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ASX/MEDIA RELEASE

STRAITS RESOURCES LIMITED
(ASX: SRQ)

**Straits Resources Limited Announces a Significant Increase in
The Mineral Resource Inventory for the Temora Cu-Au Project, NSW**

Straits Resources Limited (SRQ) is pleased to present the following update on the 100% owned Temora Cu-Au project located in southern NSW.

Key Points

- **The updated porphyry copper and gold Mineral Resource Inventory at Temora is 279 Mt @ 0.5% copper equivalent (0.3% copper, 0.2 g/t gold and 30g/t molybdenum).**
- **This represents a significant increase from the June 2008 resource inventory of 142Mt @ 0.3% copper 0.3g/t gold and 31g/t molybdenum. An Increase of 96% in contained tonnage.**
- **The Mineral Resource Inventory contains 0.8 million tonnes of copper and 2.1 million ounces of gold.**
- **An additional remnant gold resource beneath the previously mined Gidginbung open pit has been estimated as 24 Mt @ 1 g/t gold containing 0.8 million ounces of gold (to 300m depth below pre-mining surface).**
- **An active exploration programme continues with current work and drilling focussed on the southern portion of the exploration licenses.**
- **Scoping work on the current resource inventory is in progress.**

Porphyry Copper-Gold Resources

The Resource upgrade at Temora is based on additional drilling since the initial reported Temora porphyry Cu-Au mineral resource by Goldminco Corporation in June 2008. The porphyry copper and gold resource inventory has increased from the June 2008 resource inventory of 142Mt @ 0.3% Cu, 0.3g/t Au and 31g/t Mo by 96% in contained tonnage. The updated mineral resource inventory

contains 0.8 million tonnes of copper and 2.1 million ounces of gold. The most significant changes have occurred at the Cullingerai and Yiddah deposits where the majority of drilling has taken place since June 2008. As the project area is large, drilling to date is broad spaced and shallow, with resources reported to a maximum depth of 450 metres. Table 1 provides a summary of the updated porphyry Cu and Au mineral resource.

Table 1. Porphyry Cu-Au Mineral Resources > 0.30% Cu Equivalent								
Deposit	Tonnes (Mt)	Cu_equiv (%)	Cu (%)	Au (g/t)	Mo (ppm)	Cu (Kt)	Au (kOz)	Mo (t)
Cullingerai	28	0.5	0.3	0.3	20	81	261	600
Dam	47	0.6	0.3	0.4	30	132	574	1,500
Estoril	20	0.4	0.2	0.3	6	40	199	100
Mandamah	31	0.6	0.3	0.3	30	99	342	900
Yiddah	153	0.4	0.3	0.1	30	474	689	5,200
Total	279	0.5	0.3	0.2	30	826	2,065	8,300

Note Table 1:

1) Copper Eq values calculated using a copper price of \$US7900/tonne and gold price of \$US1765/Oz (spot prices Friday 4th November 2011), Cu Eq = (Cu_ppm) + ((Au_ppm x 56.7460)/0.0079).

2) Copper Equivalent calculations and reported ounces do not have copper and gold recoveries applied.

3) Representative preliminary metallurgical recoveries at Yiddah, Mandamah and Dam for Copper range from 80 to 94% and Gold from 59 to 73%.

4) All tonnage, grade and ounce values have been rounded to relevant significant figures. Slight errors may occur due to rounding of these values.

5) Dam, Estoril reported to approximately 300m depth, Cullingerai, Mandamah to approximately 350m depth and Yiddah to approximately 450m depth.

6) All resources with exception of Dam are classified as inferred. See table 2 below for breakdown of Dam resource classification.

Table 2. Dam Mineral Resource Classification > 0.30% Cu Equivalent								
Deposit	Tonnes (Mt)	Cu_equiv (%)	Cu (%)	Au (g/t)	Mo (ppm)	Cu (Kt)	Au (kOz)	Mo (t)
Indicated	26	0.7	0.3	0.5	30	84	388	830
Inferred	21	0.4	0.2	0.3	30	48	186	670
Total	47	0.6	0.3	0.4	30	132	574	1,500

A breakdown of the resource inventory at various copper equivalent cut off grades is highlighted below in table 3.

