24 JUNE 2014 **ASX/MEDIA RELEASE**

STRAITS RESOURCES LIMITED
(ASX: SRQ)

TRITTON OPERATIONS: UPDATED MINERAL RESOURCE AND ORE RESERVE ESTIMATE FOR MURRAWOMBIE DEPOSIT

KEY POINTS

- Updated Ore Reserve Estimate for Murrawombie deposit – contained copper increased from 23.3kt to 51.5kt
- More than 50kt of contained copper (including depletion) in JORC compliant Ore Reserves have been added to Tritton's portfolio during FY2014.

Straits Resources Limited (Straits) (ASX:SRQ) is pleased to announce an update of the Mineral Resource and Ore Reserve Estimates for its Murrawombie deposit at the Company's Tritton Copper Operations in New South Wales.

The updated Ore Reserve Estimate for the Murrawombie deposit is 4.0Mt at 1.3% copper for 51.5kt of contained copper.

Straits has now added 51.4kt of contained copper (including depletion to 31 December 2013) in JORC complaint Ore Reserves since the start of July 2013 and in doing so meets the undertaking given to Standard Chartered Bank in September 2013.

Straits' Executive Chairman, Andre Labuschagne said: "Adding more than 50kt of contained copper in JORC compliant ore reserves in the current financial year is a significant event for two reasons: firstly, it meets the obligation we had with Standard Chartered Bank as part of the debt restructure announced in September 2013 and; secondly, it demonstrates the strength of the Tritton Mine's copper metal inventory. Increasing the Ore Reserves at the Murrawombie deposit provides both underground and open cut mining opportunities to schedule into an updated Life of Mine Plan."

The revised estimates for these deposits are reported in accordance with the JORC Code 2012 standards. The supporting JORC Code 2012 documentation for each estimate is attached to this release.

Andre Labuschagne
Executive Chairman

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STATEMENT OF COMPLIANCE WITH JORC CODE REPORTING

This Mineral Resource statement has been compiled in accordance with the guidelines defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Competent Person's Statement and Consent – Mineral Resources

The Mineral Resource statement has been prepared by Mr Byron Dumpleton a Consultant Resource Geologist. Mr Byron Dumpleton confirms that he is the Competent Person for the Murrawombie Mineral Resources section of this Report and he has read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition). Mr Dumpleton is a Competent Person as defined by the JORC Code, 2012 Edition, having five years' experience that is relevant to the style of mineralisation and type of deposit described in the Report and to the activity for which he is accepting responsibility. Mr Dumpleton is a Member of the Australian Institute of Geologists (MAIG No. 1598). Mr Dumpleton has reviewed the Report to which this Consent Statement applies. Mr Dumpleton is a full time employee of BKD Resources Pty Ltd (ABN 81 109 376 481) and acting as the Mineral Resources Manager for Straits Resources Limited. Mr Dumpleton has been engaged by Straits Resources Limited to prepare the documentation for Murrawombie Mineral Resource estimates.

Mr Dumpleton has disclosed to Straits Resources Limited the full nature of the relationship between himself and the company, including any issue that could be perceived by investors as a conflict of interest. Specifically Mr Dumpleton owns 61,349 shares in Straits Resources Ltd which were issued as part of the company share plan in 2010 when Mr Dumpleton was a staff member of Straits Resources Limited.

With respect to the sections of this report for which Mr Dumpleton is responsible – Mineral Resource estimates – Mr Dumpleton consents to the release of the Murrawombie Mineral Resources and Ore Reserves Statements as at 30th June 2014 by the directors of Straits Resources Limited.

Competent Person's Statement and Consent – Ore Reserves

Mr Ian Sheppard, confirms that he is the Competent Person for the Murrawombie Ore Reserves section of this Report and Mr Sheppard has read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition). Mr Sheppard is a Competent Person as defined by the JORC Code, 2012 Edition, having five years' experience that is relevant to the style of mineralisation and type of deposit described in the Report and to the activity for which he is accepting responsibility. Mr Sheppard is a Member of The Australasian Institute of Mining and Metallurgy, No. 105998. Mr Sheppard has reviewed the Report to which this Consent Statement applies. Mr Sheppard is a full time employee of Straits Resources Limited.

Mr Sheppard has disclosed to the reporting company the full nature of the relationship between himself and the company, including any issue that could be perceived by investors as a conflict of interest. Specifically Mr Sheppard has rights to 14,612,764 shares in Straits Resources. Title to 4,870,921 shares has vested with the remainder to vest when a range of conditions have been satisfied as defined in an Employee Share Acquisition Plan - these conditions have not been met at this time. Mr Sheppard verifies that the Ore Reserve sections of this Report is based on and fairly and accurately reflects in the form and context in which it appears, the information in his supporting documentation relating to Ore Reserves.

With respect to the sections of this report for which Mr Sheppard is responsible – Ore Reserve estimates – Mr Sheppard consents to the release of the Murrawombie Mineral Resources and Ore Reserves Statement as at 30th June 2014 by the directors of Straits Resources Limited.

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STRAITS RESOURCES LIMITED

TRITTON MINES OPERATIONS

Murrawombie Deposit

Mineral Resource and Ore Reserve Estimate

30th June 2014

Report Version 00

Author/s	Name	Title
	Byron Dumpelton	Competent Person – Mineral Resource Estimate
	Ian Sheppard	Competent Person – Ore Reserve Estimate

1 PROJECT SUMMARY

1.1 INTRODUCTION AND SETTING

Murrawombie is a sulphide copper gold deposit located on ML1280 in central NSW, Australia. The deposit geology is described as a Besshi style volcanic associated massive sulphide. It contains economic grades of copper with minor gold and silver.

The deposit has a long history of mining commencing with small scale underground extraction of oxide copper ores from 1891 to 1910. In recent times open pit mining extracted the oxide and transitional sulphide (chalcocite) ore from 1992 to 1998. Copper ore from the open pit was processed by heap leaching with acid and a SXEW plant producing copper cathode. The pit was mined to a depth of approximately 130m below surface where the ore changed to majority sulphide mineralogy (chalcopyrite) that was not suited to heap leach processing. In 2005 the pit was briefly reopened to mine a 0.6Mt parcel of sulphide copper ore that was used as feed for commissioning of the Tritton sulphide ore flotation plant.

Development of an underground mine to extract the sulphide deposit that extends below the pit was started and then aborted in 2008. A portal, decline and parts of two levels were developed before the project was suspended. The mine has been on care and maintenance since that time. The portal and existing underground development remains accessible and in good condition, requiring only minor rehabilitation of the ground support for it to be used for future mining.

This Ore Reserve estimate for Murrawombie assumes that the ore will be mined by a combination of open pit and underground methods. The mine will be integrated with the broader Tritton Resources operations so that business overhead costs are shared. Open pit mining of the ore near the base of the current open pit will be sequenced to avoid interaction with the underground mining project. There is a significant pillar of low grade mineralisation that separates the underground mine from the extension of the open pit. Current scheduling shows the underground mine started first and near completion before open pit mining starts, to avoid significant interaction between the operations.

Murrawombie ore will be trucked 25km by sealed road to the Tritton ore processing plant. Ore is treated by flotation to recover copper, gold and silver to a copper concentrate product at the existing Tritton sulphide ore processing plant.

The prior Ore Reserve estimate as at June 2013 was based on a mine design completed in 2011. This June 2014 Mineral Resource and Ore Reserve estimate is based on a new mine design using a different stoping method that achieves greater extraction of the Mineral Resource. Ore Reserve from open pit mining is also now included in the estimate. Hence there is significant change in the estimate from June 2013 to June 2014.

There has been no depletion of the Mineral Resource since last reporting and all changes to Ore Reserve are related to either the new underground mining method, inclusion of open pit Ore Reserve, or minor changes in the geology model that supports the Mineral Resource estimate.

There has been no additional resource drilling since the June 2013 estimate. Diamond drill holes for the collection of geotechnical and metallurgical data have been completed and information from these holes was reviewed for geology. The location and copper grades of the mineralisation intersected by these holes was consistent with the existing geology model estimates.

