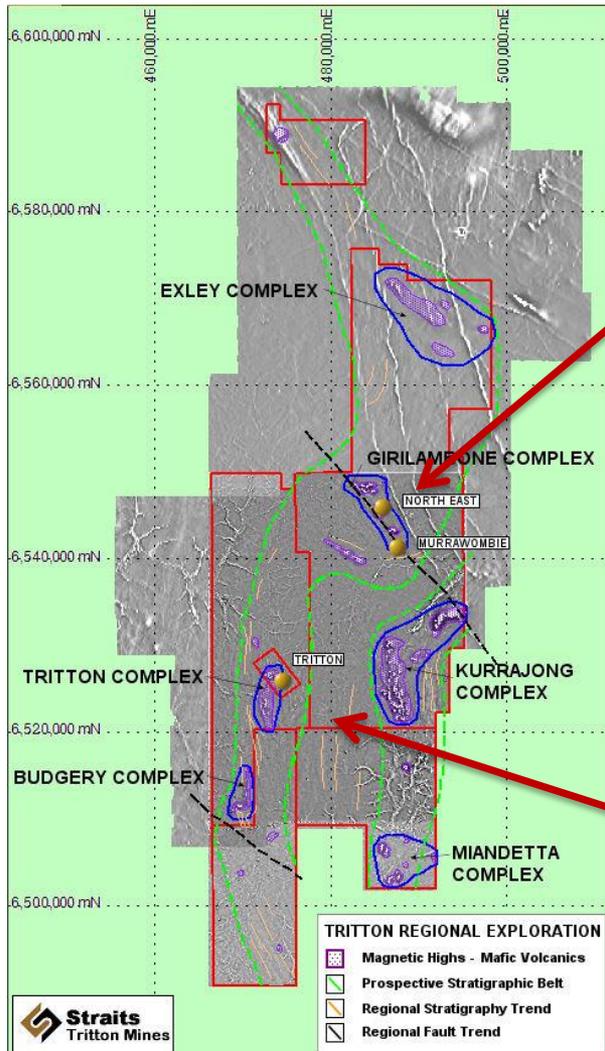
Mining Operations – Tritton Mine

- ❑ The Tritton Decline mine is a conventional mechanised underground operation
- ❑ The mining system changed in 2011 from longitudinal open stoping with partial backfill to transverse open stoping with paste fill, with primary and secondary stopes accessed from a footwall extraction drive
- ❑ The recent change of mining method is planned to:
 - lift long term mine recoveries from ~63% to ~95%
 - underpin production levels of 1.1 Mtpa
 - Increase mine development capital investment return, and
 - decrease capital development per ore tonne extracted



