



# Straits Resources Limited

CEO Presentation

Milan Jerkovic

September 2010

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ASX code	<b>SRL</b>
Ordinary shares	<b>255 m</b>
Options	<b>0.5 m</b>
Market capitalisation	<b>A\$384 m*</b>
Convertible Notes	<b>61m Notes in total A\$79.8 m</b>
Top 20 shareholders	<b>52%</b>

\*As at 31 Aug 2010: AUD 384,081,438 (derived from 255,203,613 ordinary shares at AUD 1.505 each)

# SRL value proposition



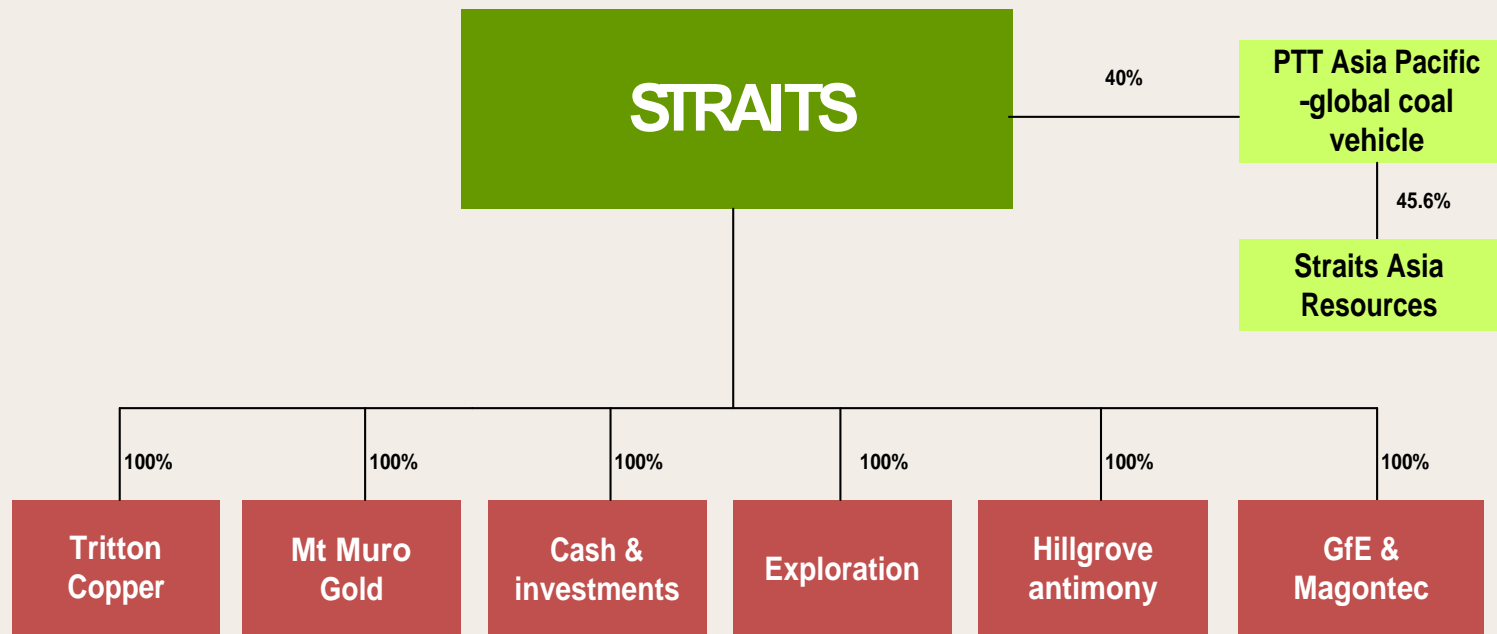
## SRL Market Capitalisation of

**A\$384 million**

- Strong balance sheet with Cash and Investments of **A\$253 million**
- APM & Straits Asia Thermal Coal Investment valued at **A\$348 million\***
  - Straits Asia targeting 16-18 million tonnes of production from Sebuk and Jembayan by 2013
  - Brunei drilling commencement and Madagascar feasibility completion
- Tritton Copper
  - Tritton targeting 27,000t copper production for FY 2011
  - Strategy to develop a 30,000tpa project with minimum 8 year mine life well advanced
  - Complete paste fill implementation, owner operator and change to transverse mining method (expected to significantly improve operations)
- Mt Muro Gold
  - Mt Muro re-capitalisation to be completed by March 2011
  - Strategy to produce 80,000 Gold equivalent by FY2014
- Active Exploration
  - Investing A\$25 million across Group in FY2011:
  - Brownfield and Greenfield exploration around existing Operations Tritton and Mt Muro
  - Lachlan Fold Belt Porphyry copper/gold exploration
  - IOCG – iron oxide copper gold exploration in South Australia’s Stuart Shelf (Olympic Dam and Prominent Hill)
- Complete divestment of non-core Gfe business and resolve way forward for the Hillgrove project

\*based on SRL’s 40% interest in PTTAPM – Global coal JV.

# SRL Corporate Structure



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## A year of re-building and consolidation

- **Whim Creek** assets sold for shares in Venturex & Finders
- **Tritton** - recapitalisation program in progress, two resource upgrades and exploration success at Tritton Deeps
- **Mt Muro** - recapitalising in progress for minimum 5 year mine life
- **Hillgrove** - the company continues to review several options in relation to the Hillgrove operation, including its potential divestment.
- **Sales process well advanced for Gfe**
- **Strong balance sheet intact**
  
- **Exploration :-**
  - **Lachlan Fold Belt (NSW)** - extended mineralisation at Temora project, excellent porphyry intersections at Cullingerai prospect
  - **Torrens** - Section 23 approved, drill program planning underway

## Positioned for Growth

- **Tritton** - recapitalisation program completed by late 2010, production forecast of 27,000 tonnes Cu in FY2011
- **Mt Muro** - recapitalisation to be completed by March 2011
- **Hillgrove** - resolve way forward
- **Complete sale Gfe**
- **Strong balance sheet intact**
  
- **Exploration :-**
  - **Goldminco** - continued drilling at Temora to enable completion of scoping study to move to detailed drill out
  - **Torrens & UXA JV's** - commence drilling 2010

# Financial Overview FY2010



## Improved performance from existing operations

- Overall result was significantly impacted by decision to recognise a \$72 million impairment write down against the Hillgrove project
- All other business units showed improved financial performance year on year in line with improved economic conditions
- Profit of \$28.6 million from PTT - APM sales relates to deferred consideration that was received in October 2009
- FX losses of \$6.0 million mostly relate to translation of the Groups USD cash as a result of a stronger A\$ during the year
- Loss from discontinued operations includes the held for sale Gfe trading business and Whim Creek.