Ore Reserve and Mineral Resource estimates are reported to meet the JORC 2012 standard. Previous estimates for Mineral Resource and underground Ore Reserve have been reported under JORC 2004. This report updates the estimate to JORC 2012 standards.

Tritton Resources is a subsidiary company of Straits Resources Limited. The names “Tritton Resources” and “Straits” are both used in this report and mean the same company.

2 PROJECT BACKGROUND

2.1 LOCATION

Murrawombie deposit is located North–West of the small town of Girilambone in central NSW, Australia. It is 3km to the South of the operating North-East underground mine. An ore processing plant for sulphide copper gold ore is located at Tritton 25km by road to the south.

The deposit is located on ML1280. Application has been made for renewal of ML1280 from expiry on 5 August 2013 to 5 August 2034. Approval of the renewal has been granted by the NSW Trade and Investment – Minerals Titles and final renewal is now only pending the Ministers Approval.

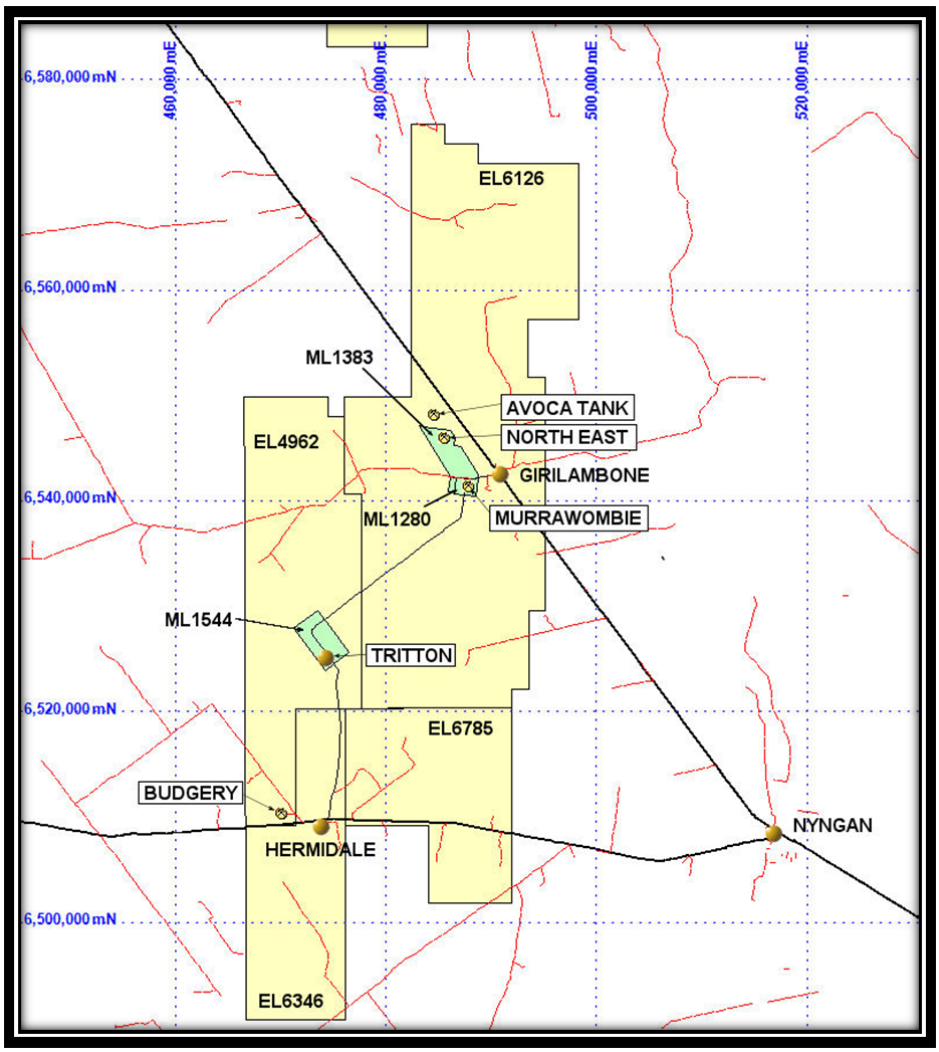


Figure 1 Project location

2.2 HISTORY

Copper ore mining commenced in the Girilambone area in 1881 with the opening of the Gilrilambone Mine that was based on extraction of oxide ore from the upper portion of the Murrawombie deposit. Production from the Girilambone mine and various small surrounding copper shows between 1881 and 1910 is estimated to total 85,000 tonne of ore.

Exploration by Nord in 1989 identified a significant oxide copper resource at Murrawombie. Nord formed a joint venture with Straits Mining (60%) to re-develop the Girilambone copper mine. The project was an

open pit mine with ore processing by heap leach and copper cathode production using SXEW technology. Project development commenced in 1992 and ore stacking on the heaps began in May 1993.

Near mine exploration discovered the small North-East, Larsons, and Hartmans deposits. These were mined as open pits with the ore processed at the Murrawombie heap leach pads.

Murrawombie pit mining stopped when the oxide and transitional (chalcocite) ore was exhausted in 1997.

Tritton Resources purchased the Girilambone copper mine and associated exploration leases in 2002. Development of the nearby Tritton copper mine and sulphide flotation concentrator followed in 2004.

In 2004-2005 Tritton Resources re-commenced mining at Murrawombie open pit to extract 574kt of sulphide ore that was used to commission the Tritton ore processing plant.

In 2008 development of an underground mine commenced with the intention of mining the chalcopyrite sulphide mineralisation that extends below the open pit. A decline was driven from a portal in the pit wall, 105m below surface down a further 95m vertical, (about 55m below the pit) and limited ore driving was completed on higher level ore lenses. The project was suspended in late 2008 and has been on care and maintenance since that time.

2.3 PROPOSED METHOD OF MINING

The Mineral Resource and Ore Reserve estimates have been based on the results of technical studies at the level of pre-feasibility study. The studies have concluded that Mineral Resource located close to the base of the pit can be mined by a small extension of the open pit that deepens the pit by a modest 35m. Underground mining by open stope methods can be used to extract a portion of the deeper Mineral Resource.

2.3.1 Open Pit Mine

Mining of an approximate 70 to 50m wide pushback of the east wall of the pit will expose 700k tonne of copper ore at the very base of the open pit. A simple pit design can be developed that uses the existing pit ramp located on the west wall of the pit (located on the footwall of the ore body) to access the cut back in association with temporary ramps.

Suitable waste mined from the pit extension will be used to cap the old heap leach pads as part of final mine closure. No additional ground disturbance is required for new waste dumps. Small quantities of potentially acid forming waste rock will be disposed into the centre of the heap pads and buried by Non Acid Forming rock or disposed to the base of the pit at end of mine life.

Waste and ore mining will be by conventional excavator and truck following light blasting. Trucks of 100 to 120 tonne capacity size and suitably size matched excavators will be used. For the short life mine contractor mining will be used to avoid any equipment capital expenditure.

The Murrawombie pit has been open to a current depth of 145m below surface for ten years with no failure of the walls. Fair to good rock mass conditions are exposed in the current pit and the walls of the pit extension towards the east will be mined in the same rock conditions. A stable pit extension is expected using similar slope design parameters to the current pit.

No detailed pit design has been completed at this time. Ore Reserve estimate is based on pit optimisation shell and current pit survey. Design of the pit extension push back is not anticipated to be difficult (based on review of the shell and current pit locations). A pit design that achieves within 15% of waste volumes estimated in optimisation is expected. Geotechnical studies completed in 2014 have recommended slope angles equal to or steeper than the current pit excavation.

The open pit extension will intersect some of the existing underground access development. Hence mining of the pit is scheduled to occur after the underground mine so that interaction issues do not complicate the design.