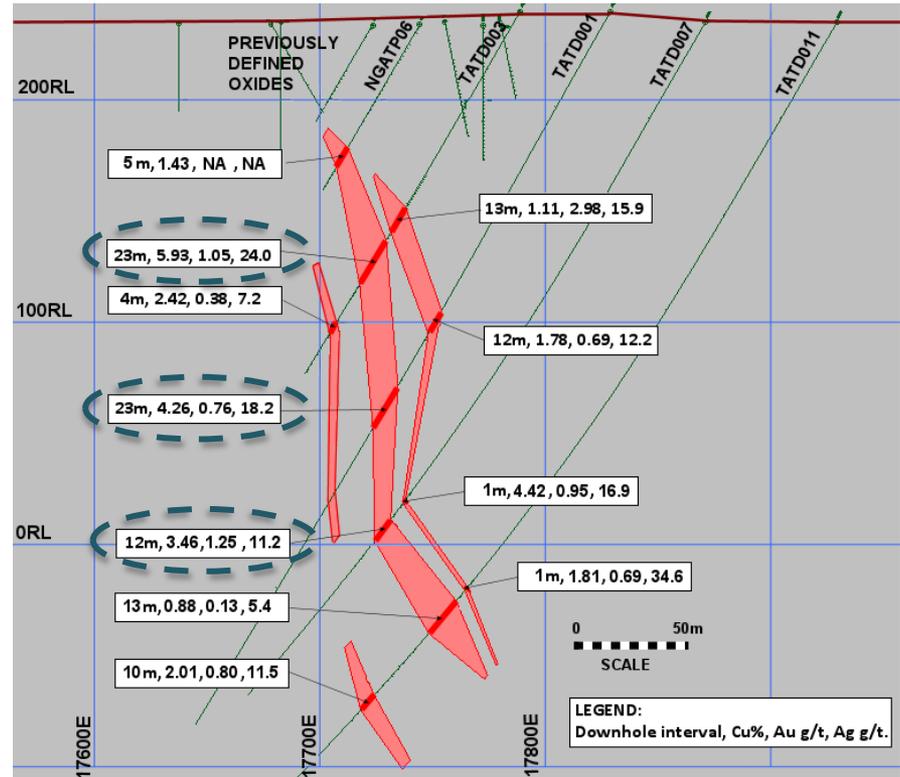
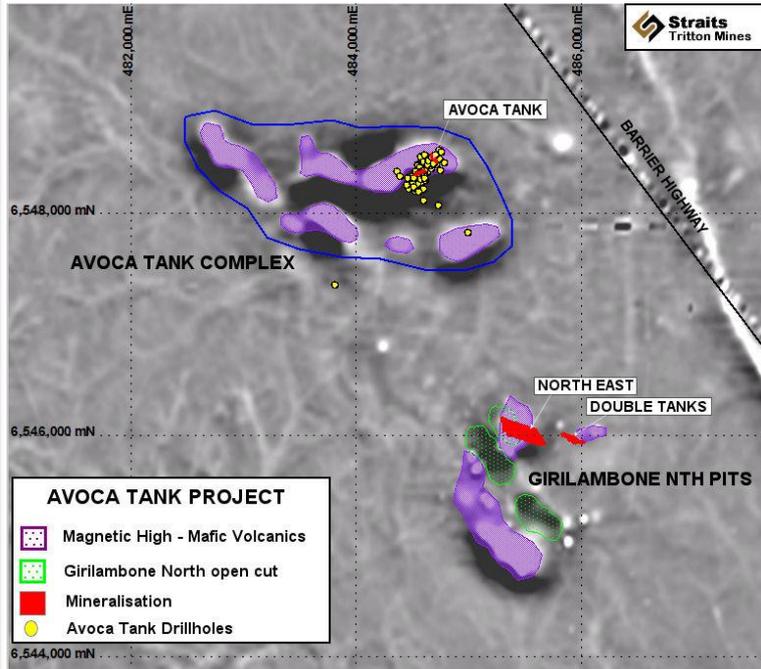


Tritton Exploration





Tritton – Avoca Tank - Exploration





Tritton Marketing

- ❑ Tritton sells its copper concentrate under a copper offtake agreement to J.P. Morgan Metals and Concentrates LLC of Connecticut, USA, formerly known as Sempra Metals and Concentrates.
- ❑ Prior to December 2011 the contract since inception has been extremely onerous in terms of TC/RC's. In December 2011 Tritton finalised a new agreement with JP Morgan (from January 2012) based on normal market terms. The cost of terminating the old agreement was US\$98 million.
- ❑ Tritton will have the option to terminate the new offtake agreement with J.P. Morgan with effect from 1 July 2012, for an option fee of US\$9 million.
- ❑ On the back of the re-capitalised Tritton operation, and a minimum 7 year reserve mine plan (15 year resource plan) delivering 25,000 tpa of copper in concentrate, on the assumption that the option above is exercised Tritton intends to enter into a tender process for the sale of its concentrate at market terms from 1 July 2012.
- ❑ The Tritton concentrate is an extremely clean concentrate and highly valued by traders and end users due to its ability to be used as a blending agent to improve poorer quality concentrates so as to meet smelter terms.
- ❑ Concentrates are sold on a CIF basis with exports out of Newcastle.

