

**STRAITS RESOURCES LIMITED
(ASX: SRQ)**

STRAITS INDONESIAN SUBSIDIARY APPLIES FOR BANKRUPTCY

Straits Resources Limited (**Straits**) announces that its wholly owned Indonesian subsidiary, PT Indo Muro Kencana (PT IMK), the owner of the Mt Muro gold operation, has lodged a petition with the Indonesian Commercial Court to commence voluntary bankruptcy proceedings.

Straits Executive Chairman, Andre Labuschagne said “This was always the least preferred outcome for PT IMK. Since Mt Muro was placed on care and maintenance on 2nd August 2013, we have actively sought a buyer for the operation and despite interest from numerous parties we have not been able to finalise a sale. Therefore the directors of PT IMK were left with no other choice but to petition the Indonesian Commercial Court to commence voluntary bankruptcy proceedings.”

“The process of obtaining court approval for PT IMK to be declared bankrupt can take up to 60 days. Once approved by the Indonesian Commercial Court, PTIMK will move into administration and be managed by a court appointed Curator (Receiver).”

“It is also important to note that PT IMK being declared bankrupt and placed in administration will have no impact on either the legal status or solvency of the remainder of the Straits group of companies.”



**Andre Labuschagne
Executive Chairman**

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