

**STRAITS RESOURCES LIMITED
(ASX: SRQ)****STRAITS RESOURCES LIMITED ANNOUNCES BID FOR REMAINING SHARES OF
GOLDMINCO CORPORATION**

Perth, Australia – Straits Resources Limited (“Straits”) announced today that it intends to make an offer to acquire all of the issued and outstanding common shares of Goldminco Corporation (TSX-V: GCP) (“Goldminco”) that it does not already own at an offer price of Cdn\$0.10 in cash per share. Straits currently owns, directly or indirectly, approximately 71.33% of the issued and outstanding common shares of Goldminco. The offer price represents a premium of approximately 82% over the closing price of the common shares on the Toronto Venture Exchange on May 24, 2011, the last trading day prior to this announcement.

Straits has entered into a lock-up agreement with Anglo Pacific Group PLC (“Anglo”), the second largest shareholder of Goldminco, pursuant to which Anglo, subject to certain limited exceptions, has irrevocably agreed to deposit and not withdraw its and its affiliates common shares under the offer. Anglo owns, directly or indirectly, approximately 17.01% of Goldminco.

Provided that Anglo deposits its common shares under the offer as required by the terms of the lock-up agreement, Straits will have a sufficient number of common shares to acquire all of the common shares not deposited under the offer by way of a subsequent acquisition transaction. Straits currently intends to proceed with a transaction to acquire the balance of the common shares following the completion of the offer.

Straits has cash resources available to finance the offer. The offer will be subject to certain conditions including that the common shares held by Anglo shall have been validly deposited and not withdrawn under the offer. The offer is not subject to a minimum tender condition other than the common shares held by Anglo.

Full details of the offer will be included in the formal offer and take-over bid circular (the “Circular”) that is expected to be mailed to Goldminco shareholders in the near future. The offer will be open for acceptance for at least 35 days following the commencement of the offer.

For further information, please contact:

- Mr Milan Jerkovic – Chief Executive Officer
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 is an ASX 200 diversified resources company focussed on generating strong and sustainable earnings for its shareholders from a balanced portfolio of resource projects and investments. Based in Perth, the company has a management team with an impressive track record of advancing resource projects through to full production. Straits controls and operates the Tritton Copper Operation and Hillgrove antimony/gold mines in NSW and the Mt Muro gold mine in Indonesia. Straits Resources also holds 40% of PTT Asia Pacific Mining Pty Ltd which holds 45.6% of Straits Asia Resources which is listed on the Singapore Exchange. Straits Asia controls and operates the Sebuku and Jembayan coal mines in Indonesia. In addition, Straits has an exposure to an outstanding portfolio of mining investments, development projects and exploration ground throughout Australia and Indonesia. Straits also owns GfE and Magontec, European based specialty metals businesses.