Current Indicative Concentrate Quality

Element	Assay	Element	Assay
Copper %	25	SiO ₂ %	8
Gold g/t	0.7	MgO %	2
Silver g/t	50	As ppm	80
Fe %	28	Bi ppm	4
S %	31	Cd ppm	70
Zn %	1.5	F ppm	120
Ni ppm	33	Hg ppm	2
Co ppm	300	Sb ppm	40
Cl ppm	120	Se ppm	165

Mt Muro Gold Mine





Mt Muro Overview

- Plant throughput capable of 1.7 Mtpa
- Fewer working areas = stable production & lower costs
- Resources 17.9Mt @ 2.1g/t Au & 46g/t Ag (2 mill oz AuEq*)
- Reserves 515,000 Oz Au & 9.7 million Oz Ag (734k oz AuEq)
- Minimum 6 year mine plan established at plus 100 k oz per annum AuEq from FY2013
- Exploration – targeting depth extensions to known significant gold producing structures. Structures so far only tested to relatively shallow depth.

Production Statistics Mt Muro	FY 2012 (6 months to Dec 2011)	FY 2011	FY 2010
Ore milled	401,041	325,035	615,544
Gold grade (g/t)	1.2	2.5	2.6
Silver grade (g/t)	34	29	12
Gold recovery (%)	93.2	92.6	89.7
Silver recovery (%)	69.8	72.9	58.9
Gold production (oz)	14,804	25,022	45,521
Silver production (oz)	310,953	228,502	143,496

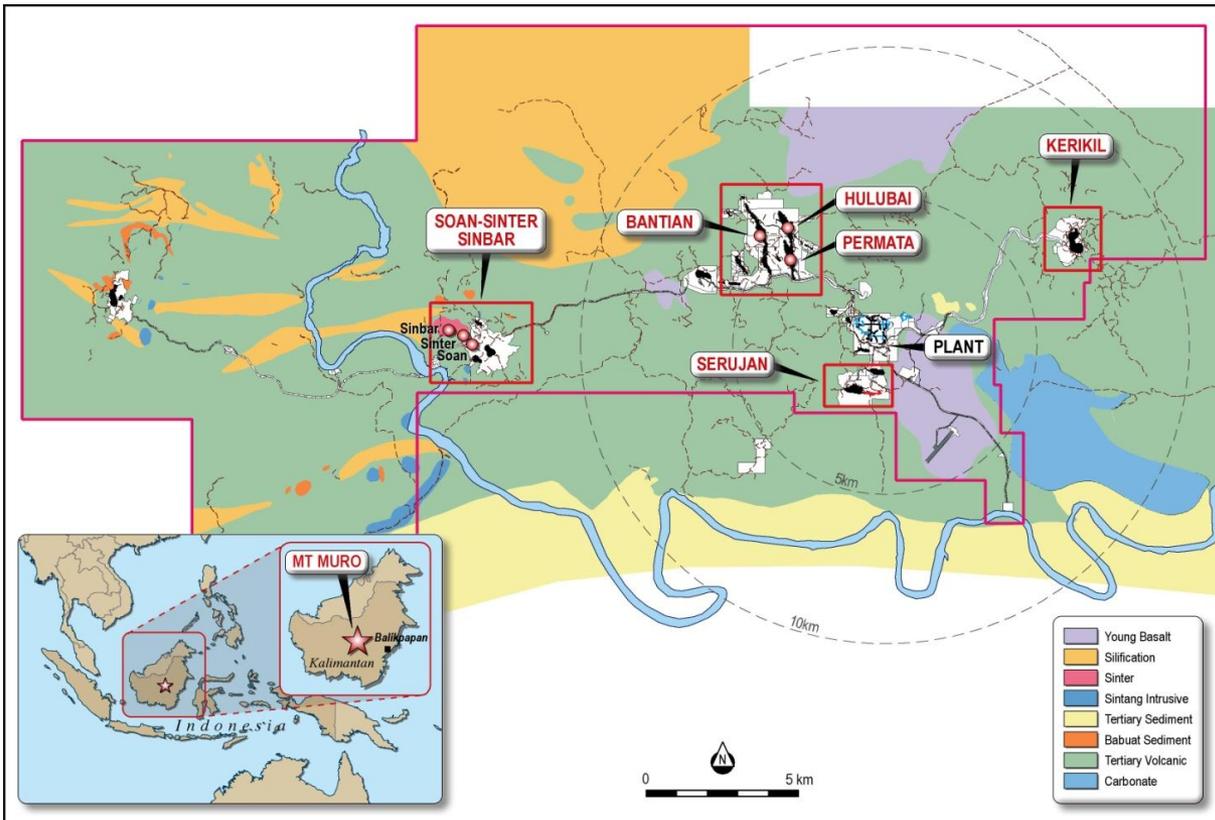
Resources	Measured	Indicated	Inferred	Total
Tonnes (kt)	-	19,060	8,054	27,600
Au (g/t)	-	1.4	1.6	1.4
Ag (g/t)	-	43	31	39
Reserves (probable)	Dec 2011	June2011	June2010	
Tonnes (kt)	6,820	5,930	1,900	
Au (g/t)	2.5	2.5	3.4	
Ag (g/t)	59	59	64	
Au (oz)	515,000	438,000	190,500	
Ag (oz)	9,680,000	8,060,000	2,700,000	
Au Eq (oz)	734,000	629,000	250,000	