Profit/(loss) \$m	FY2010	FY2009
Tritton	(1.7)	(59.5)
Mt Muro	(10.9)	(23.7)
PTTAPM	18.0	7.9
Magontec	1.3	(8.4)
Hillgrove	(8.5)	(14.6)
FX Losses	(6.0)	(42.2)
Other items	(10.7)	(3.5)
<b>(loss) from ongoing activities</b>	<b>(18.5)</b>	<b>(144.0)</b>
Impairments	(75.4)	(123.8)
PTT APM Disposal	28.6	344.2
Discontinued operations	(4.1)	(38.4)
<b>Total Profit/(loss)</b>	<b>(69.4)</b>	<b>38.0</b>



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# Operating Review

# Tritton Overview



## 30% INCREASE IN COPPER RESOURCES TO 466,000 TONNES

- Production of 20,847t Cu in FY2010 impacted by lower feed grades compared to FY 2009.
- Targeting Copper production of 27,000t in FY2011
- Cash Costs of US\$1.64/lb FY2010 (excluding TC/RC's)
- Significant investment in recapitalisation and efficiency program commenced in FY2010
  - Implementation of Paste Fill
  - Change to "bottom up" mining method
  - Undertaking some owner operator functions from FY2011
  - Preparing North East mine to commence production
- Exploration success
  - 30% increase in total resources to 466,000 tonnes of Copper
  - Resources increased to 27Mt @ 1.7% Cu from 18.9Mt @ 1.9% Cu.
  - Program in FY2011 to further convert and enlarge reserve and resource base
- Sites financial performance constrained by high TC/RC's

Production Statistics		FY 2010	FY 2009
Development	Metres	<b>6,986</b>	7,372
Ore Mined (Tritton)	Tonnes	<b>911,539</b>	932,532
	Grade (%)	<b>2.35</b>	2.72
	Cu Tonnes	<b>21,451</b>	25,404
Ore Milled	Tonnes	<b>906,347</b>	921,116
	Grade (%)	<b>2.37</b>	2.74
	Cu Tonnes	<b>21,464</b>	25,187
Recovery	%	<b>94.23</b>	94.11
Concentrate	Tonnes	<b>81,183</b>	95,026
	Cu %	<b>24.91</b>	24.95
	Cu Tonnes	<b>20,847</b>	24,111

Resources	Measured	Indicated	Inferred	Total
Tonnes (kt)	2,800	14,100	10,200	<b>27,100</b>
Cu (%)	2.7	1.8	1.3	<b>1.7</b>

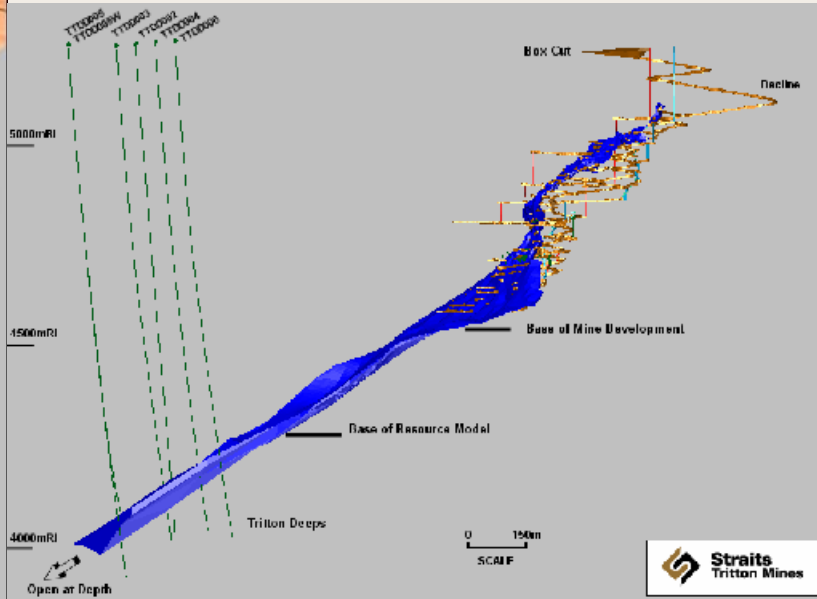
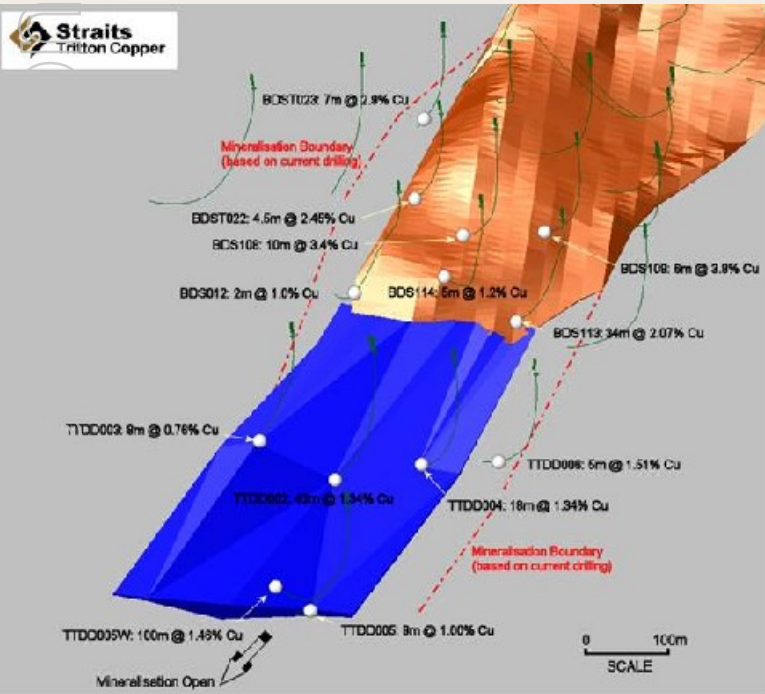
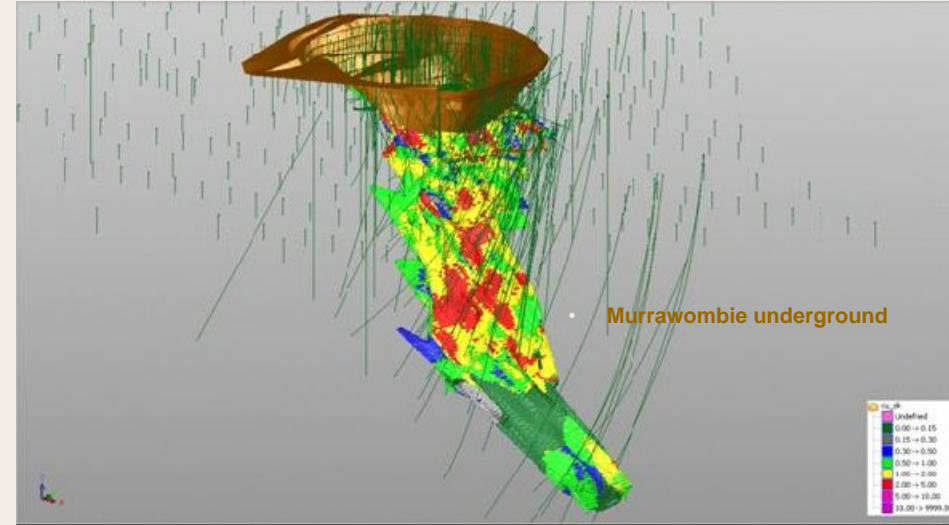
Reserves	Proved	Probable	Total
Tonnes (kt)	2,100	4,730	<b>6,830</b>
Cu (%)	2.5	1.7	<b>2.1</b>
Cu recoverable (t)	48,400	85,600	<b>134,000</b>