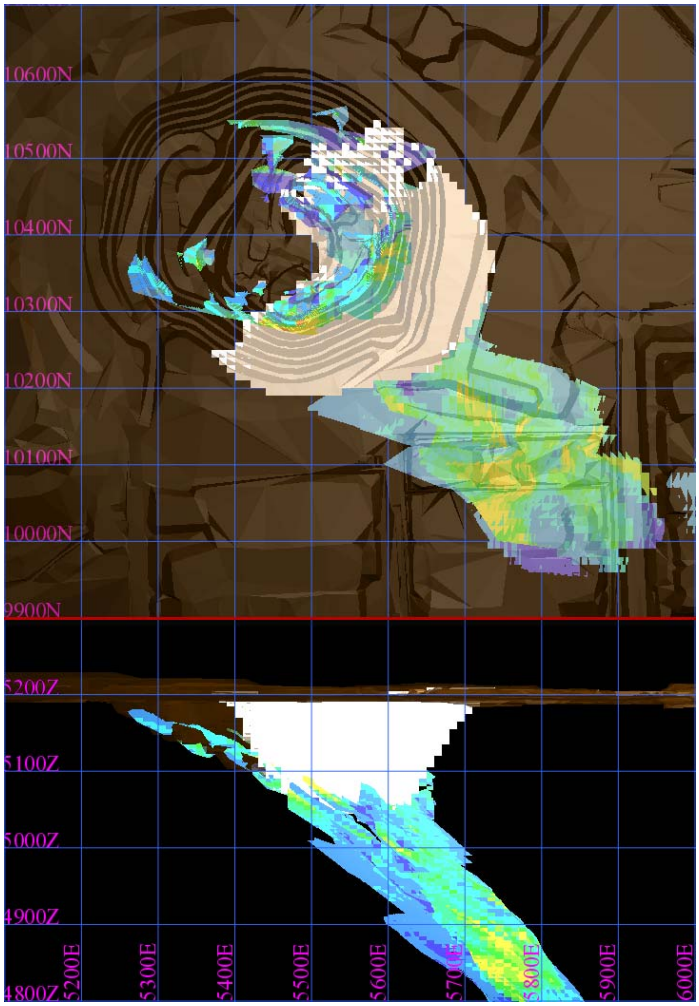


Figure 2 Murrawombie open pit extension plan and section, (extension mining shown in light pink)

2.3.2 Underground Mine

Underground mining of the Mineral Resource that is below the economic open pit limit is proposed. Studies at the level of pre-feasibility have been completed to demonstrate the technical and commercial feasibility of underground mining.

Access to the underground mine will use the existing portal located in the wall of the pit at approximately 105m below surface. Current underground decline development extends down to 230m below surface, and this will be extended as the main access for the proposed underground mine.

The access decline will be developed at industry standard 1 down for 7 horizontal with dimension of 5.5m high and 5m wide, suitable for use of mechanized jumbo, loader and haul truck equipment. The decline will be located in the footwall of the deposit. Access levels will intersect the ore at 25m vertical intervals.

The mining method to be employed is open stoping with dry fill. Primary stopes are to be mined under a significant crown pillar, leaving adjacent pillars to support the hanging wall. Adjacent pillar stopes and the crown pillar are then to be fired in a mass blast into the primary stope void. Dry fill is introduced via holes from surface to fill the mine void, supporting the hanging wall. Ore from pillars is drawn from under the fill until dilution becomes excessive. The process is repeated twice more under crown pillars to the base of the mine. A similar mining under introduced fill system has been used in other Australian mines in the past with success.

The modest grade of the ore encourages the use of the proposed low cost bulk mining system. No cemented fill will be used in the mine.

Crushed transitional ore from spent heap leach pads at the site have been tested and found to be suitable as dry fill for the underground. Dry fill dilution mined from the stopes will contain some un-leached chalcocite and chalcopyrite copper. Dry fill will be selectively recovered from the heap leach pads to select the higher grade and less leached ore. The selected dry fill will have the highest practical copper grade thus minimizing the impact of dry fill dilution on fresh underground mine grade. Further investigations are planned to model the dilution grade impact. The Ore Reserve reported here assumes dry fill dilution contains no copper.

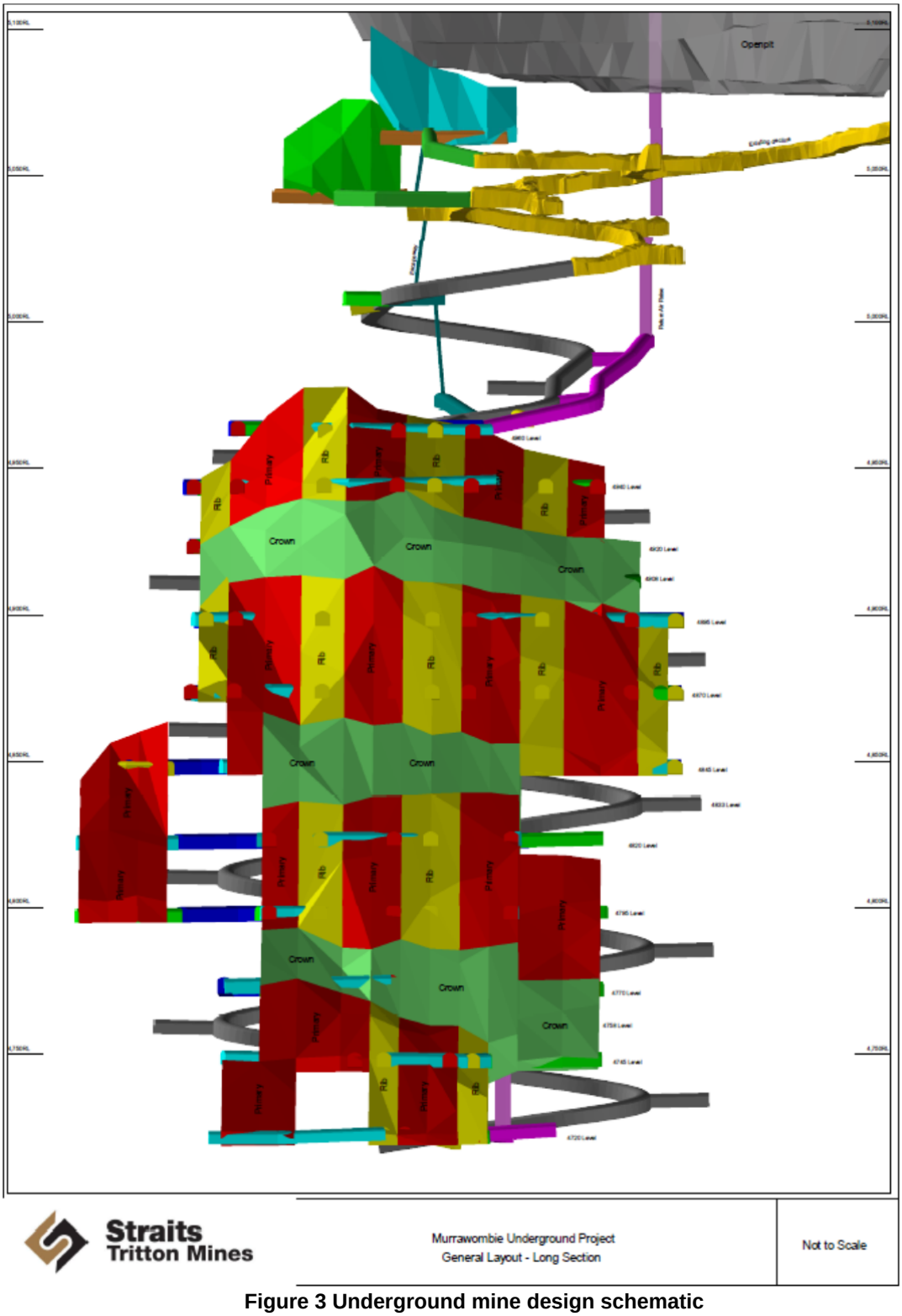


Figure 3 Underground mine design schematic

2.4 PROPOSED ORE PROCESSING

The ore produced from the Murrawombie mine will be processed at the Tritton sulphide ore processing plant. A copper concentrate product can be produced at the Tritton plant from Murrawombie ore with no modification of the process necessary.