* Aueq calculated using US\$1300/ounce gold & US\$28/ounce silver.



Mt Muro-COW area

- Concentrating on Serujan and Bantian open pits initially, commenced on Hulubai
- Mining areas close to existing infrastructure



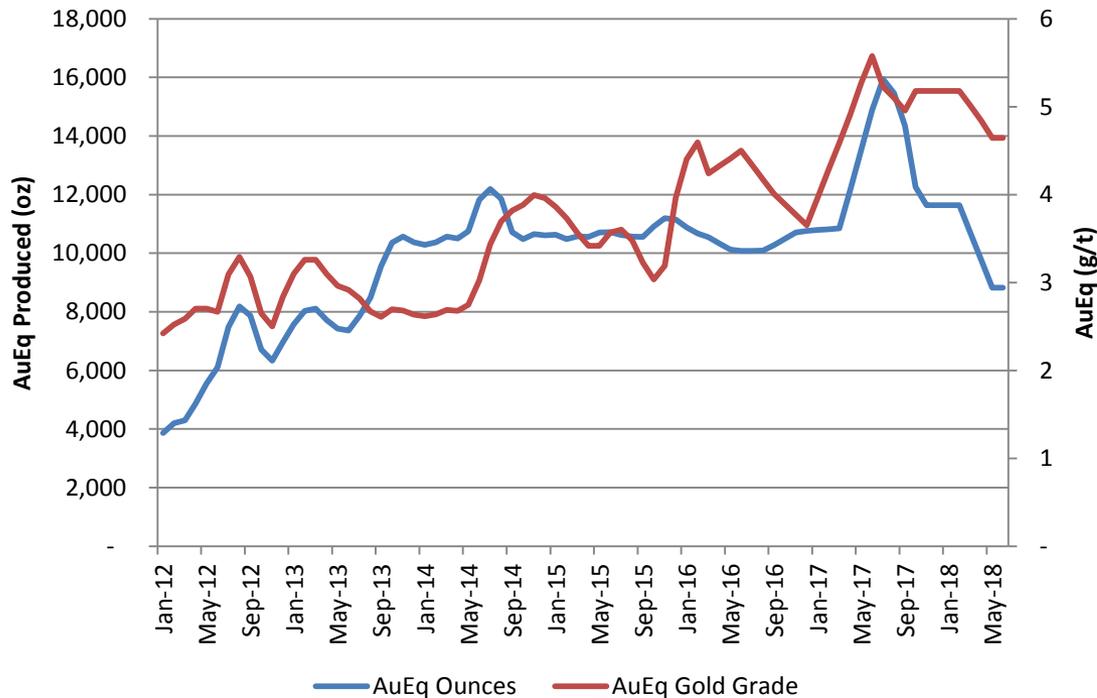


Mt Muro-Mining Operations

Mt Muro

- Targeting plus 100,000 oz AuEq production
- Plan to reach annualised 100,000 oz AuEq rate 2nd quarter calendar 2012
- Continued focus on productivity and costs
- Minimum 6 year mine plan established from existing reserves
- Strong opportunity for reserve extensions

