
STRAITS RESOURCES LIMITED
(ASX: SRQ)

Continued Exploration Success at Kurrajong, close to the Tritton mine

As discussed in the recent quarterly report, exploration drilling around Tritton continues to return significant results from the **Kurrajong** and **Carters** prospects. The key objectives of exploration around Tritton are to increase mine life, improve grade, lower costs, fully utilize existing infrastructure and provide operational flexibility.

Straits Resources Limited (Straits) is pleased to summarise results at **Kurrajong**, 20 km east of Tritton, including two very significant holes drilled since the June quarterly release.

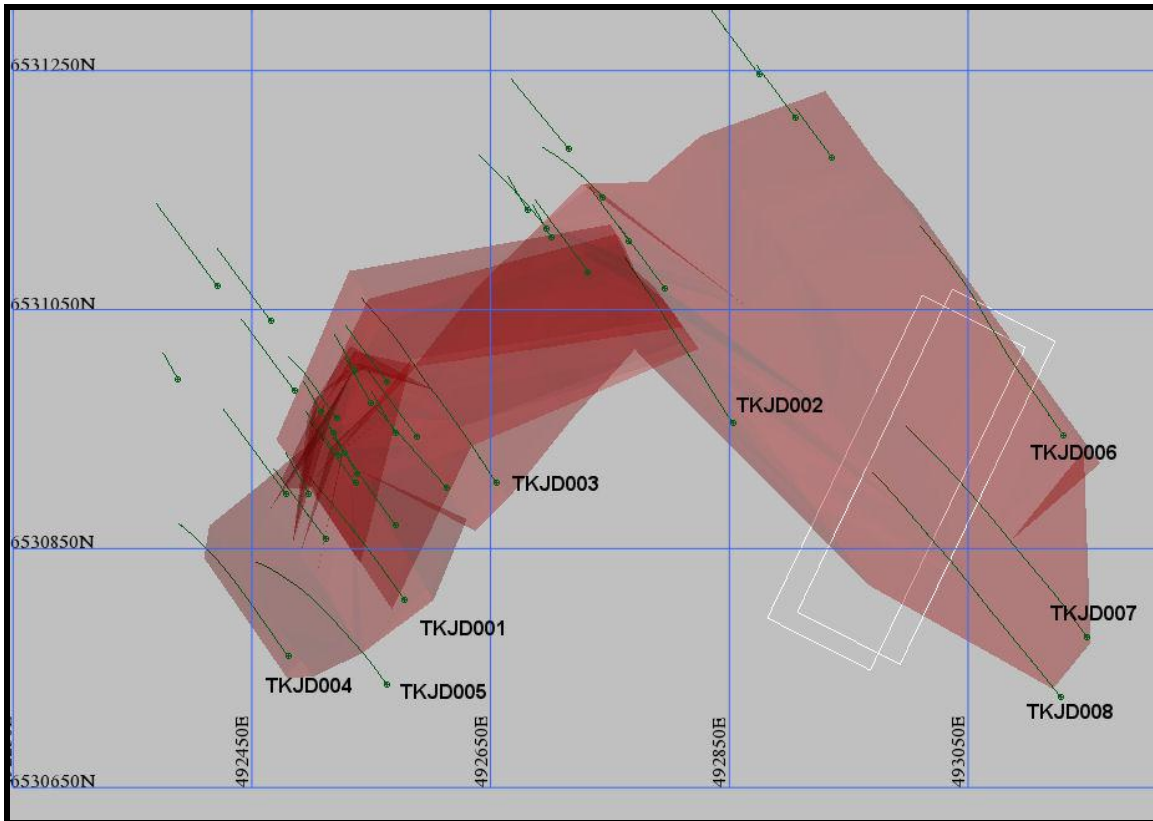
- Drilling to date (eight holes) at Kurrajong has confirmed the existence of a significant mineralised system over 650m in strike length which is open in all directions and down dip.
- Downhole EM conducted on the first four holes (TKJD001-TKJD004) defined significant off hole conductors to TKJD001 and TKJD002
- Drilling of TKJD005 targeting the down hole EM target in TKJD001 returned massive sulphide mineralisation over 4m in width surrounded by a larger lower grade sulphide envelope. TKJD005 included 4m @ 0.94% Cu
- Drilling of TKJD007 targeting the down hole EM target in TKJD002 returned massive sulphide mineralisation of 4m in width (grading 2.46% Cu) above a larger lower grade sulphide envelope (including 22m @ 0.59% Cu).
- Down hole EM in TKJD007 showed a conductor with a very strong time constant response of >25msec. This is a 300x300m sized response and given there is limited pyrrhotite in TKJD007 it is extremely prospective, and is a significantly higher response time than that observed for the Tritton ore body.
- TKJD008 drilled to further test this conductive plate returned massive sulphide (containing chalcopyrite, pyrite & pyrrhotite) over 4 metres. Assays are awaited.
- Hole TKJD009 is currently being drilled to test the mineralised zone up-dip and within the defined EM plates. Mineralisation remains open along strike and down dip.

