

STRAITS RESOURCES LIMITED
(ASX: SRQ)

**Joint Venture agreements signed with Gold Fields on the Blayney and
Cheesemans Creek projects in NSW**

Straits Resources Ltd (Straits) is pleased to announce the finalisation of two Farm-in agreements with Gold Fields Australasia Pty Ltd (Gold Fields) on the **Blayney** and **Cheesemans Creek** tenements in NSW. The principal terms of the agreements are as follows

Blayney (Exploration license 5922)

Gold Fields has the right to earn up to 80% of the project by sole funding \$25 million in exploration expenditure over twelve years with the following principal terms;

- Gold Fields may earn a 60% interest by sole funding \$10 million on exploration in respect to the tenement within a period of six years.
- After earning the minimum interest, Gold Fields may elect to continue to sole fund (a further \$15 million) and earn an additional 20% within a period of a further six years.
- Each earn in point crystallises a payment to Straits for the resources already discovered at Blayney. The existing JORC resource on the Project is approximately 1 million troy ounces of gold. To recognise the value of the existing resource, Gold Fields will make a payment to Straits based on the existing resource as part of exercising the 60% and 20% options. For the purposes of the 60% option, the payment is calculated as follows: crystallisation payment=0.6 x (existing resource x \$5). For the purposes of the 20% option, the payment is calculated as follows : crystallisation payment=0.2 x (existing resource x \$5).

The Blayney Project is located 35km south of Orange, NSW and covers the eastern margin of the Forest Reef Volcanics within the Lachlan Fold Belt. The area which is close to the Cadia and Ridgeway gold deposits of Newcrest Mining Ltd is considered one of the most prospective geological environments for porphyry related gold-copper mineralization.

Cheesemans Creek (Exploration licenses 5979 & 7321)

Gold Fields has the right to earn up to 80% of the project by sole funding \$14 million in exploration expenditure over eight years with the following principal terms;

- Gold Fields may earn a 60% interest by sole funding \$4 million on exploration in respect to the tenement within a period of four years.

- After earning the minimum interest, Gold Fields may elect to continue to sole fund (a further \$10 million) and earn a further 20% over four years.

The Cheesemans Creek Project in NSW is underlain by Ordovician rocks of the Lachlan Fold Belt considered highly prospective for porphyry related mineralization.

Straits is delighted to enter into these “earn in” agreements with Gold Fields, one of the world’s largest producers of gold, with attributable annualised production of approximately 3.5 million gold equivalent ounces from operating mines in Australia, Ghana, Peru and South Africa.



Milan Jerkovic
Chief Executive

For further information, please contact either:

- Mr Milan Jerkovic – Chief Executive Officer
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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.

APPENDIX – JORC MINERAL RESOURCE STATEMENT

As disclosed on page 36 of the Mineral Resource Statement in the Straits Resources Limited 2011 Annual Report:

Region	Project	Reported Cut-off	Commodity	Measured	Indicated	Inferred	Total
Blayney	Discovery	0.5 g/t Au	Tonnes (kt)	-	4,900	9,100	14,000
	Ridge		Au (g/t)		1.3	1.1	1.2
	Bald Hill	0.3 g/t Au	Tonnes (kt)	-		37,000	37,000
			Au (g/t)			0.5	0.5

Competent Persons Statement

The information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves is based on information compiled and/or reviewed by Mr Ivan Jerkovic who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Jerkovic is a full time employee of Straits Resources Limited and has sufficient experience relevant to the style of mineralisation, type of deposits under consideration and to the activity being undertaken to qualify as Competent Persons as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Jerkovic consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.