Table 3. Temora Porphyry Cu-Au Mineral Resources @ various Cu Equivalent percent cut off grades

Cut off	Tonnes (Mt)	Cu_equiv (%)	Cu (%)	Au (g/t)	Mo (ppm)	Cu (Kt)	Au (kOz)	Mo (t)
0.25	368	0.4	0.3	0.2	30	995	2,399	11,300
0.3	279	0.5	0.3	0.2	30	826	2,065	8,300
0.4	145	0.6	0.4	0.3	30	500	1,436	4,000
0.5	71	0.7	0.4	0.4	30	281	941	1,900

Note Table 3:

1) Copper Eq values calculated using a copper price of \$US7900/tonne and gold price of \$US1765/Oz (spot prices Friday 4th November 2011), Cu Eq = (Cu_ppm) + ((Au_ppm x 56.7460)/0.0079).

2) Copper Equivalent calculations and reported ounces do not have copper and gold recoveries applied.

3) All tonnage, grade and ounce values have been rounded to relevant significant figures. Slight errors may occur due to rounding of these values.

The Temora Project is situated approximately 40 km from the Newcrest Marsden Project and 45 km from the Barrick Cowal operations.



The total Marsden published resources and reserves; Resource of **220 Mt @ 0.35% Cu and 0.18 g/t Au** and Reserve of **98 Mt @ 0.48% Cu and 0.29 g/t Au**. (Note: Newcrest resources and reserves taken from the Newcrest ASX Market Release dated 10 Feb 2012; *Dec 2011 Resources and Reserves statement*). The total resources at Cowal are **119 Mt @ 1.15 g/t Au** for 4.4 million ounces, inclusive of reserves of **64 Mt @ 1.2 g/t Au** for 2.5 million ounces of gold. Annual production to December 2011 reported as **7 Mt @ 1.47 g/t Au for 269Koz**. (Data for Barrick Cowal Operations sourced www.intierra.com)

Gidginbung Gold Deposit

The remaining gold resource located beneath the Gidginbung open pit was also estimated as part of the resource update. The open pit produced approximately 540Koz of gold to approximately 100m depth over a 10 year period to April 1996. The vast majority of this production was from the oxidized and transitional portion of high sulphidation style gold mineralization. Gold recovery through a conventional CIP plant on the oxidized/transitional portion of the resource averaged 76-88%. Table 4 provides a summary of the resource beneath the open pit.

Table 4. Gidginbung Indicated and Inferred Mineral Resource > 0.5 g/t Au					
Domain	Tonnes (Mt)	Au (g/t)	Ag (g/t)	Cu (%)	Au (kOz)
Oxide	0.45	0.7	1.1	0.0	10
Transitional	2.50	0.9	2.1	0.0	71
Fresh	20.8	1.0	2.8	0.1	667
Total	23.8	1.0	2.7	0.1	748

Note Table 4:

1) Resource estimated to 300m depth.

