



11 June 2015

ASX/MEDIA RELEASE

STRAITS RESOURCES LIMITED  
(ASX: SRQ)

**STRAITS REFINANCING UPDATE**

Straits Resources Limited (**Straits** or **Company**) is pleased to advise it has signed an indicative, non-binding agreement (**Term Sheet**) with its lender, Standard Chartered Bank (**SCB**), and a large Asian based investment firm with over US\$12 billion under management (**Investor**). The Term Sheet has been negotiated in connection with a proposed restructuring of the Company's existing debt and the provision of new money (together the **Refinancing**).

The signing of the Term Sheet triggers a 45 day exclusivity period with SCB and the Investor during which formal documentation is expected to be executed.

The Term Sheet proposes:

- Reducing the debt held with SCB to a sustainable level over a seven year term;
- SCB taking a significant convertible equity position; and
- Investor providing a Revolving Priority Debt Facility (**Investor Facility**) and being issued with convertible equity.

The Investor Facility will provide the company with the financial flexibility to pursue its various growth projects and to recommence greenfields exploration on its prospective tenement package around the Tritton Copper Operations.

The Refinancing remains subject to execution of definitive documentation with SCB and the Investor, Straits shareholder approval, restructuring of the US\$7 million Convertible Notes and any government or regulatory consents.

Straits will continue to provide shareholders with material updates in line with its disclosure obligations under ASX Listing Rule 3.1.

ENDS

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