Laboratory test work show the Murrawombie mineralisation can be treated in the Tritton ore processing plant to produce a copper concentrate. Recovery of copper is moderately lower than typical Tritton mine ore.

Ore will be hauled from a surface stockpile at Murrawombie to the Tritton ore processing plant by road train truck on sealed road.

3 GEOLOGY

Regionally the mineralisation is hosted within early Ordovician sediments as part of the Girilambone meta-sediments. The Murrawombie mineralisation is hosted within with the Pelitic to Psammite sediments, and sparse zones of courser sandstones of the Girilambone Group.

The Murrawombie sulphide mineralisation is stratiform and is classified as a “Besshi style” volcanogenic massive sulphide. Mineralisation is dominated by banded to stringer pyrite – chalcopyrite, with minor but locally important magnetite – chalcopyrite, lesser massive pyrite – chalcopyrite, and rare banded pyrite.

Structurally the Murrawombie sulphide mineralisation is hosted within a corridor of moderate to intense shearing related to a thrust fault observed in the east wall of the Eastern Shear of the Murrawombie Pit and located in the hanging wall of the mineralisation. The shear corridor has been traced by Sirotem (Nord Resources exploration) to the north west of the Murrawombie pit.

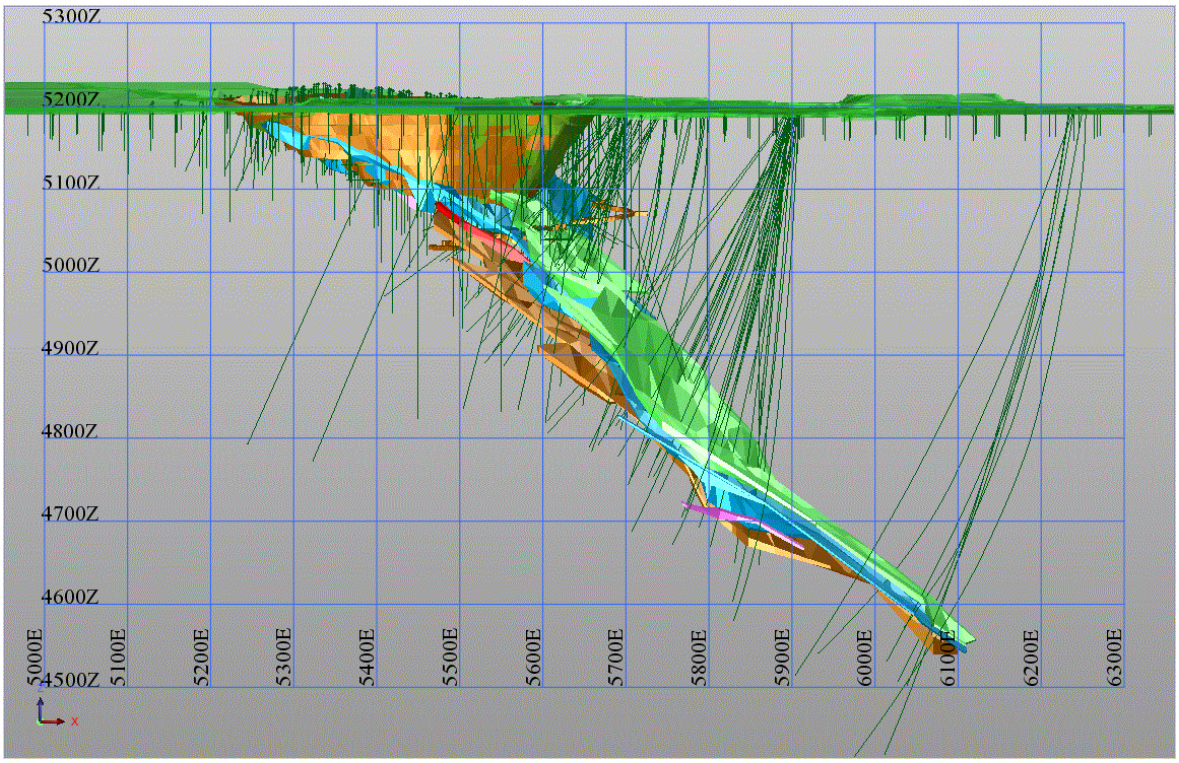


Figure 4 The February 2010 updated Murrawombie nominal 0.5% resource grade envelopes looking North.

4 MINERAL RESOURCE ESTIMATE

4.1 RESULTS

The Mineral Resource estimate reference date is 30 June 2014. The Murrawombie deposit has not been mined since November 2008 and no Mineral Resource depletion has occurred since the previous public report (2013 Annual Report).

Table 1 Mineral Resource estimate for Murrawombie as at 30th June 2014

Estimate	Classification	Cut Off Cu (%)	Tonne (kt)	Cu %	Cu (kt)
30 June 14	Measured	0.6	-	-	-
	Indicated	0.6	6,530	1.4	91.5
	Inferred	0.6	1,510	1.2	18.5
	Total	**0.6**	**8,040**	**1.4**	**110**

1. Mineral Resources are quoted as INCLUSIVE of Ore Reserve.
2. Discrepancy in summation may occur due to rounding.

4.2 CHANGE FROM PREVIOUS PUBLIC REPORT

No additional resource drilling has occurred since November 2009 and no resource modifications have occurred since February 2010. This report is prepared to meet the standards of JORC 2012.

Mine production in the period June 2013 to June 2014 was nil, the Murrawombie mine is currently under care and maintenance.

Table 2 Change in Mineral Resource estimate since previous public report

Estimate	Classification	Cut Off Cu (%)	Tonne (kt)	Cu %	Cu (kt)
30 June 14	Measured	0.6	-	-	-
	Indicated	0.6	6,530	1.4	91.5
	Inferred	0.6	1,510	1.2	18.5
	Total	**0.6**	**8,040**	**1.4**	**110**
30 June 13	Measured	0.6			
	Indicated	0.6	6,530	1.4	91.5
	Inferred	0.6	1,510	1.2	18.5
	Total	**0.6**	**8,040**	**1.4**	**110**
difference	*Measured*	*0.6*	-	-	-
	Indicated	*0.6*	-	-	-
	Inferred	*0.6*	-	-	-
	Total	*0.6*	-	-	-

4.3 STATEMENT OF COMPLIANCE WITH JORC CODE REPORTING

This Mineral Resource statement has been compiled in accordance with the guidelines defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

4.3.1 Competent Person Statement

I, Byron Dumpleton a Consultant Resource Geologist confirm that I am the Competent Person for the Murrawombie Mineral Resources section of this Report and:

- I have read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition).
- I am a Competent Person as defined by the JORC Code, 2012 Edition, having five years' experience that is relevant to the style of mineralisation and type of deposit described in the Report and to the activity for which I am accepting responsibility.
- I am a Member of the Australian Institute of Geologists (MAIG No. 1598).
- I have reviewed the Report to which this Consent Statement applies.

I am a full time employee of BKD Resources Pty Ltd (ABN 81 109 376 481) and acting as the Mineral Resources Manager for Straits Resources Limited. I have been engaged by Straits Resources Limited to prepare the documentation for Murrawombie 30th June 2014 Mineral Resource estimate.

I have disclosed to Straits Resources Limited the full nature of the relationship between myself and the company, including any issue that could be perceived by investors as a conflict of interest. Specifically Mr Dumpleton owns 61,349 shares in Straits Resources Ltd which were issued as part of the company share plan in 2010 when Mr Dumpleton was a staff member of Straits Resources Limited.

I verify that the Murrawombie Mineral Resource section of this Report is based on and fairly and accurately reflects in the form and context in which it appears, the information in my supporting documentation relating to Mineral Resources.