Significant Assay results for Kurrajong drill holes listed below

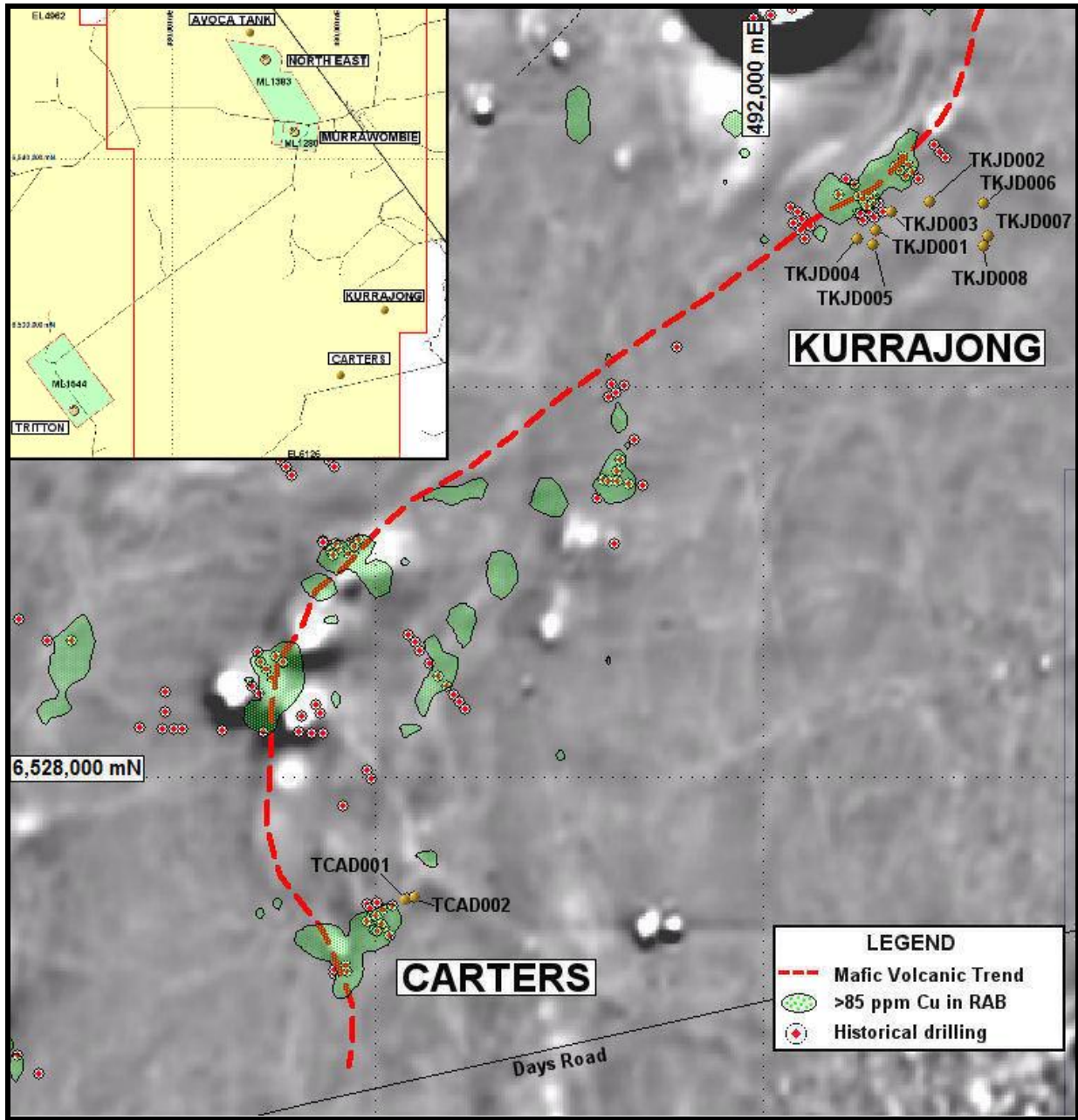
Hole Id	Project	East AMG	North AMG	Dip	Az (mag)	From (m)	Width (m)	Cu %	Zn %	Au g/t	Ag g/t
TKJD001	Kurrajong	492578	6530807	-60	325	206	3	0.56	0.01	0.03	1.4
TKJD002	Kurrajong	492853	6530955	-60	325	349	1	0.70	0.01	0.19	3.9
						359	1	0.62	0.01	0.03	2.0
						364	1	0.53	0.02	0.04	1.4
TKJD003	Kurrajong	492655	6530905	-60	325	265	3	0.84	0.01	0.18	3.8
						272	1	0.64	0.02	0.09	2.8
TKJD004	Kurrajong	492480	6530760	-60	325	168	6	0.77	0.02	0.05	4.7
TKJD005	Kurrajong	492563	6530736	-65	325	265	1	0.60	0.01	0.05	3.5
						276	4	0.94	0.01	0.15	6.0
TKJD006	Kurrajong	493130	6530945	-65	323	503	1	0.97	0.14	0.06	2.7
						509	1	0.62	0.03	0.05	1.7
TKJD007	Kurrajong	493150	6530775	-65	325	567	4	2.46	0.15	0.19	7.6
						577	1	0.50	0.01	0.05	1.5
						585	22	0.59	0.02	0.06	1.7
TCAD001	Carters	490158	6527376	-60	242	211	4	0.94	0.02	0.05	2.5
						219	2	0.78	0.78	0.13	3.1
						248	1	0.53	0.01	0.04	1.3
						259	10	1.77	0.01	0.02	2.3
						273	1	0.59	0.01	0.01	1.5
						277	2	0.57	0.01	0.01	1.8