AuEq Ounces Produced / Grade



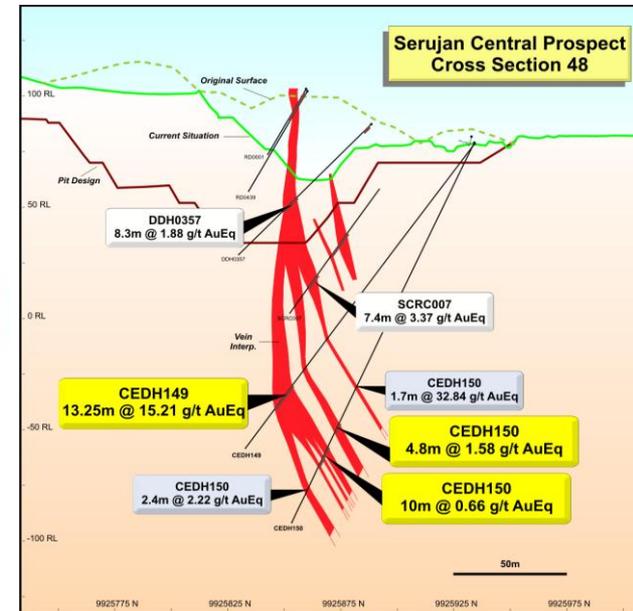
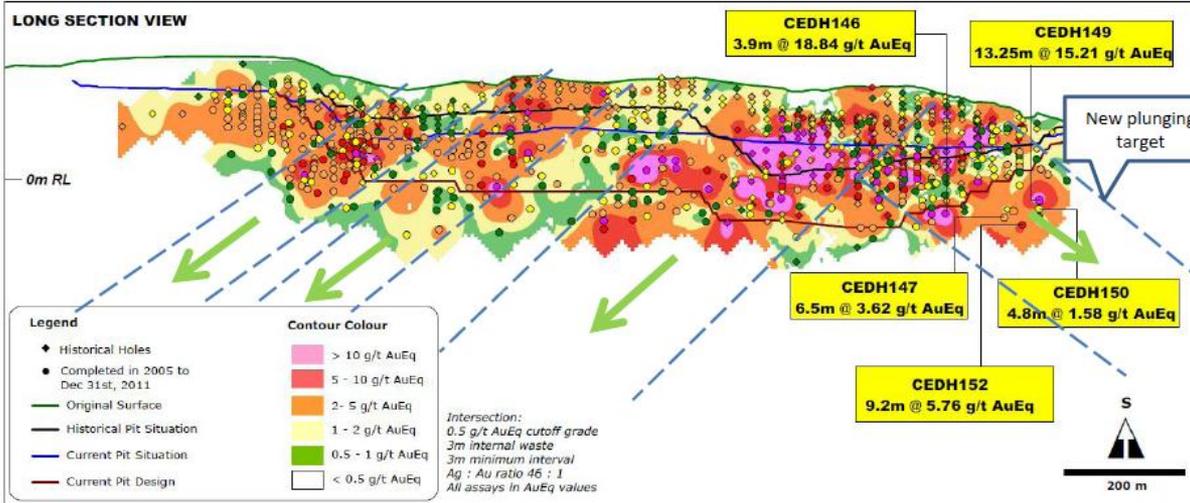
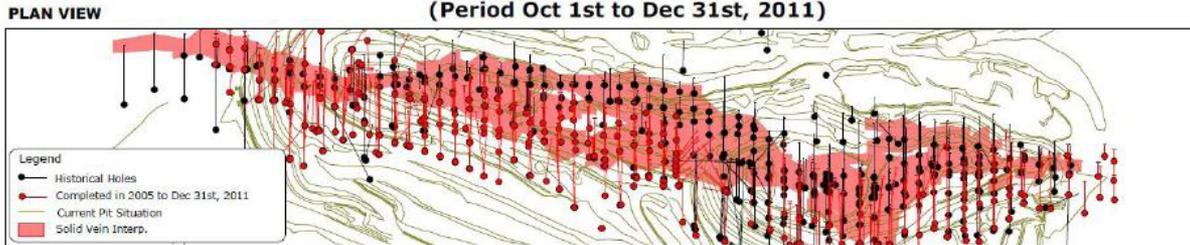