# Copper-Tritton Exploration



## Tritton Deeps

- Mineralisation extends >500m below calculated resource, 1.8Km Down Plunge
- Mineralisation thickening & increasing grade with depth
- Hole TTDD005W intersected 100m @ 1.46% Cu and 0.12 g/t Au including 44m @ 2.43% Cu and 0.23 g/t Au



## Murrawombie

- Resource upgrade to 92,000 tonnes contained copper (90% indicated category)
- Mineralisation open at depth

# Mt Muro Overview



## TARGETING 300,000 OUNCE/5 YEAR MINE LIFE

- Production of 45,521 ounces of Gold in line FY2009 performance
- Plant throughput 1.25Mtpa (capacity)
- Cash costs of US\$1,196/oz
  - Impacted by lower grades as recapitalisation program commenced
  - Ongoing improvement programs underway to reduce costs and improve efficiencies
  - Reduced costs expected in FY2011
- US\$20 million investment program approved targeting 300,000 ounce 5 year mine life
- Commenced cutback and mining of Serujan open pit
- Start development of Soan underground
- Scaled up exploration activities
- Longer term targeting 80,000 ounces production by 2013/2014
- Exploration – Target depth extensions to known fertile, significant gold producing structures. Structures tested to relatively shallow (<150m) depth. Systems known to extend well over +400m vertical depth.

Production Statistics	Full Year 2010	Full Year 2009
Overburden (bcm)	2,131,050	2,666,907
Ore mined (dmt)	602,563	622,100
Ore feed to plant (dmt)	615,544	652,050
Gold grade (g/t)	2.56	2.62
Silver grade (g/t)	12.41	24.55
Gold recovery (%)	89.67	88.70
Silver recovery (%)	58.92	60.20
Gold production (oz)	45,521	48,846
Silver production (oz)	143,496	304,360

Resources	Measured	Indicated	Inferred	Total
Tonnes (kt)	-	13,200	3,900	17,100
Au (g/t)	-	1.4	1.2	1.3
Ag (g/t)	-	43	16	36

Reserves	Proved	Probable	Total
Tonnes (kt)	-	1,900	1,900
Au (g/t)	-	3.4	3.4
Ag (g/t)	-	64	64
Au recovered (oz)	-	190,500	190,500
Ag recovered (oz)	-	2,700,000	2,700,000



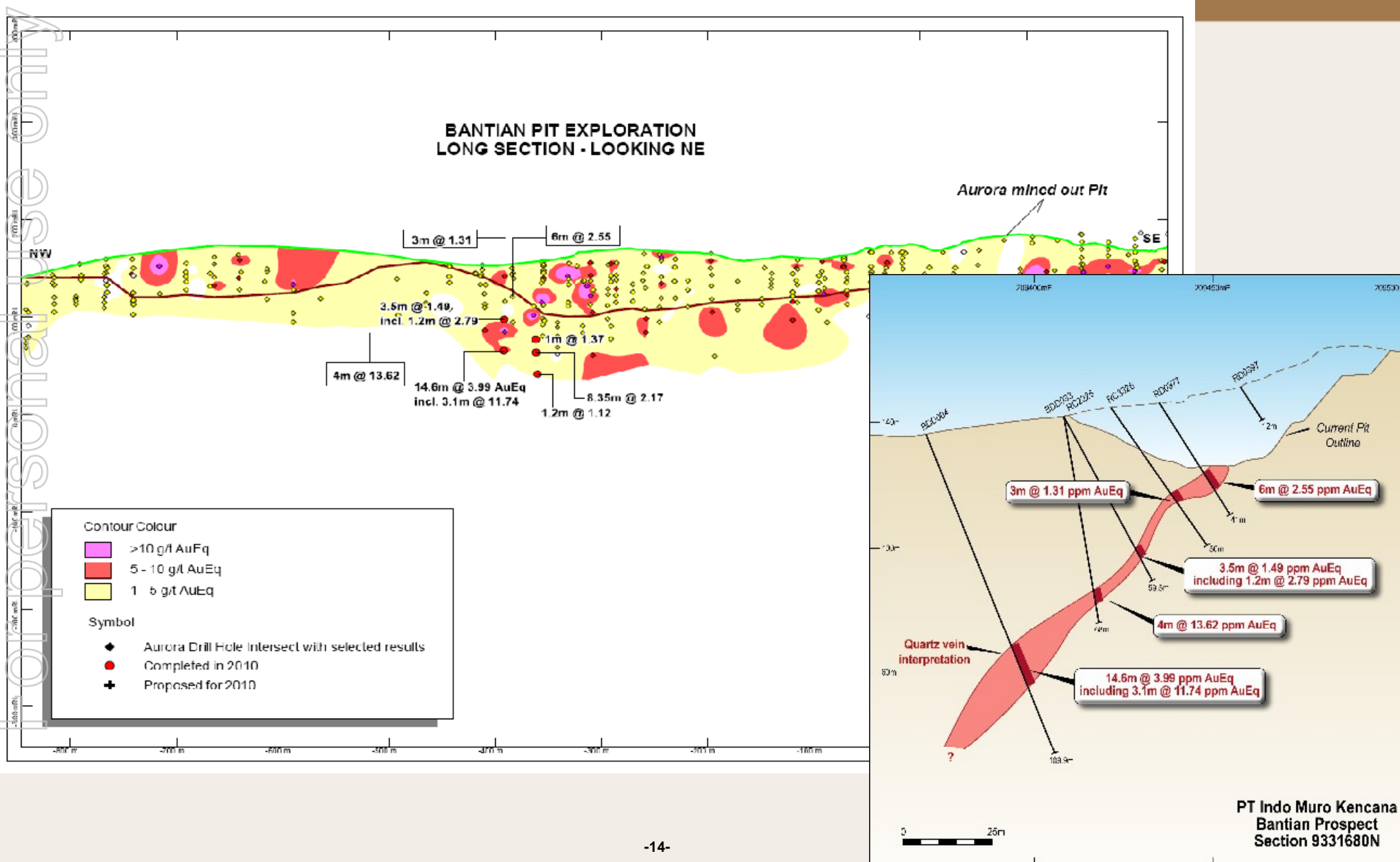
# Mt Muro – Significant gold/silver province



- Historically Mt Muro was a significant gold producer. Aurora recovered 1.3Moz gold along with +20Moz silver (1.7Moz gold equivalent) from a number of open pits feeding into a centralised plant prior to SRL involvement with the project
- Straits added to the resource inventory with exploration success at Tasat/Rabu, & Botol/Tagape/Soan/Sinter systems (+500Koz)
- The Mt Muro field will be a +2Moz gold producer once the current mine plan is executed by SRL over the next 5 years
- What makes Mt Muro even more attractive than other low – sulphidation epithermal systems is that the majority of the mined systems have only been exploited to a depth of ~100m vertical with the deepest pits only 150m. Typically epithermal gold windows are known to extend over 300-400m vertical extent



