



10 OCTOBER 2011

ASX/MEDIA RELEASE

STRAITS RESOURCES LIMITED
(ASX: SRQ)

**Straits Resources Limited Announces
Exploration update for the Avoca Tank Prospect**

Further to our announcement to the ASX of 26th August 2011 (*2nd Massive Sulphide Discovery intercept at Avoca Tank Prospect*), Straits wishes to update the market on recent drilling results at this prospect.

Avoca Tank is located approximately 2km north of the Girilambone North mining area and has previously been drilled with shallow RC holes searching for copper oxide mineralisation during the 1990's. Historically a small oxide resource was identified near the newly discovered sulphide mineralisation, however the deeper potential of this system was never fully evaluated.

Since the last update, a further four drill holes (TATD004 to TATD007) have been completed at the Avoca Tank prospect, with a view to gaining a better understanding of the mineralised system. Based on this drilling the mineralised zone is now interpreted to have a steep northerly plunge. The most recent hole TATD007 intersected a zone of massive sulphide approximately 50 metres deeper than the significant intersection in TATD001 (Figure 1).

Holes TATD004 to TATD006 hit the edge of the system or intersected the magnetite alteration halo around the mineralisation. The mineralisation remains open at depth and to the north. The true strike extent is yet to be determined.

Significant results for the current holes:

Avoca Tank Significant Assay Results;

Hole Id	East AMG	North AMG	Dip	Az (mag)	From (m)	Width (m)	Cu %	Zn %	Au g/t	Ag g/t
TATD005	484745	6548490	-60	230	186	2	1.13	0.08	0.09	11.7
TATD007	484710	6548525	-60	230	253	1	4.42	0.03	0.95	16.9
					264	12	3.46	0.15	1.25	11.2
					279	1	0.51	0.15	2.27	7.5

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

The sulphide mineralisation is associated with a hanging wall zone of magnetite / chlorite alteration and a footwall mafic volcanic unit. The volcanogenic massive sulphide (VMS) Mafic-Siliciclastic associated “Besshi style” mineralisation is analogous to other Tritton style systems in the region.

Two drill holes are currently being drilled to test below a known oxide resource located 200 metres to the south west of the Avoca Tank sulphide Prospect. Following the completion of these holes it is planned that the drill rig will return to the Avoca Tank area to continue scoping out the mineralisation strike and depth extent.

Considerable potential exists for further discoveries in this large VMS mineralised field.

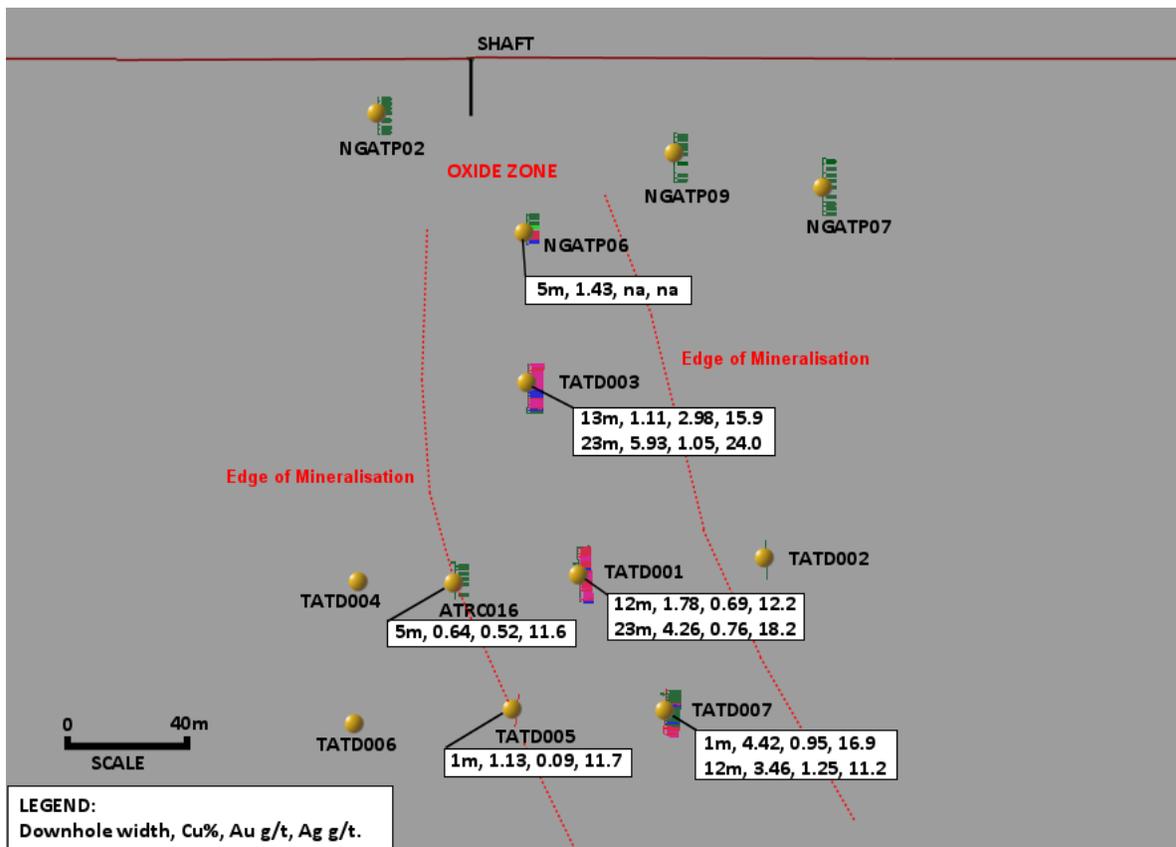


Figure 1. – Long-section of the Avoca Tank Prospect drilling

For further information, please contact:

Mr. Milan Jerkovic – Chief Executive Officer or

Mr. Dave Greenwood – EGM External Affairs and Exploration

Tel: +61 8 9480-0500, or visit our website at www.straits.com.au

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 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 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.