Mt Muro Exploration

Mt Muro

- Compelling exploration as the majority of the mined systems have only been exploited to a depth of ~100m vertical with the deepest pits only 150m. Typically epithermal gold windows are known to extend over 300-400m vertical extent.

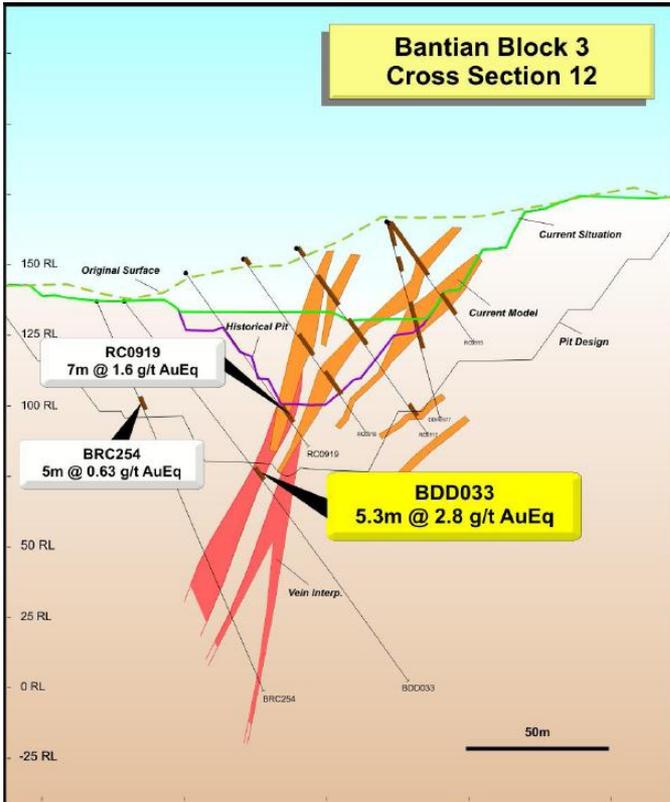
**SERUJAN PIT EXPLORATION
LOOKING SOUTH
(Period Oct 1st to Dec 31st, 2011)**



