

STRAITS RESOURCES LIMITED
(ASX: SRQ)

Kurrajong Update
Significant Assays returned for Drill Hole TJKD008

Further to the announcement of 28th August 2012 regarding drilling at Kurrajong, Straits Resources Limited (Straits) is pleased to announce a significant assay result returned from hole TJKD008. Kurrajong is located approximately 20 km east of Tritton. The final assay results returned for TJKD008 (previously reported as a visual copper intercept) was;

6 metres @ 3.92% copper, 0.39g/t gold, 10.9g/t silver & 0.56% Zn

The key objectives of exploration around Tritton are to increase mine life, improve grade, lower costs, fully utilize existing infrastructure and provide operational flexibility.

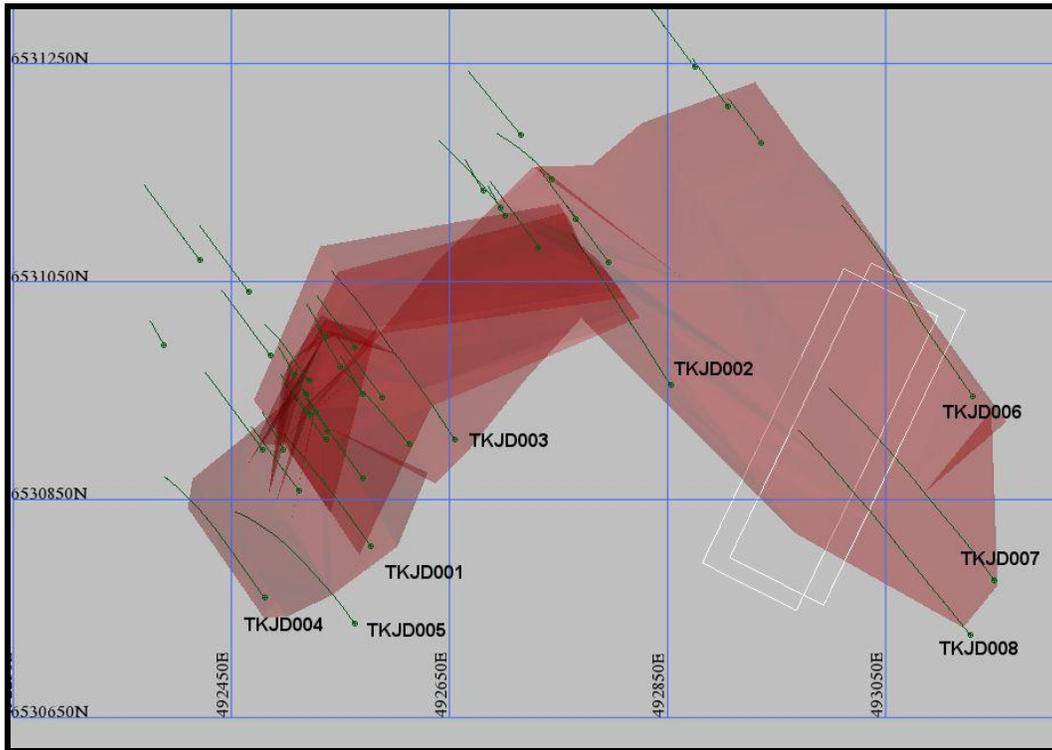
- Drilling at Kurrajong to date has comprised of the completion of eight drillholes. These have confirmed the existence of a major mineralised system over a 650m strike-length, which remains open in all directions.
- Drilling of TKJD007 targeting the down hole EM target in TKJD002 returned massive sulphide mineralisation of 4m in width (grading 2.46% Cu) above a larger lower grade sulphide envelope (including 22m @ 0.59% Cu). Down hole EM in TKJD007 showed a conductor with a very strong time constant response of >25msec. This was equivalent to a 300x300m sized response, significantly higher than that observed for the Tritton ore body. TJKD008 targeted this conductive plate.
- Fixed loop EM (FLTEM) and analysis of downhole EM (DHEM) conducted on the first eight holes (TKJD001 to 8) suggest that TKJD007 and TKJD008 have hit the edge of the strong conductor.