4.3.2 Competent Person Consent

With respect to the sections of this report for which I am responsible – Mineral Resource Estimate - I consent to the release of the Murrawombie Mineral Resources and Ore Reserves Statement as at 30th June 2014 by the directors of Straits Resources Limited

Signature of Competent Person  Byron Dumpleton, MAIG Member No.1598	Date 12 June 2014
Signature of Witness 	Witness Name and Address Tom Cooney 149 Kent Road Wooloowin Qld 4030

4.4 RESOURCE STATEMENT – JORC 2012

Table 3 outlines the Murrawombie JORC 2012 compliant resource statement for Public Announcements and annual reporting as at 30 June 2014. Refer to Murrawombie Mineral Resource and Ore Reserve Report 2014 for JORC 2012 Table 1, Sections 1 and 3.

Table 3 Mineral Resource estimate for Public Reporting in compliance with JORC 2012

Model	Classification	Cut Off Cu (%)	Tonne (kt)	Cu (%)	Au (g/t)	Metal Cu (kt)	Metal Au (kOz)
Feb 2011 Update (as at June 2014)	Indicated	0.6	6,530	1.4	0.3	91.5	61
	Inferred	0.6	1,510	1.2	0.2	18.5	10
	Total	**0.6**	**8,040**	**1.4**	**0.3**	**110**	**71**
Apr 2010 Update (as at June 13)	*Indicated*	*0.6*	*6,600*	*1.5*	*0.3*	*97*	*58*
	Inferred	*0.6*	*1,030*	*1.1*	*0.1*	*11*	*4*
	Total	***0.6***	***7,630***	***1.4***	***0.3***	***108***	***62***
difference	*Indicated*	*0.6*	*-70*	*-0.1*	*0.0*	*-6*	*3*
	Inferred	*0.6*	*480*	*0.1*	*0.1*	*8*	*6*
	Total	***0.6***	***410***	***0.0***	***0.0***	***2***	***9***

- **Note due to rounding errors in summation between reported tonne and grade will vary.**
- **The Feb 2011 Model is the latest Model as at 30 June 2014 to be used for Resource Reporting and Evaluation.**
- **Expected Marginal cut off for the resource is expected to be in the range between 0.6 to 0.8 % Cu.**

Competent Person Statement

1. The information in this report that relates to Murrawombie Mineral Resource estimation is based on information compiled by Mr Byron Dumpleton a Consultant Resource Geologist from his company BKD Resources Pty Ltd (ABN 81 109 376 481) and currently acting as the Mineral Resource Manager for Straits Resources Ltd. Mr Dumpleton is a member of the Australian Institute of Geologists (**MAIG No 1598**). Mr Dumpleton has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Mineral Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Dumpleton consents to the inclusion in this report of the matters based on their information in the form and context in which they appear. Mr Dumpleton owns 61,349 shares in Straits Resources Ltd which were issued as part of the company share plan in 2010 when Mr Dumpleton was a staff member of Straits Resources Limited.

2. Mineral Resources are Inclusive of Ore Reserves.

3. Discrepancies in summations will occur due to rounding

4.5 JORC CODE, 2012 EDITION – TABLE 1 REPORT: MURRWOMBIE DEPOSIT

4.5.1 Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	1. *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* 2. *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* 3. *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	1. All Diamond core samples are based on ½ core, pre-collar RC samples in waste zones taken as 4 metre composites and re-spit to 1 metre samples when return assays or geology indicate copper or gold mineralisation. Dedicated RC holes samples are taken at 1 metre intervals. 2. All diamond core is aligned, measured and metre marked. All diamond core has been photographed. 3. Diamond and RC-pre-collars conducted by Straits Resources are completed to industry standards. Early percussion drilling is to be treated as historical data, but Straits have assumed that these programs were conducted at Industry standards done in its day (mid 1970's). For diamond drilling samples conducted by Straits Resources these are taken at geological boundaries to maximum of 1.4 metres and a minimum of 0.5 metres with the standard interval at 1 metre within mineralised zones to approximately 50 metres before and past mineralisation horizons. Diamond core drilled from surface are NQ2 in size from RC pre-collars, Underground grade control holes are NQ2 for down holes and LTK60 for up holes. All Exploration holes sampled by Straits Resources for the Murrawombie resource for the primary sulphides, are analysed by a 3 stage aqua regia digestion with an ICP finish (suitable for Cu 0.01-40%) ALS method ME-ICP41. All Cu samples greater than or equal to 1 % were re-submitted for an ore digest ME-OG46. Additional Au analysis by fire assay fusion with an AAS finish, 30g charge (suitable for Au 0.01-100ppm) ALS method Au-AA22. All Au samples greater than or equal to 1 g/t were re-submitted for an ore grade fire assay 30g charge, Au-AA25. All diamond Grade Control holes and Face samples are assayed using ore grade digest, methods ME-OG46 for Cu, Fe, Ag, Zn, Pb and S with Au FA using method Au-AA25 from ALS Orange, NSW, Australia.

Criteria	JORC Code explanation	Commentary
Drilling techniques	1. *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	1. All available drilling was used for the Murrawombie resource interpretation and estimation as at 29 November 2009 below the oxide pit. For the current Murrawombie resource all available drilling was used to develop the interpretations. This included the early percussion and open pit grade control holes, the UG grade control holes used before the UG closure in 2008 and all resource holes with exception of the two metallurgical holes MTD057 and MTD060. A total of 2011 holes were used of which 227 were used below the 5060m Rl. This position represents the approximate backs position for the Murrawombie UG 1st level. Of these holes 125 were percussion and 102 were NQ2 diamond. The majority of the drilling used for the Murrawombie resource update for the prime area of interest below the current pit is from NQ2 diamond drilling. All diamond holes are ½ core cut. Note the majority of the upper domains (domain codes 21-25) are within the current pit and has been mined are based on based on percussion drilling.
Drill sample recovery	1. *Method of recording and assessing core and chip sample recoveries and results assessed.* 2. *Measures taken to maximise sample recovery and ensure representative nature of the samples.* 3. *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	1. All diamond core for the MTD and TMWD series has recoveries measured and recorded by the drilling company and confirmed by Straits Resources. RC pre-collar sample recoveries were not recorded nor required to be recorded as all material estimated for the Mineralisation. Mineralisation is defined by core below 5060mRl, ~140 metres from the surface and a mixture of Percussion, RC and Diamond above the 5060mRl. RQD measurements are taken on all core drilled by Straits Resources prior to all sampling. 2. Industry standard drilling practices resulted in good sample recoveries for RC chips and on average good for Diamond core, with zones with small intervals of missing samples within the mineralised zone. 3. Lower recoveries mainly occurred in the mineralised zone especially when the chalcopyrite/pyrite mineralisation was massive and at times friable. Due to the lower recoveries at times will cause a sample bias (low) these sections of the diamond drill hole.

Criteria	JORC Code explanation	Commentary
Logging	*1. Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* *2. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* *3. The total length and percentage of the relevant intersections logged.*	1. All diamond core and RC chips are geologically logged by Company Geologists. Selected holes diamond holes are also geotechnical logged for key features. Where holes were able to maintain an orientation mark alpha and beta angles were measured for main structural features. Logging is to the level of detail to support the Murrawombie style of mineralisation (VMS-Beshi style). 2. Logging of both RC and Diamond core samples recorded lithology, alteration, mineralisation, degree of oxidation, fabric/structure and colour. All exploration core was photographed and digitally stored, including UG grade control holes. All RC intervals are stored in plastic chip trays, labelled with interval and hole number. Core is stored in core trays and labelled similarly. 3. All RC and core samples were logged in full and face samples are logged for colour, lithology, alteration and structure if possible.
Sub-sampling techniques and sample preparation	*1. If core, whether cut or sawn and whether quarter, half or all core taken.* *2. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* *3. For all sample types, the nature, quality and appropriateness of the sample preparation technique.* *4. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* *5. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* *6. Whether sample sizes are appropriate to the grain size of the material being sampled.*	1. Half core was collected on average at 1m intervals, minimum sample length is 0.5 metres and maximum length is 1.4 metres. 2. RC samples for waste sections are collected at 1 metre intervals, with a 1m split and bulk residual collected on the drill rig. The bulk residual was composited to 4 metre interval by spear sampling. If RC composites returned above background copper or gold values, the stored original 1m split was sent to the laboratory for analysis. 3. Samples taken are appropriate for the Murrawombie mineralisation style (Copper VMS – "Beshi style"). 4. Sample blanks and industry standards are routinely submitted for the resource drilling holes conducted by Straits Resources only, Pulps retained to be re-submitted to test for reproducibility. 5. No field duplicates have been conducted for the Murrawombie Primary mineralisation. 6. The sample sizes are considered appropriate to the grain size of the material being sampled.
Quality of assay data	*1. The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is*	1. All assays for holes drilled by Straits Resources were conducted at accredited assay laboratories. Samples for the drill holes in the