# Gold – Mt Muro Exploration



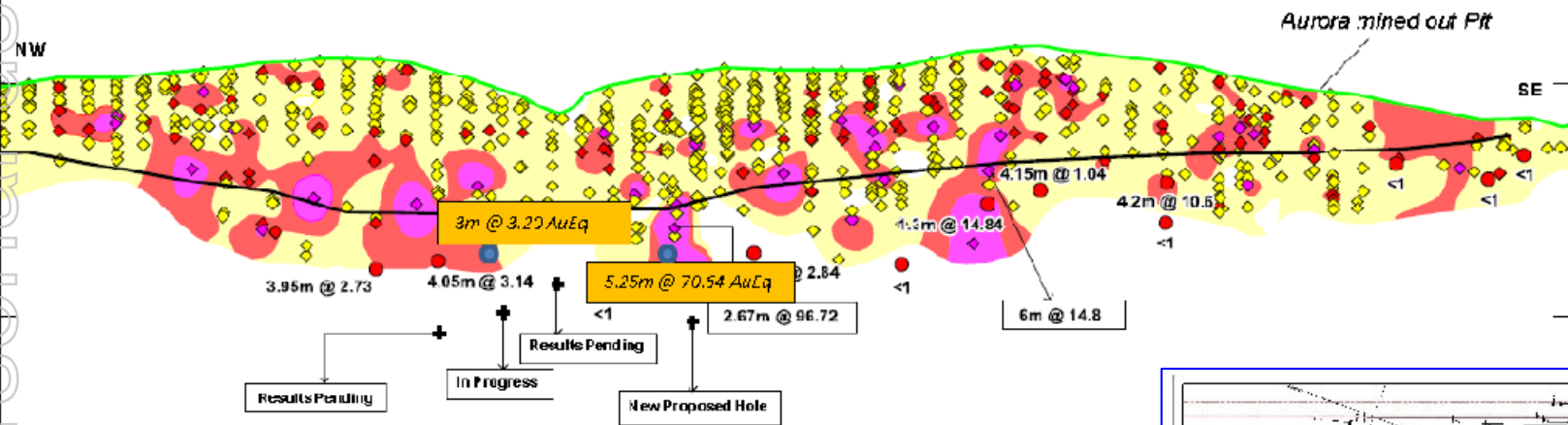


# Gold – Mt Muro Exploration



400m RL  
 200m RL  
 0m RL  
 -200m RL  
 -400m RL

## PERMATA PIT EXPLORATION LONG SECTION - LOOKING NE

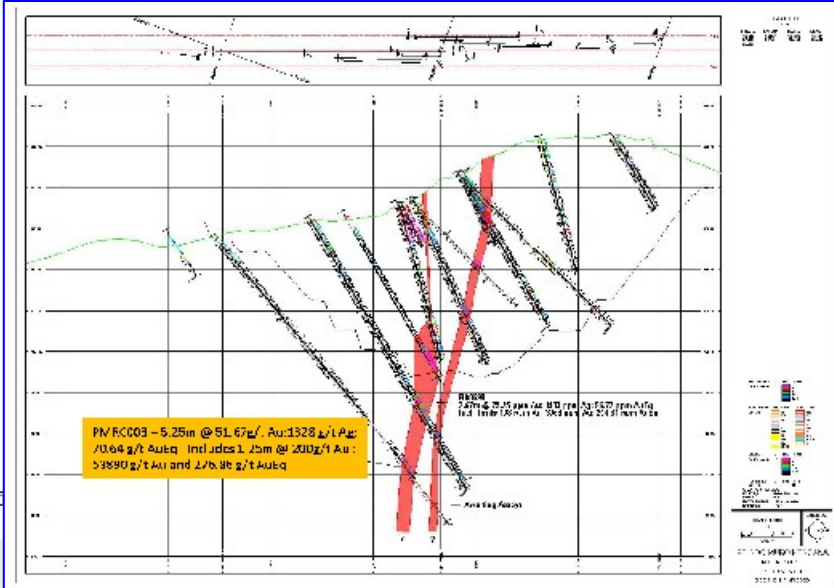


**Contour Colour**

- >10 g/t AuEq
- 5 - 10 g/t AuEq
- 1 - 5 g/t AuEq

**Symbol**

- Aurora Drill Hole intersect with selected results
- Completed in 2010
- Proposed for 2010



## RETURN TO PROFITABILITY IN 2010

- Revenue of \$96.6 million (FY2009 \$100.3 million)
- EBITDA \$4.5 million (FY2009 \$1.8 million loss)
- Profit after tax of \$1.3 million (FY2009 \$8.4 million loss)
- Stronger operating margins and return to profitability
- Improved economic conditions in China and Asia
- Cost cutting and successful introduction of efficiency improvements
- Future operating improvements highly leveraged to the global automotive sector

### MAGONTEC

Magontec is a leading global supplier of magnesium alloys and anodes with plants in China and Europe



3C (Cellphone, Computer, Camera)



Anodes used in water heaters



Speciality uses in automobiles

# Global Coal JV (SRL 40% in PTT Asia Pacific)

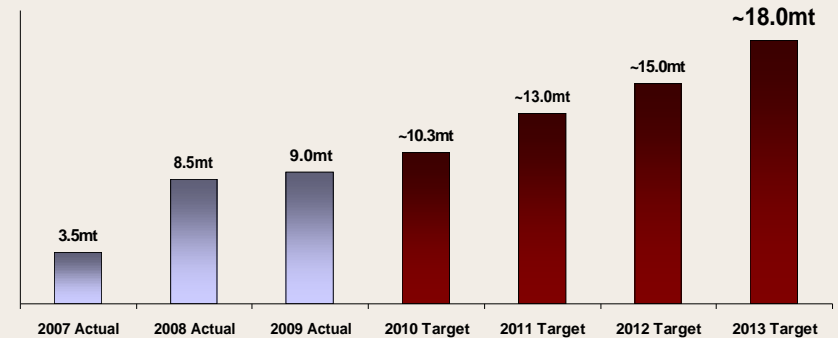
- 45.6% Straits Asia Resources Ltd (SARL)
- Madagascar, Sakoa coal interests
- Brunei coal interests



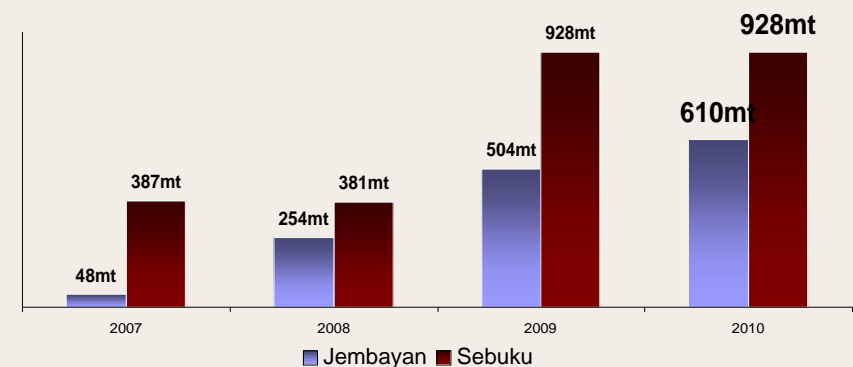
## EXPOSURE TO A WORLD CLASS PIPELINE OF THERMAL COAL PROJECTS

- Investment in Straits Asia Resources valued at \$348 million
- SRL share of PTTAPM profits \$20.1 million during FY2010
- Dividends received of \$13.1 million during FY 2010
- Straits received 2nd tranche of US\$115 million from PTT in October 2009
  - SRL owns 40% of PTTAPM & indirectly 18.2% of SGX listed Straits Asia Resources
  - Board representation with 2 directors on PTTAPM and SAR boards
- Straits Asia Resources (SAR) performance\*\*
  - Production of 9.8 million tonnes coal
  - Sales of 10.5 million tonnes coal
  - Jembayan reserve upgrade to 127 million tonnes marketable coal
- Growth pipeline
  - SAR targeting 16-18 million tonnes production by 2013 from Sebuk and Jembayan
  - Madagascar feasibility study completion targeted before end 2010
  - Brunei detailed mapping program conducted during the year.
  - Continue to process activities associated with stage 2 of the exploration program.