Significant Assay results for Kurrajong TKJD008

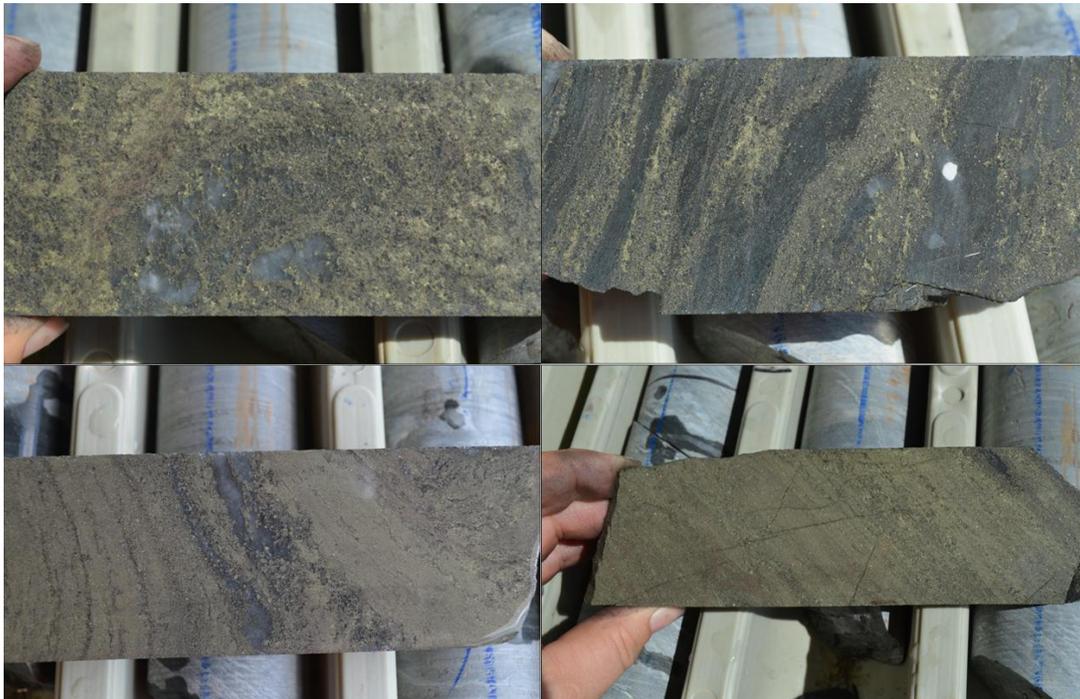
| Hole Id | Project | East AMG | North AMG | Dip | Az (mag) | From (m) | Width (m) | Cu % | Zn % | Au g/t | Ag g/t |
|---------|-----------|----------|-----------|-----|----------|----------|-----------|------|------|--------|--------|
| TKJD008 | Kurrajong | 493128 | 6530725 | -65 | 323 | 572 | 6 | 3.92 | 0.56 | 0.39 | 10.9 |

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

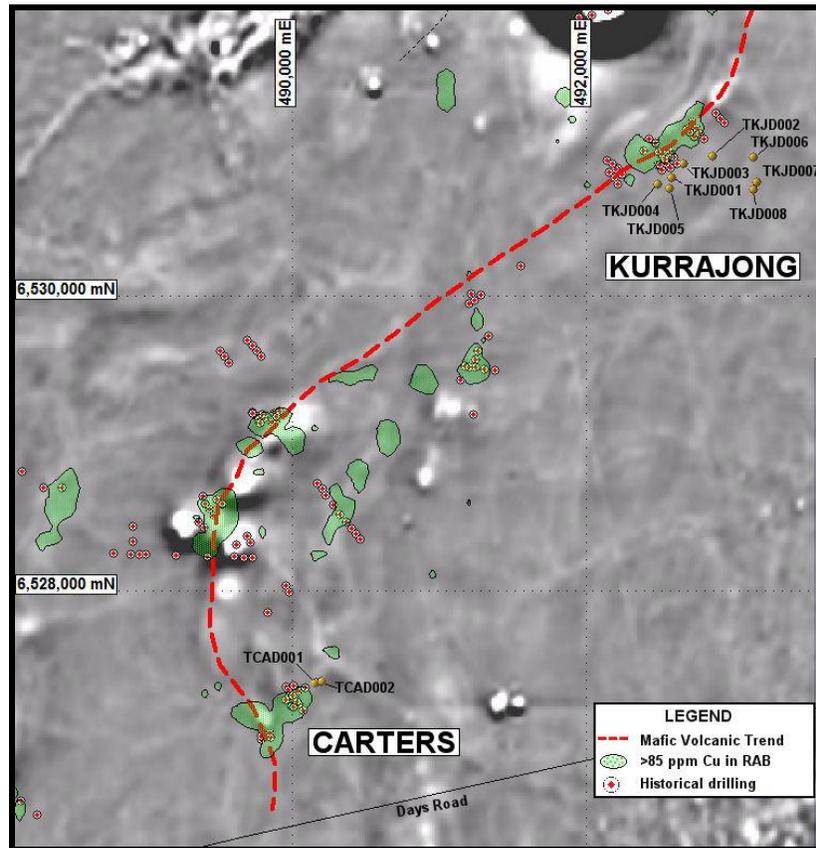
Kurrajong Sulphides and Downhole EM targets



Close up pictures of massive and banded sulphide TKJD008 - 572 to 578m downhole



Location of the Kurrajong and Carters Prospects



Background

The Tritton region is proving itself to be a major copper province. Currently the region has in excess of 50 million tonnes of identified sulphide and oxide mineralised Volcanogenic Massive Sulphide (VMS) systems; these are in all cases associated with or are in close proximity to mafic complexes including tholeiitic basalts to basaltic andesites, doleritic and gabbroic intrusives and minor ultramafic and often serpentinised intrusives (see figure below).