Criteria	JORC Code explanation	Commentary
and laboratory tests	*considered partial or total.* 2. *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* 3. *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	Murrawombie resource estimation deme as primary sulphide, were analysed by a 3 stage aqua regia digestion with an ICP finish (suitable for Cu 0.01-40%) ALS method ME-ICP41. All Cu samples greater than or equal to 1 % were re-submitted for an ore digest ME-OG46. Additional Au analysis by fire assay fusion with an AAS finish, 30g charge (suitable for Au 0.01-100ppm) ALS method Au-AA22. All Au samples greater than or equal to 1 g/t were re-submitted for an ore grade fire assay 30g charge, Au-AA25. 2. N/A 3. Laboratory QA/QC samples were involving the use of blanks, duplicates, standards (commercial and site made certified reference materials are used), replicates as part of in-house procedures.
Verification of sampling and assaying	1. *The verification of significant intersections by either independent or alternative company personnel.* 2. *The use of twinned holes.* 3. *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* 4. *Discuss any adjustment to assay data.*	1. Significant mineralised intersections are reviewed by the logging Geologist and Senior Geologist. 2. No twinned holes were conducted. 3. All Straits Resources geological data is logged directly into Straits Resources logging computers following the Corporate Geology codes. Data is transferred to the Corporate AcQuire database and validated on entry. Down hole survey data is validated and checked for potential deviation from magnetic mineralisation before data entry. 4. No adjustments to assay data were made. If survey data is affected by mineralisation, the survey is omitted and a general trend being applied based on the survey above and below the affected value.
Location of data points	1. *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* 2. *Specification of the grid system used.* 3. *Quality and adequacy of topographic control.*	1. All recent surface drill hole collars have been surveyed by using a DGPS or by a local survey contractor, all pre 2003 holes are surveyed by theodolite. All UG hole collars are surveyed in by theodolite by company surveyors. Surveys are entered into the Straits Corporate Acquire database. A 3D dtm of the topographic surface was generated and nearby infrastructure is picked up by company and contract surveyors. 2. Resource modelling based on local Murrawombie Mine Grid.

Criteria	JORC Code explanation	Commentary
		Rotation of the grid is 41.7 degrees to the west from AMG North (True North) and the Mine Grid RL has 5000m added. 3. Quality and accuracy of the drill collars are suitable for resource work and resource evaluation for Proved and Probable reserve.
Data spacing and distribution	1. *Data spacing for reporting of Exploration Results.* 2. *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* 3. *Whether sample compositing has been applied.*	1. The Murrawombie Resource surface definition drilling was conducted on a nominal 100 metre x 100 metre to 50 metre x 50 metre grid with infill Grade Control drilling conducted on a nominal 20 metre x 20 metre. Note the UG grade control drilling was only done between 5060 to 4975mRL (surface is at ~5205mRL - Mine Grid) Levels 1 and 2 (5050mRl and 5030mRl). 2. The Murrawombie mineralisation is defined sufficiently to define both geology and grade continuity for a Mineral Resource estimation and Ore Reserve evaluation and stope delineation. 3. Samples are collected at 1 metre intervals and or to geology breaks. Minimum sample interval is 0.5 metres, maximum sample interval is 1.4 metres. For the resource estimation 1 metre composites were generated.
Orientation of data in relation to geological structure	1. *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* 2. *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	1. This deposit may have minor BIAS due to the “fan” nature of the UG drilling used in the upper section of the resource estimation. 2. No significant material issues due to sampling BIAS is expected due to the extensive geological knowledge and mining history of the resource based on the initial UG development before the mine closure in 2008, and the mining of the oxide resource as an open pit in the early to mid-1990’s along with mining similar mineralisation styles within the Tritton Copper Operation field for the last 20 + years, therefore this is seen as a low risk.
Sample security	1. *The measures taken to ensure sample security.*	1. Chain of Custody is managed by the Company. Samples are stored on site in polyweave bags containing approximately 5 samples. These bags are securely tied, then loaded and wrapped onto a pallet for dispatch to the laboratory. The samples are freighted directly to the laboratory with appropriate documentation listing sample numbers and analytical methods requested. Samples are immediately receipted by the lab on arrival, with a notification to the Company Senior Geologist of the number of

Criteria	JORC Code explanation	Commentary
		samples that have arrived.
Audits or reviews	1. *The results of any audits or reviews of sampling techniques and data.*	1. External reviews and audits have been conducted by AMC in 2010 and 2013, no fatal flaws or significant issues with the past Murrawombie models were identified.

4.5.2 Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	1. *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* 2. *Data validation procedures used.*	1. All assay results are logged against unique sample numbers. A sampling sheet detailing sample numbers and core / RC intervals is completed prior to sampling commencing. During the sampling process each sample interval is cross-referenced to the sample number and checked off against the sampling sheet. Pre-numbered bags are used to minimize errors. Assay data is received via email in a common electronic format and verified against the AcQuire database. 2. Data validation checks are run by the Database Manager and checked by the logging geologist.
Site visits	1. *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* 2. *If no site visits have been undertaken indicate why this is the case.*	1. Byron Dumpleton (Straits Resources – Mineral Resource Manager) has made numerous site visits during the drill out of the Murrawombie resource for drilling programmes between 2008 and 2014. Mr Dumpleton was also part of the team that developed the Geological Interpretation and Grade Control procedures for the Murrawombie UG section of the Deposit. 2. N/A.
Geological interpretation	1. *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* 2. *Nature of the data used and of any assumptions made.* 3. *The effect, if any, of alternative interpretations on Mineral Resource estimation.* 4. *The use of geology in guiding and controlling Mineral Resource*	1. The confidence in the Murrawombie geology model is reasonable due UG exposure and open pit mining history. The geological model is considered good for this style of deposit. The Geological setting is close to a traditional “Beshi style” (type of VMS mineralised system). 2. The nature of the surface Murrawombie drilling data generally

Criteria	JORC Code explanation	Commentary
	estimation. 5. *The factors affecting continuity both of grade and geology.*	intersects the mineralisation at good angles. Current UG grade control holes for the upper two levels are at oblique angles. 3. The deposit is tabular in nature with good visible mineralisation. Geological risk for alternative interpretation is still possible; the impact of different interpretations will not greatly affect the position of the grade distribution. 4. Surveyed geological mapping of ore zones and core logging are used to guide resource position. Grade boundaries of a nominal 0.5% Cu are used to confine the grade estimation into several discrete lenses. 5. Factors that may affect the grade and geology could be due to localised folding and faulting. These factors will only affect the grade geology locally and will not have a significant impact globally.
Dimensions	1. *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	1. The Murrawombie resource occurs as several discrete/stacked tabular lenses covering an area approximately 750 m north – south and 750 m east – west with mineralisation starting from near surface. Fresh mineralisation starting at approximately 140 metres below surface. The tabular lenses have strike lengths ranging from 50 to 250 metres and a down dip extent ranging from 90 to 900 metres with an over added length of approximately 1100m. The lenses vary in true width from 2 to 30 metres, with an average true width of 5 to 10 metres. Internal non mineralised zones of material between the mineralised lenses vary between sub 2 to 10+ metres. The overall thickness of the mineralised package including the interal non-mineralised horizons varies between 2 to 60 metres. The current Murrawombie resource has been interpreted to a depth of approximately 650 metres below the current surface and is still open at depth. The current resource is closed off along strike.
Estimation and modelling techniques	1. *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance*	1. The resource estimation for grade was estimated using Ordinary kriging. The software package for the grade estimation, and geological interpretation was done in Surpac.