0.5% Cu Cut-off grade, max 3m internal dilution) Datum AGD66

Kurrajong Sulphides and Downhole EM targets



Location of the Kurrajong and Carters Prospects in relation to the Tritton Operation.



Kurrajong TKJD007 - The hole intersected a significant **massive sulphide** from 569.4 – 570.2m overlying a thin mafic unit followed by a significant thickness of banded sulphides. The hole was drilled to 670m. See below TKJD007 core displaying massive Chalcopyrite, Pyrite minor Pyrrhotite and trace Sphalerite. It is visually similar to the Tritton ore body.



Banded sulphides were intersected from 576 – 606 metres in association with strong silica – sericite minor chlorite altered bedded metasediments. The core displaying strongly banded Pyrite minor Chalcopyrite and trace Sphalerite. (see below)



Kurrajong TKJD008 – Intersected significant **massive and banded sulphides** over 6m, between 572m – 578m in strongly silicified metasediments. The core is predominantly pyrite and chalcopyrite with minor pyrrhotite.



Background

Straits reinitiated its regional exploration program in 2011, based on a comprehensive review and reinterpretation of data, collated over a 20 year period, encompassing the area around Tritton. Recent geological reinterpretations and geophysical surveys (including Induced Polarisation - IP and Electro Magnetic – EM) undertaken by Straits have provided improved target definition with an emphasis placed on identifying co-incident IP / EM anomalies and strong magnetic features defining potential host mafic horizons, magnetite alteration and sulphide mineralisation.

The program has identified 13 high priority targets. The first target to be drilled under the program was Avoca Tanks, which yielded spectacular high grade mineralisation (refer ASX announcements dated 15.08.2011 and 26.08.2011). Straits is planning to re-mobilise a drill rig back to Avoca Tank to commence a resource diamond drill program in September 2012.

The Tritton region has in excess of 50 million tonnes of known sulphide and oxide mineralised VMS systems; these are in all cases associated with or are in close proximity to mafic complexes including tholeiitic basalts to basaltic andesites, doleritic and gabbroic intrusives and minor ultramafic and often serpentinised intrusives (see figure below). Of the thirteen copper and copper / gold systems identified within the Tritton region, eight have resources which were historically mined or quoted publicly by Straits Resources.