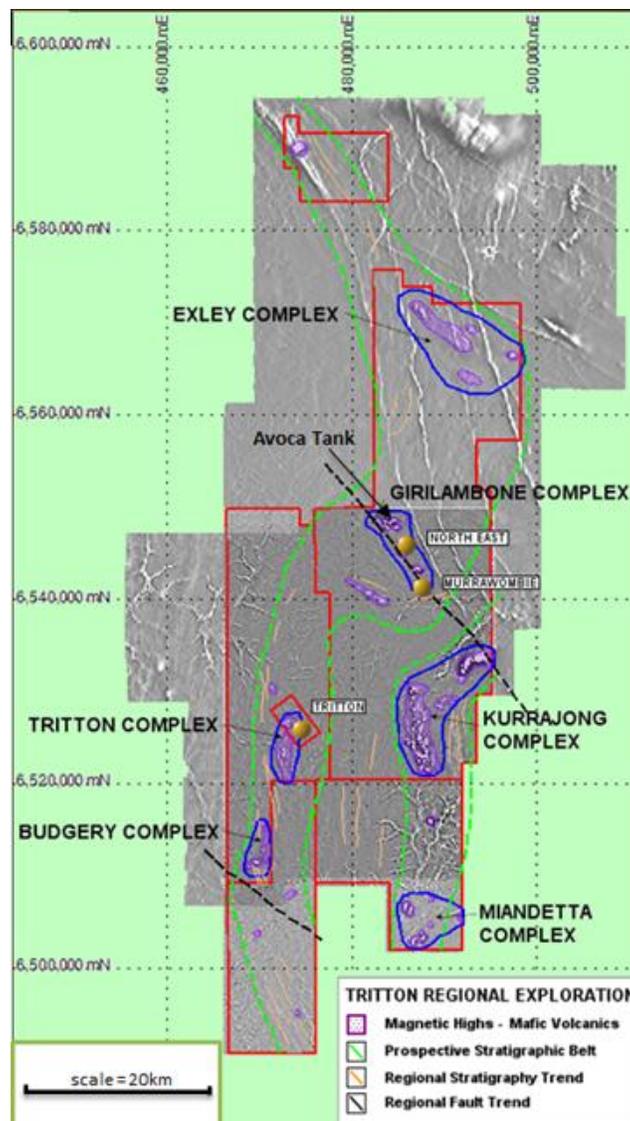
VMS deposits encompass a broad and varied classification of mineral deposit types. The Tritton VMS region deposits are best characterised as Mafic-Siliciclastic deposits (or pelitic-mafic) commonly referred to as “Besshi Style Deposits”. Examples of this type of deposits are; Outokumpu, Finland; Labrador Trough, Windy Craggy, Canada; Mid and South Urals, Russia; and the Besshi district, Japan; Gibson, H.L., et al. 2007

This significant copper metal endowment +755Kt of contained copper (both mined and known resources) in conjunction with the size of the mineralised systems would rank the Tritton region as a major VMS field on a global scale for this type of mineralisation. (VMS - very large deposits; 50-100Mt from Hannington et al., 1999).

Straits currently hold 177,000 hectares in the prospective Tritton VMS district. This is made up of 4 granted Exploration and 3 Mining leases. Six major mafic complexes have been identified within a sequence of sedimentary rocks with a strike length of greater than 100km.

The exploration strategy is steadily evolving and to date has been extremely effective in both identifying and testing for VMS sulphide systems as shown by the exploration success to date at Avoca Tank, Kurrajong, Carters and Budgery.

The quality of the remaining targets in the Tritton region is considerable and the potential for further discoveries in this large VMS mineralised district remains excellent. Straits continuing success allied with the knowledge that Besshi VMS systems are characterised by repeats along strike, multiple horizons and lenses and significant depth potential gives the Company great confidence for the discovery of additional deposits along the multiple prospective horizons within the Tritton region.



Regional diagram showing location of the Tritton mines and Mafic Complexes

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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 AusIMM no. 202260 (Australasian Institute of Mining and Metallurgy) and the AIG no. 3099 (Australian Institute of Geoscientists). 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.