Criteria	JORC Code explanation	Commentary
	of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. 2. *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* 3. *The assumptions made regarding recovery of by-products.* 4. *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* 5. *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* 6. *Any assumptions behind modelling of selective mining units.* 7. *Any assumptions about correlation between variables.* 8. *Description of how the geological interpretation was used to control the resource estimates.* 9. *Discussion of basis for using or not using grade cutting or capping.* 10. *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	Variography analysis was conducted by OPTIRO using Supervisor. OPTIRO also set the estimation parameters used for the estimate. Variography and estimation was conducted for Cu, Au, Ag, Zn, and Density. Estimation was run in a single pass with a search radius of 150 metres and the same search ellipsoid applied for each element and density. Estimation of grade are within interpreted hard grade boundaries based on a nominal 0.5% copper solid (closed wireframe) with a minimum width of 2m down hole. Estimation and Variography are based on 1 metre composites. The Estimation technique is appropriate for this resource style. 2. Murrawombie resource has been mined historically both as an Open Pit for its oxide copper mineralisation (in the 1990's) and underground development to 187 metres below surface to mine fresh ore (chalcopyrite). Ore development commenced on level 5050mRl (150m below surface) and 5030 (170m below surface). Underground development was ceased in 2008 and placed on care and maintenance before stoping had commenced. The Murrawombie resource model as outlined for this JORC2012 Table 1 is only suitable for fresh sulphides (chalcopyrite mineralisation) evaluation and for total copper for reporting. Due to the minimal amount of ore development (levels 5050 and 5030) not enough tonnage data was collected to develop meaningful reconciliation. Two dedicated diamond holes for Geotechnical and Metallurgical evolution (holes TMWD006 and 007) have been drilled through the main section of the resource that has been identified to be mined. These holes intersected the mineralisation horizons as predicted by the resource model to within the level accuracy expected for an Indicated resource and have reported the expected grades over the modelled interval where the drilling has intersected. 3. Gold and Silver were estimated which is a potential by-product credit within the copper concentrate. 4. The resource was modelled using a 10 mN by 10 mE by 5 mZ with sub celling down to 1.25 mN by 1.25 mE and 1.25 mZ. Each ore domain has been flagged and modelled separately.

Criteria	JORC Code explanation	Commentary
		5. Block model parent cell size dimension takes into account both the drill spacing and the orientation and final shapes of the grade domains to ensure that parent cell centre are an appropriate size to be captured within the ore solids (wireframes). 6. No assumptions have been applied to the model for selective mining unit. 7. No correlation has been made between variables. 8. Top-cuts were applied to certain elements within specific domains after reviewing the characteristics of grade outliers using a population disintegration technique (Top Cuts were set by OPTIRO). 9. Block model volume validation was validated against ore solid wireframes for each ore domain. Block model validation for grade was conducted both by visually expecting model sections by northings at 20 metre increments, by benches at 10 metre increments and exposed underground ore development.
Moisture	1. *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	1. Tonnages are estimated on a dry basis.
Cut-off parameters	1. *The basis of the adopted cut-off grade(s) or quality parameters applied.*	1. The nominal 0.5% copper cutoff grade used for the mineralised interpretation was chosen as this appears to reflect the natural background grade cutoff.
Mining factors or assumptions	1. *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	1. The only consideration to the mining method is the minimum interpretation width applied is 2 metres. Otherwise no other mining assumptions have been applied to the Murrawombie model. The model is setup for open pit mining evaluation and stope delineation. Material not estimated is set to zero.
Metallurgical factors or assumptions	1. *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to*	1. The dominant mineralisation remaining for the Murrawombie Mineralisation is chalcopyrite/pyrite. Material mined from Murrawombie will be processed at the Tritton Copper

Criteria	JORC Code explanation	Commentary
	consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	Operations copper concentrator a 1.4Mtpa Processing Plant. Processing recoveries for Murrawombie are currently being assessed and current indications expect the Murrawombie ore to be on average have a 89-92% recovery range. Expect recoveries for Gold is 75% and for Silver is 60%.
Environmental factors or assumptions	1. *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	1. Waste from processing is disposed at the current tailings storage facility at Tritton (or utilised as paste fill). Waste from underground development is planned to be stored within the Murrawombie Pit and/or as backfill in the mining process. Any potentially acid forming waste will be encapsulated within the waste dump on the surface or is placed in as stope backfill. No significant environmental impacts have been identified for the Murrawombie mining operation.
Bulk density	1. *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* 2. *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* 3. *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	1. Bulk density for the Murrawombie Model for waste material type has been assign by the average values measured across the field. Density for material within ore domains have been estimated using Ordinary Kriging. 2. Bulk density for the resource has been measured using the Archimedes Principle Method' (weight in air v's weight in water). A total of 6,969 density measurements have been used for the Murrawombie resource estimate. 3. Bulk density has been estimated by the actual measurements for fresh ore material. For material oxide and transitional material have not been flag. The main purpose for the current model is for open pit and underground evaluation of “Primary” copper – chalcopyrite. Potential material that might be oxide or secondary copper is classified as Inferred and is insignificant it terms of remaining copper by volume. Metallurgical surfaces have been interpreted to identify oxide, secondary and primary copper.
Classification	1. *The basis for the classification of the Mineral Resources into varying confidence categories.* 2. *Whether appropriate account has been taken of all relevant factors (ie*	1. The classification has been guided by drill density (currently at nominal 20 x 20m above 5030mRl including face samples and surveyed ore mapping (levels 5050 and 5030 only, below 5030

Criteria	JORC Code explanation	Commentary
	relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). 3. *Whether the result appropriately reflects the Competent Person's view of the deposit.*	the average drill spacing is at a nominal 50 x 50 metres down to approximately 4700mRl), the geological knowledge of the Senior Geology personnel and the Mineral Resource Manager reflecting their understanding of the Murrawombie resource and the Tritton Copper Operation VMS field, and grade continuity. In summary all areas that occur within the nominal 50 x 50 drilled area and approximately 30m down dip of the drilling has been classified as Indicated. All material outside this area has been flagged as Inferred. No Measured material has been classified. 2. The drill and input data density has suitable coverage for the resource to allow reasonable confidence for the tonnage and grade distribution to the levels of Indicated and Inferred. 3. The Mineral Resource estimated appropriately reflects the view of the competent person.
Audits or reviews	1. *The results of any audits or reviews of Mineral Resource estimates.*	1. External reviews and audits have been conducted by AMC for early generations of the Murrawombie resource model pre JORC 2012, no fatal flaws or significant were identified at the time.
Discussion of relative accuracy/ confidence	1. *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* 2. *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* 3. *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	1. The relative accuracy of the Mineral Resource estimate is reflected in the reporting of the Mineral Resource as per the guidelines of the 2012 JORC code. 2. The statement relates to a global estimate of the tonnes and grade. 3. No significant UG ore production has occurred, apart from the small amount of ore development completed before the mine was closed and place on care and maintenance in 2008. (5050mRl and 5030mRl, Levels 1 and 2 respectively).

5 ORE RESERVE ESTIMATE

5.1 RESULTS

The Murrawombie Ore Reserve Estimate as at 30th June 2014 is reported in Table 4. It is reported according to JORC 2012.

Table 4 Ore Reserve Table for Public Reporting of Murrawombie deposit as at 30 June 2014

Estimate	Classification	Cut Off Cu%	Tonnes (kt)	Cu %	Cu (kt)
Underground	Proved	-	-	-	-
	Probable	1.0	3,340	1.3	43.1
	Total	**-**	**3,340**	**1.3**	**43.1**
Open Pit	Proved		-	-	-
	Probable	0.6	701	1.2	8.4
	Total	**-**	**701**	**1.2**	**8.4**
Combined	Proved	-	-	-	-
	Probable	-	4,041	1.3	51.5
	Total	**-**	**4,041**	**1.3**	**51.5**

1. Ore Reserves are reported as Inclusive of the supporting Mineral Resource estimate
2. Discrepancies in summation will occur due to rounding

5.2 CHANGES FROM PREVIOUS ESTIMATE

The Ore Reserve estimate presented in this report is a significant revision arising from re-design of the proposed underground mining method plus inclusion of an open pit Ore Reserve estimate. No depletion of the Mineral Resource has taken place due to mining. Hence all changes in the Ore Reserve estimate are due to re-design.