Straits Asia Profile for Growth\*



Straits Asia - Growth in Resources\*



\* Source: Straits Asia Resources presentation July 2010 & Jembayan Resource Upgrade announced 19 August 2010

\*\* 12 months ended 30 June 2010.





# Exploration

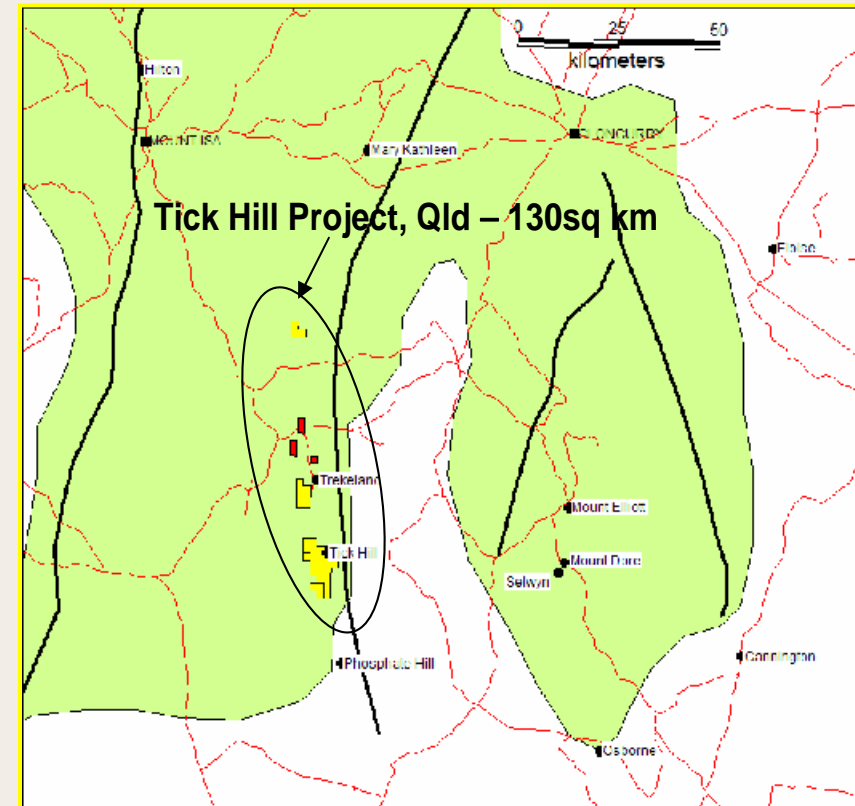
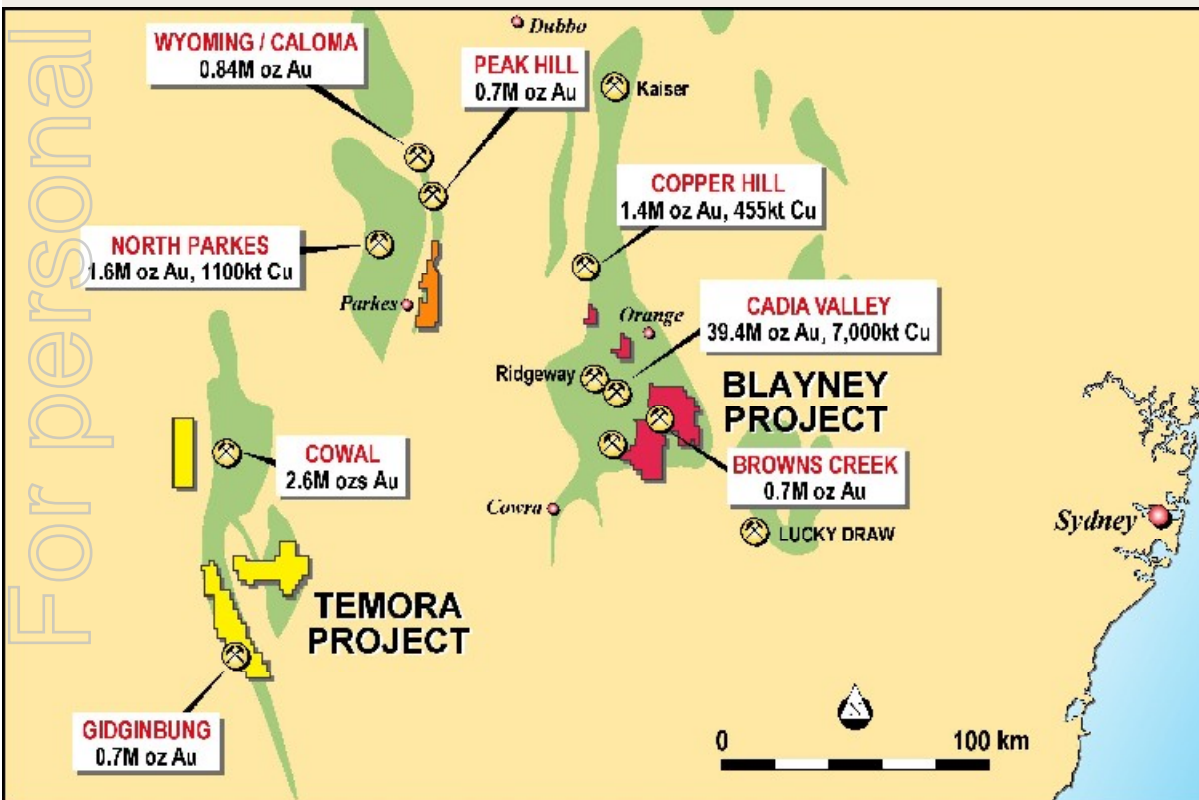
# EXPLORATION