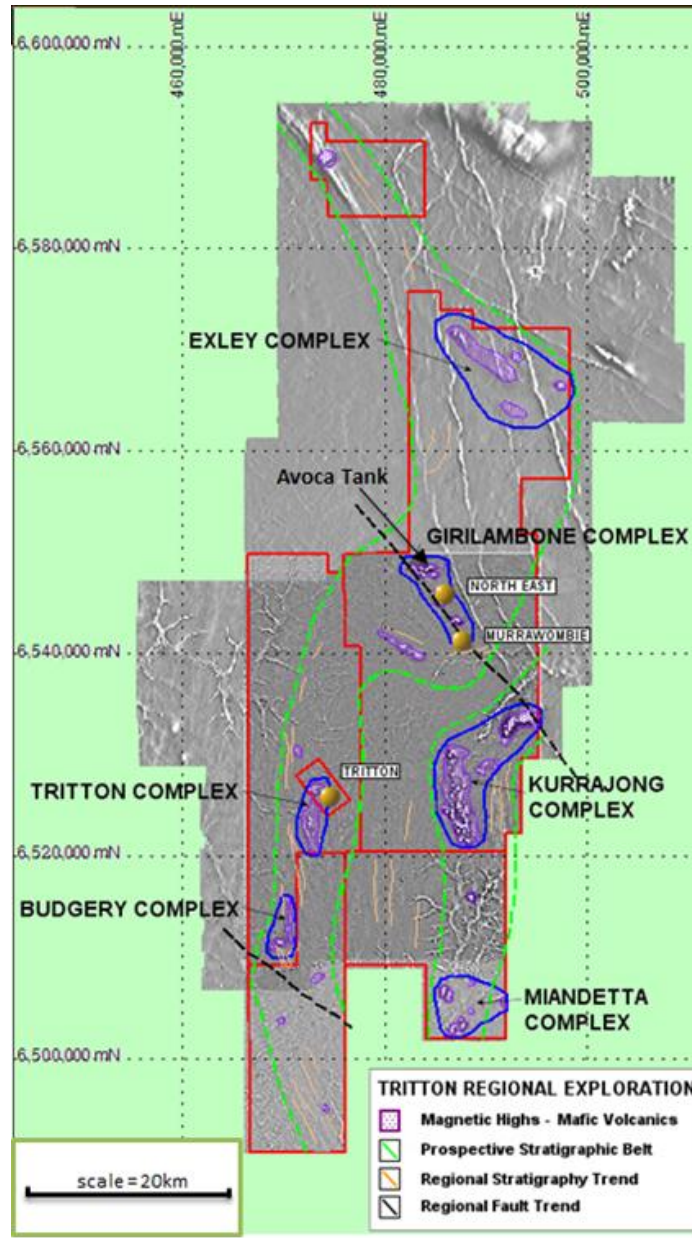
This significant copper metal endowment +755Kt of contained copper (both mined and known resources) in conjunction with the size of the mineralised systems would rank the Tritton region as a major VMS field on a global scale for this type of mineralisation. (VMS - very large deposits; 50-100Mt from Hannington et al., 1999).

Straits currently hold 177,000 hectares in the prospective Tritton VMS region. This is made up of 4 granted Exploration and 3 Mining leases. Six major mafic complexes have been identified within a sequence of sedimentary rocks with a strike length of greater than 100km.

The quality of the remaining targets in the Tritton “Besshi” region is considerable and the potential for further discoveries in this large VMS mineralised district is excellent. Straits continuing success allied with the knowledge that Besshi VMS systems are characterised by repeats along strike, multiple horizons and lenses and significant depth potential gives the Company great confidence for the discovery of additional deposits along the multiple prospective horizons within the Tritton region.

The exploration strategy is steadily evolving and to date has been extremely effective in both identifying and testing for VMS sulphide systems as shown by the exploration success to date at Avoca Tank, Kurrajong, Carters and Budgery.

Regional diagram showing location of the Tritton mines and Mafic Complexes



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Competent Persons Statement

The information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by Mr. Ivan Jerkovic who is a Member of the AusIMM no. 202260 (Australasian Institute of Mining and Metallurgy) and the AIG no. 3099 (Australian Institute of Geoscientists). 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 undertaking 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.

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.