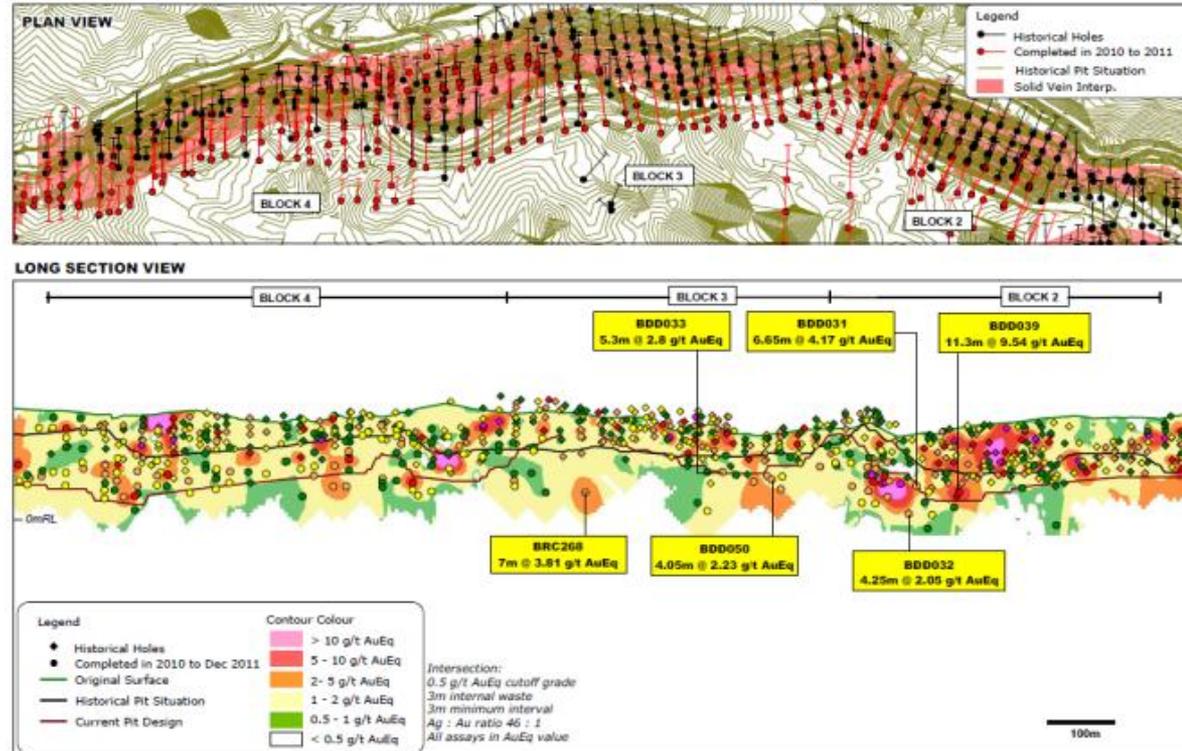


Mt Muro Exploration

**Bantian Block 3
Cross Section 12**



**BANTIAN PIT BLOCK 2 - 3 - 4 EXPLORATION
LOOKING NORTH EAST
(Period Oct 1st to Dec 31th, 2011)**



Exploration





Exploration Summary

- ❑ Straits is an active explorer, planning investing in excess of A\$20 million into exploration across the Group in FY2012, broadly split as follows:
- ❑ Brownfield and Greenfield exploration around existing Tritton copper and Mt Muro gold mines (see Tritton & Mt Muro sections)
- ❑ NSW (other than Tritton) - Lachlan Fold Belt Porphyry copper/gold exploration at Temora & Blayney Projects- longer term potential large Cu/Au porphyry development
- ❑ S.A - IOCG (iron oxide copper gold) exploration in South Australia's Stuart Shelf (Olympic Dam and Prominent Hill)

Hillgrove & Investments





Hillgrove & investments

- ❑ Hillgrove-agreement reached with Ancoa NL in 2011 for sale of Hillgrove, subject to successful capital raising for \$40 million in cash & shares.

- ❑ Hillgrove-variation of proposal to utilise back door listing of Hillgrove into listed company. Variation is proposal to alter consideration payable to \$40 million
 - i. \$10 million cash
 - ii. \$30 million convertible note (41% premium exercisable within 5 years, interest payable at 12% after year 1)Proposal subject to market conditions

- ❑ At 31 December 2011 Straits had investments of approximately A\$22 million in listed companies including 7.1% in Venturex Resources Ltd & 10.6% in Finders Resources Ltd.



Straits is Positioned for Growth

- A copper and gold focussed metals mining & exploration company
- Strong capitalised production base now established
- Driving productivity and cost improvements
- World class exploration portfolio with geologically visible drill ready exploration targets
- Positioned to deliver strong repeatable earnings from two fully capitalised mines from middle of 2012



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.

Forward-Looking Information

Certain statements contained in this press release constitute forward-looking statements or forward-looking information. The words “intend”, “may”, “would”, “could”, “will”, “plan”, “anticipate”, “believe”, “estimate”, “expect” and similar expressions are intended to identify forward-looking statements. These statements are based on certain factors and assumptions and while Straits considers these factors and assumptions to be reasonable based on information currently available, they may prove to be incorrect. Forward-looking statements are given only as at the date of this release and Straits disclaims any obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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.