## Goldminco (SRL 66%) Lachlan Fold Belt, NSW & Cloncurry, Qld;

Main targets –

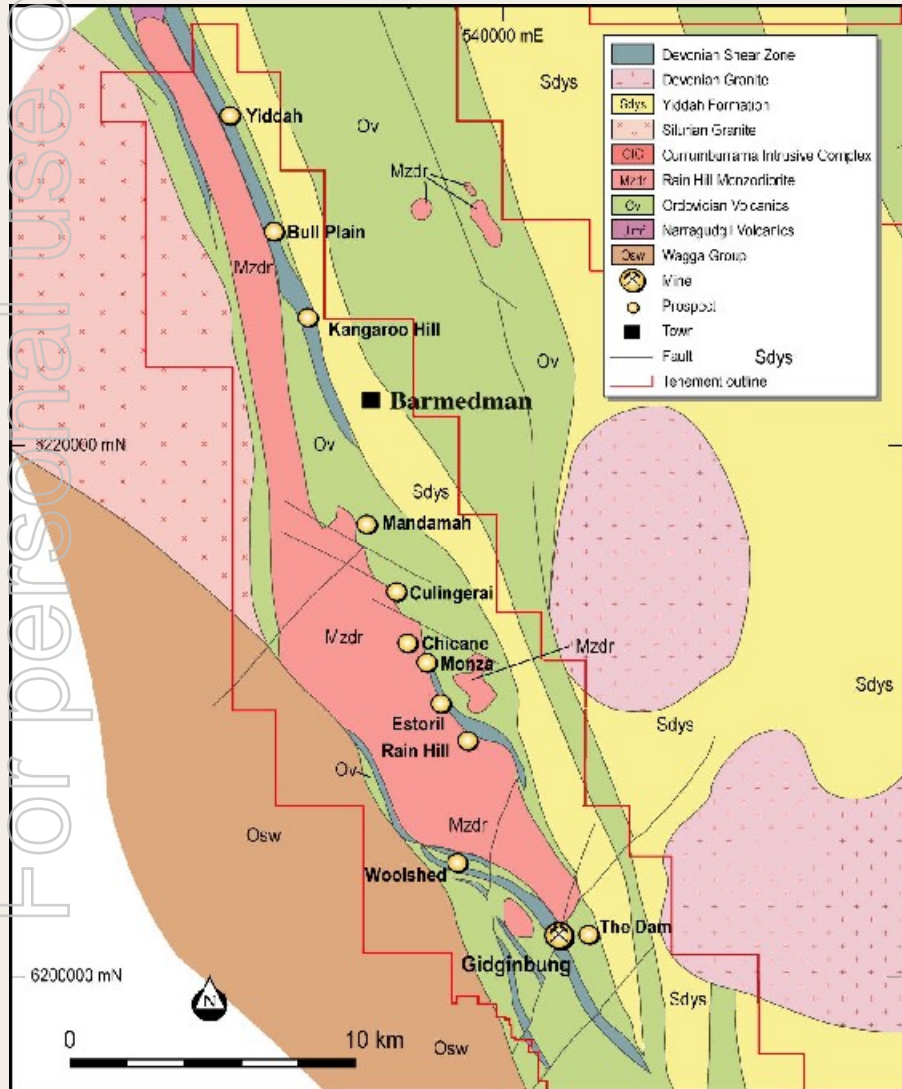
- NSW Temora & Blayney tenements-targeting Cu/Au porphyry systems
- Tick Hill Queensland- Prospective for Cu/Au – adjacent to the Historical Tick Hill mine (660Kt @ 25g/t Au) and historic mining centre of Duchess

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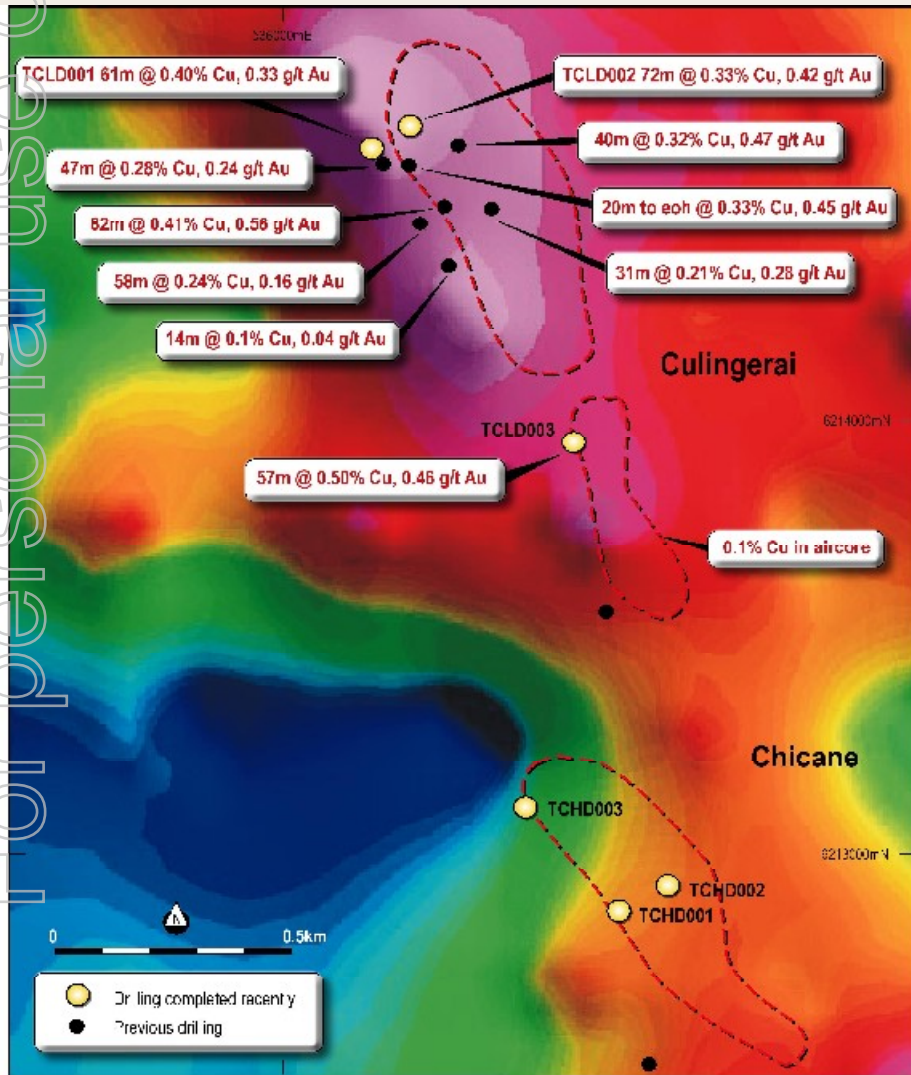
## Major NSW Copper/Gold Porphyry Province



### Lachlan Fold Belt, NSW; Goldminco (SRL 66%)

- At Temora, targeting Cu/Au porphyry systems over more than 30km of strike length
- July 08 resource of 142Mt @0.32% Cu & 0.29 g/t Au
- Drilling since 2008 has extended mineralisation at Temora significantly
- Temora July 08 resource includes;
  - Dam-indicated 21Mt @ 0.35% Cu, 0.5 g/t Au
  - Mandamah-inferred 28Mt @ 0.35% Cu, 0.4 g/t Au
  - Estoril-inferred 11Mt @ 0.22% Cu, 0.37 g/t Au
  - Yiddah-inferred 61Mt @ 0.35% Cu, 0.13 g/t Au
- June quarter 2010 excellent new results at Cullingerai. Drilling to focus at this prospect in the Sept 2010 quarter