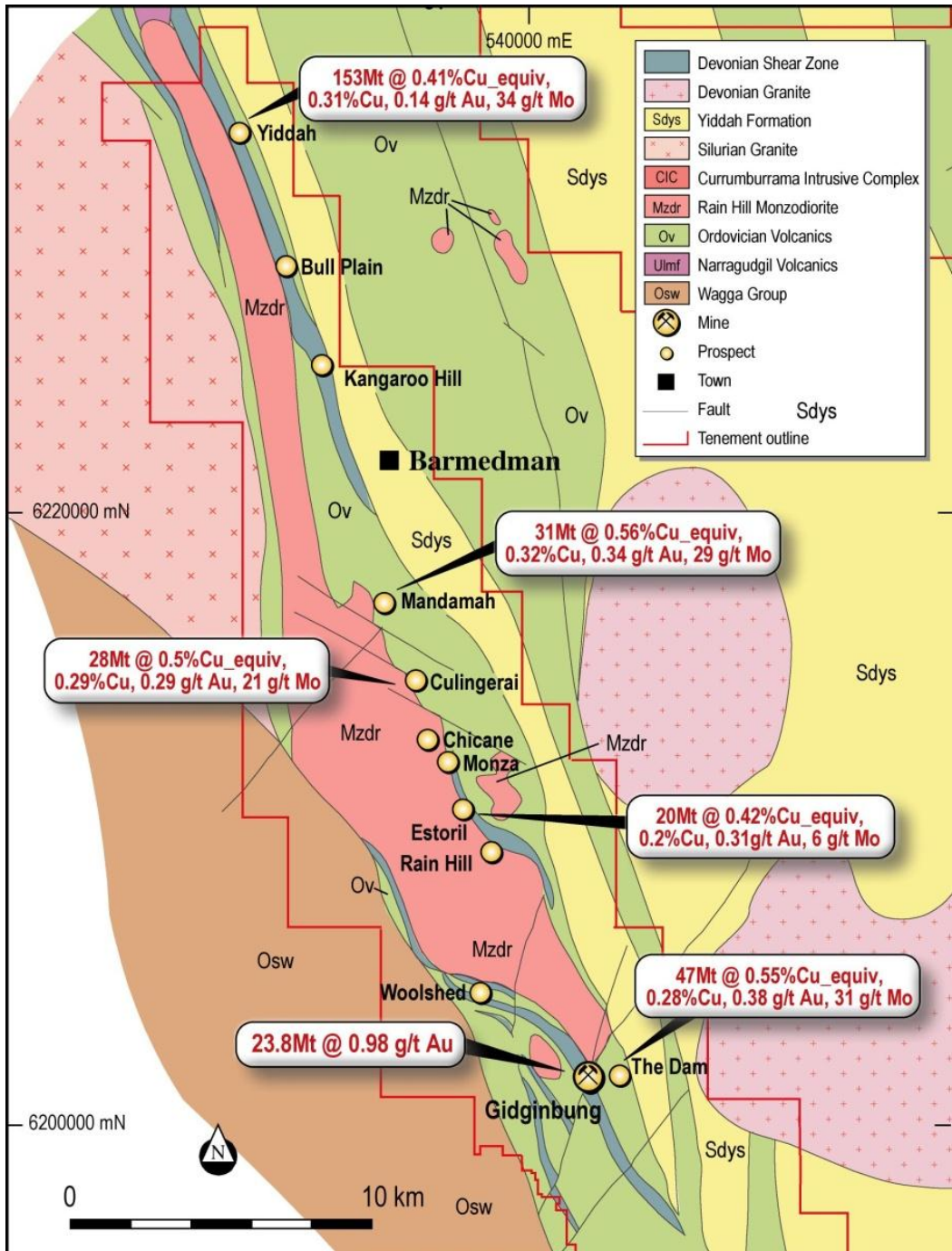
2) Fresh resource is described as high sulphidation type. Metallurgical testwork undertaken in 1994 by Hydrometallurgical Research Laboratories of Brisbane indicated gold recovery of fresh rock via conventional CIP to range from 25 to 50%. Straits resources nor Goldminco Corporation have undertaken any further metallurgical testwork to date.

3) All tonnage, grade and ounce values have been rounded to relevant significant figures. Slight errors may occur due to rounding of these values.

Table 5. Gidginbung Mineral Resource Classification > 0.5 g/t Au					
Classification	Tonnes (Mt)	Au (g/t)	Ag (g/t)	Cu (%)	Au (kOz)
Indicated	11.1	1.0	2.3	0.1	369
Inferred	12.7	0.9	3.1	0.1	379
Total	23.8	1.0	2.7	0.1	748

An active exploration programme continues at Temora with current work and drilling focused on the southern portion of the exploration licenses between the Dam and Estoril. Scoping work on the current resource inventory is in progress.

Temora Project referencing the locations of deposits reported within the resource inventory.



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 and Mineral Resources pertaining to the Temora porphyry Cu-Au resources is based on information compiled by Mr. Scott Munro who is a Member of the Australasian Institute of Geoscientists. Mr. Munro 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. Munro consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The resource estimate for Gidginbung was performed by Hellman & Schofield, consulting geologists in resource estimation with Dr Phillip Hellman acting as the Competent Person. Dr Hellman is a Fellow of the AIG, is a Director of H&S and has more than five years experience in the field of activity in which he is reporting and consents to his report being incorporated into this announcement in the context in which it appears above. Straits Resources Limited provided the Gidginbung drill hole database, which H&S accepted in good faith as being reliable, accurate and complete. H&S has not comprehensively validated the drill hole database, and therefore, responsibility for the quality of the data resides with Straits Resources Limited.

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.