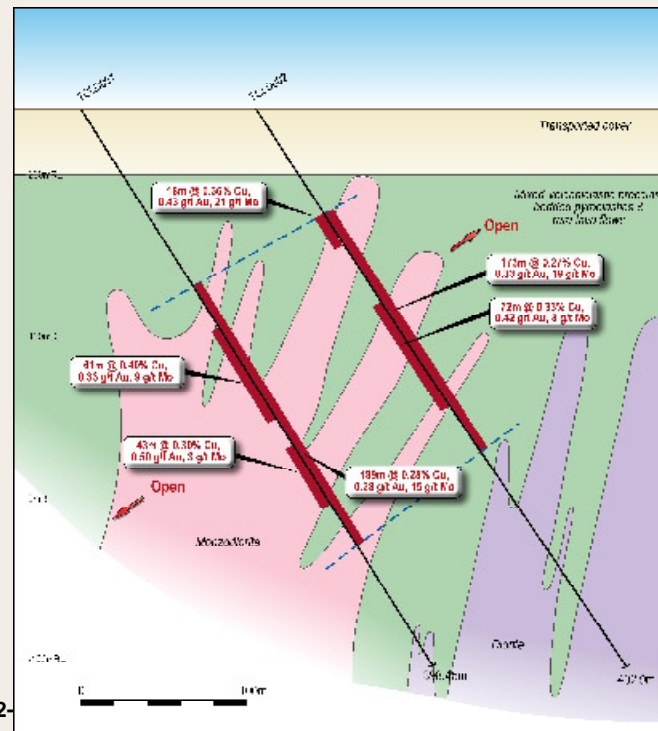
## Lachlan Fold Belt, NSW; Goldminco (SRL 66%)



### Cullingerai (Temora Project)

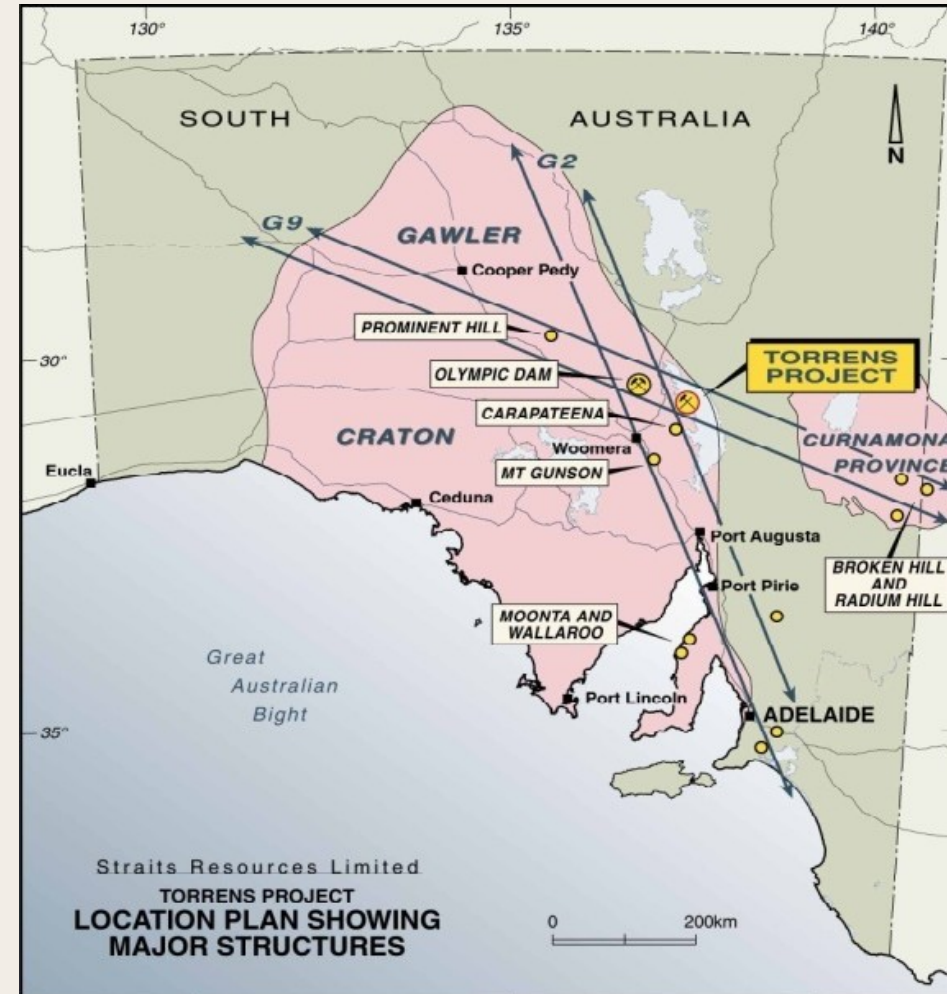
+1.5 km strike length-open along strike & dip

- Mandamah prospect 2.3km to the north  
28Mt @ 0.35% Cu, 0.4g/t Au
- Monza 2.5km to South 12.7m @ 8.9% Cu, 6.15g/t Au



## Torrens JV, South Australia

- Olympic Dam/Prominent Hill - type target
  - Targeting iron oxide, Cu/Au
  - 3 holes drilled in 2008
  - Correct geology, alteration.
  - Cu/Au mineralisation discovered
  - Straits earning 70% interest
  - Native title issues being progressed by SA government. Commence drill test of priority targets during 2010

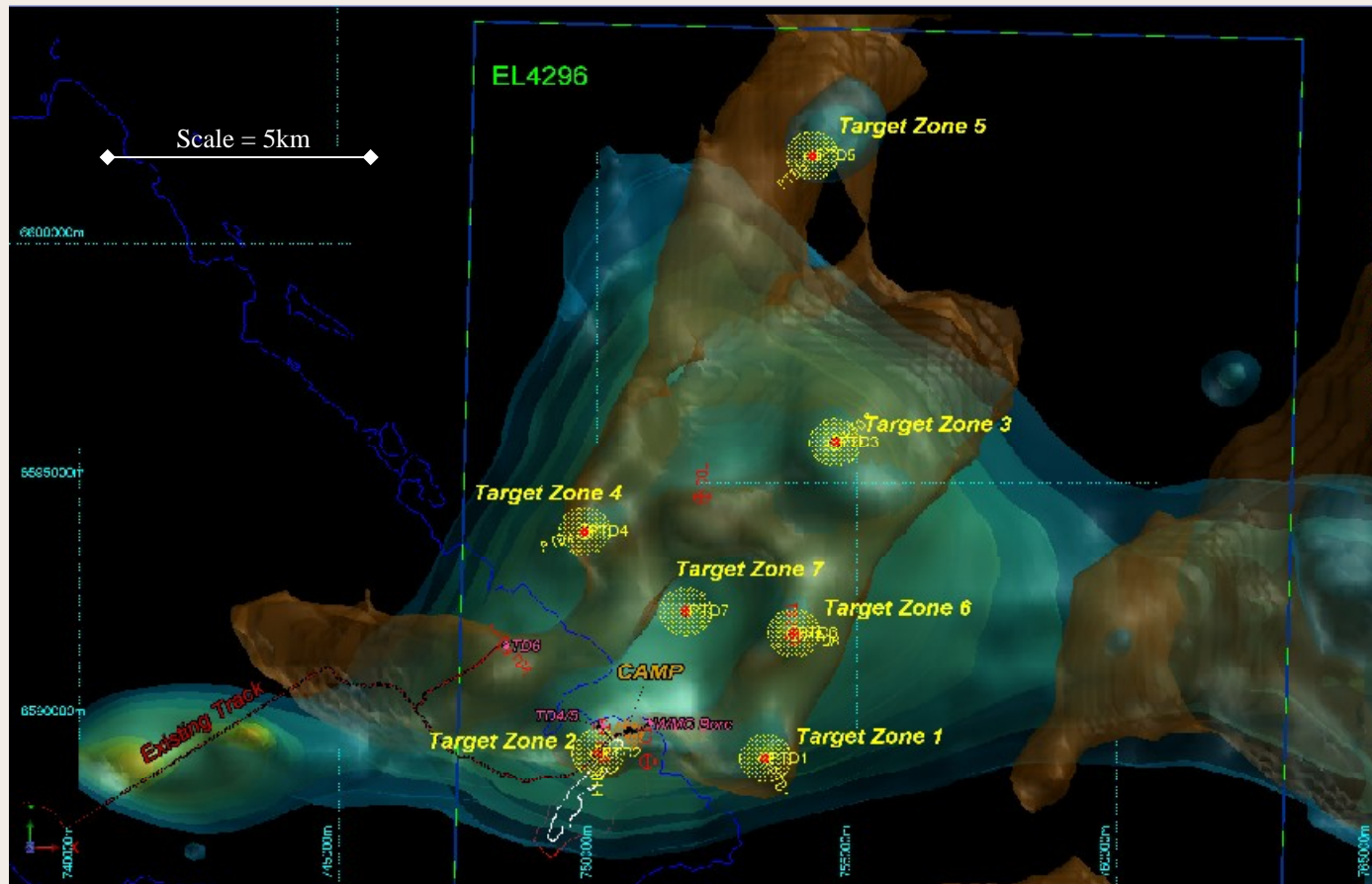




## Torrens JV, South Australia

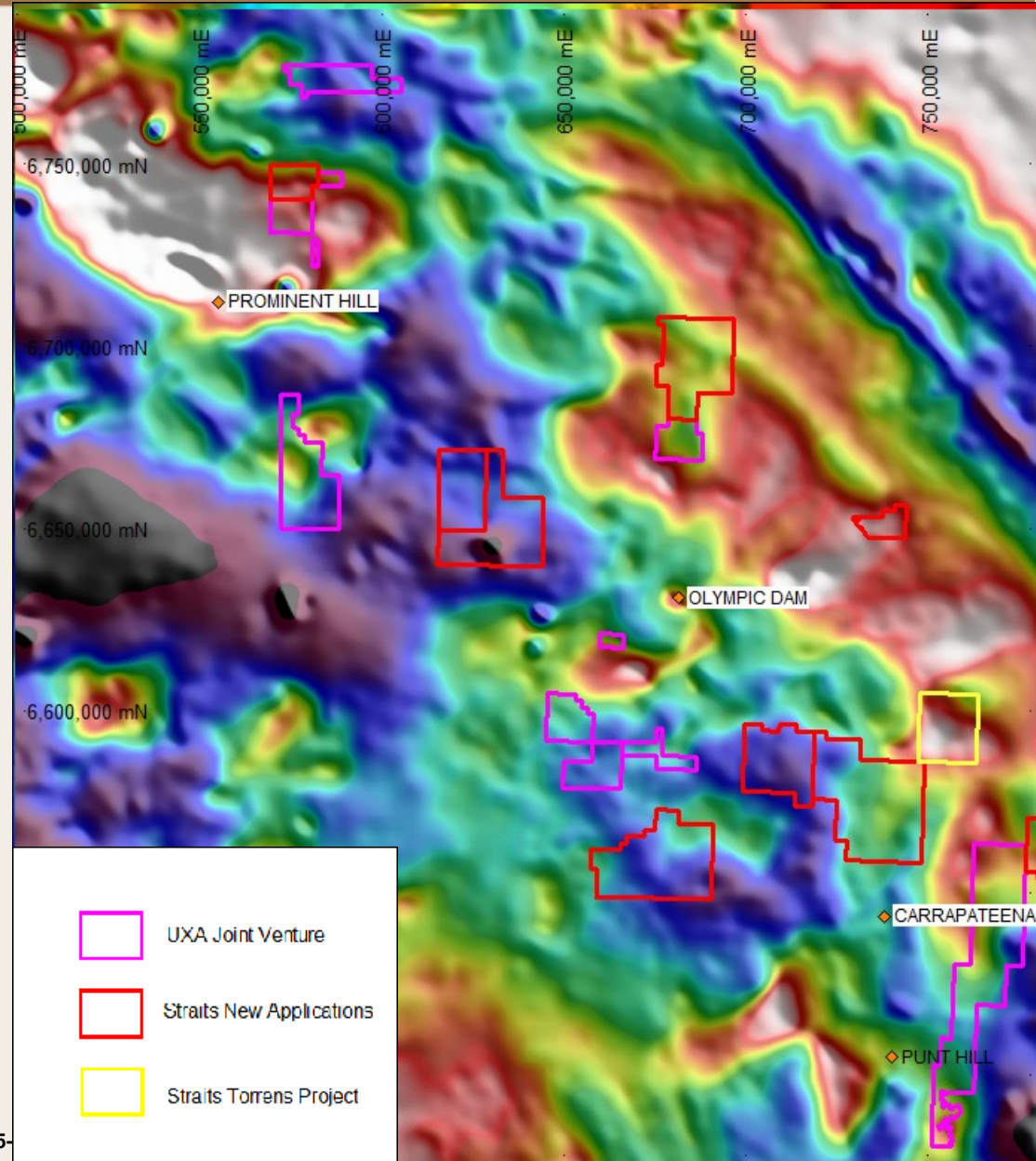
**Target Zones Ranked 1 through 7** – Torrens arguably best untested gravity anomaly in SA.

**Brown:** Magnetics isosurface, 3D inversion; **Blue:** Gravity Inversion isosurfaces



## Stuart Shelf, South Australia

- Recent developments with the Straits (SRL)/Argonaut (ARE) Torrens JV gave Straits confidence in working through the SA government processes
- The Stuart Shelf is a well endowed, under explored significant copper belt by world standards
- Hosting the major deposit of Olympic Dam, Prominent Hill, and Carrapateena
- The majority of the tenure in the region is held by junior mining exploration companies without the capacity to fund the deep exploration drilling required to test many of geophysical targets.
- Straits now holds tenure through the ARE/SRL JV, UXA/SRL JV and SRL tenements in our own right.
- Straits holds in excess of 5000sqkm of exploration tenure on the Stuart Shelf.



# Outlook

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STRAITS IS WELL POSITIONED TO BENEFIT FROM ANY FURTHER UPTURN IN GLOBAL ECONOMIC ACTIVITY, WITH EXPOSURE TO COPPER, THERMAL COAL AND GOLD

## • Copper

- Tritton targeting 27,000t copper production for FY2011
- Strategy to develop a 30,000tpa project with minimum 8 year mine life
- Complete paste fill implementation, owner operator and change to transverse mining method

## • Thermal Coal

- Straits Asia targeting 16-18 million tonnes of production from Sebuiku and Jembayan by 2013
- Brunei drilling commencement and Madagascar feasibility completion

## • Gold

- Mt Muro re-capitalisation to be completed by March 2011
- Strategy to produce 80,000 Gold equivalent by FY2014

## • Active Exploration

- Investing \$25 million across Group in FY2011: Near mine, Brownfield and Greenfield exploration

## • Complete divestment of non-core Gfe business and resolve way forward for the Hillgrove project

## • Strong balance sheet with Cash and Investments of \$253 million