The previous Ore Reserve estimate was made in 2011 and has been re-stated without revision at 30 June in each subsequent year.

Table 5 Change in Ore Reserve from previous estimate

Estimate	Classification	Tonnes (kt)	Cu %	Cu (kt)
30-June-14	Proved	-	-	-
	Probable	4,041	1.3	51.5
	Total	**4,041**	**1.3**	**51.5**
30-Jun-13	Proved	-	-	-
	Probable	1,370	1.7	23.3
	Total	**1,370**	**1.7**	**23.3**
difference	*Proved*	-	-	-
	Probable	*+2,671*	*-0.4*	*+28.2*
	Total	***+2,671***	***-0.4***	***+28.2***

5.3 STATEMENT OF COMPLIANCE WITH JORC CODE REPORTING

This Ore Reserve statement has been compiled in accordance with the guidelines defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

5.3.1 Competent Person Statement

I, Ian Sheppard, confirm that I am the Competent Person for the Murrawombie Ore Reserve section of this Report and:

- I have read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition).
- I am a Competent Person as defined by the JORC Code, 2012 Edition, having five years' experience that is relevant to the style of mineralisation and type of deposit described in the Report and to the activity for which I am accepting responsibility.
- I am a Member of The Australasian Institute of Mining and Metallurgy, No. 105998.
- I have reviewed the Report to which this Consent Statement applies.

I am a full time employee of Straits Resources Limited.

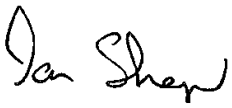
I have disclosed to the reporting company the full nature of the relationship between myself and the company, including any issue that could be perceived by investors as a conflict of interest. Mr Sheppard has disclosed to the reporting company the full nature of the relationship between himself and the company, including any issue that could be perceived by investors as a conflict of interest. Specifically Mr Sheppard has rights to 14,612,764 shares in Straits Resources. Title to 4,870,921 shares has vested with the remainder to vest when a range of conditions have been satisfied as defined in an Employee Share Acquisition Plan - these conditions have not been met at this.

I verify that the Ore Reserve section of this Report is based on and fairly and accurately reflects in the form and context in which it appears, the information in my supporting documentation relating to Ore Reserve.

5.3.2 Competent Person Consent

With respect to the sections of this report for which I am responsible – Murrawombie Ore Reserve Estimate - I consent to the release of the 2013 Mineral Resources and Ore Reserves Statement as at 30 June 2014 for Murrawombie.

5.4 CONSENT TO RELEASE

Signature of Competent Person  Ian Sheppard Member No.105998 AusIMM	Date 23 June 2014
Signature of Witness 	Witness Name and Address Tom Cooney 149 Kent Road Wooloowin Qld 4030

5.5 EXPERT INPUT

A number of persons have contributed key inputs to the Ore Reserves determination. These are listed below.

In compiling the Ore Reserve the Competent Person has reviewed the supplied information for reasonableness, but has relied on this advice and information to be correct.

Table 6 Expert contribution to Ore Reserve

Expert Person / Organization	Area of Expertise
Byron Dumpleton	Mineral Resource geology and resource estimating block Model
Tom Cooney	Mine design and commercial analysis
Pells Sullivan Meyrick	Geotechnical stability analysis
CORE Process Engineering	Metallurgy of ore processing
Deswick Mining Consultants	Open pit optimisation

5.6 SECTION 4 ESTIMATION AND REPORTING OF ORE RESERVES

(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	*1. Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.* *2. Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	1. The Ore Reserve estimate is based on the 30th June 2014 Mineral Resource, supported by the February 2011 update of the Murrawombie digital block model; : *mwb_update_08feb2011.mdl*. Mr Byron Dumpleton is the competent person responsible for Mineral Resource Estimation. The June 2014 Mineral Resource is a restatement of the estimate to meet JORC 2012 reporting standards using the existing drill-hole data. There has been no additional drilling for resource estimation purposes since the previous Mineral Resource estimate. 2. Mineral Resources are quoted as INCLUSIVE of the Ore Reserve Estimate
Site visits	*1. Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* *2. If no site visits have been undertaken indicate why this is the case.*	1. Mr Ian Sheppard, competent person for the Murrawombie Ore Reserve, has visited the Murrawombie project site on several occasions, including walking inspections of the decline and visual inspection of the current open pit.
Study status	*1. The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.* *2. The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.*	1. Murrawombie underground Ore Reserve has been derived with support from studies at pre-feasibility standard. These studies have included geotechnical investigation of the rock mass and evaluation of stability of proposed stopes, mineral processing testing and assessment of metal recoveries to concentrate, mine design and commercial analysis. Modifying factors applied in the Ore Reserve estimate have been derived from these studies and experience from current underground mining operations worked by the Company in similar rock mass adjacent to the Murrawombie deposit; ore loss and dilution; metal recovery; mining costs; and ore treatment costs. The studies have concluded that development and operation of an underground mine will be technically and commercially viable. 2. Murrawombie open pit Ore Reserve has been derived with support from studies at pre-feasibility standard. These studies have included geotechnical investigation of the rock mass and evaluation of pit slope stability and pit optimisation studies. Previous successful treatment of 570kt of ore from the Murrawombie pit through the Tritton sulphide ore processing plant has provided evidence that the Ore Reserve can be treated to recover

Criteria	JORC Code explanation	Commentary
		copper. 3. The Murrawombie ore can be treated at the Tritton ore processing plant within the capacity of the plant and requires no significant capital expenditure on plant.The 2015 Tritton Life of Mine production plan and schedule shows how the Murrawombie underground and Murrawombie pit expansion projects fit within the overall Tritton Resources ore processing schedule. No significant capital for ore processing is required to support the Murrawombie mining projects reported in this Ore Reserve.
Cut-off parameters	*1. The basis of the cut-off grade(s) or quality parameters applied.*	1. The June 2014 Ore Reserve uses copper grade, Cu%, as the cut-off grade criteria. 2. Underground mine cut-off grade of 1.0% Cu has been applied. Stopes are designed within the Mineral Resource grade shell at 0.6% Cu with the aim of rejecting as much mineralisation less than 1.0% Cu as practical. Sub grade mineralisation with the stope design is included in the whole stope grade estimate. Dilution from surrounding rock and from backfill is estimated. The stope average diluted grade must exceed the 1.0% Cu cut-off grade to be accepted. All material mined as development within the Mineral Resource and above 0.6% Cu is classified as ore, since a lower marginal cost can be applied to this ore. 3. Open pit mine cut-off grade of 0.6% Cu has been applied. All resource model blocks above the cut-off grade are included in the Ore Reserve. Dilution and ore loss is applied to the aggregated ore blocks to estimate the Ore Reserve. 4. Gold and silver grades in the ore are moderately important as economic by- products. However, gold and silver grades are strongly correlated with copper grade and hence can be ignored in the cut-off grade criteria. 5. There are no significant impurities in the mineralisation that require inclusion in the cut-off grade criteria.
Mining factors or assumptions	*1. The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).*	1. June 2014 Mineral Resources have been converted to; underground Ore Reserve by a process of detailed stope and development design; open pit Ore Reserve by pit optimisation. 2. The Mineral Resource model used in Ore Reserve estimation is : *mwb_update_08feb2011.md*l digital block model. The same model is used for the

Criteria	JORC Code explanation	Commentary
	2. *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* 3. *The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.* 4. *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).* 5. *The mining dilution factors used.* 6. *The mining recovery factors used.* 7. *Any minimum mining widths used.* 8. *The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.* 9. *The infrastructure requirements of the selected mining methods.*	underground and open pit Ore Reserve estimates. 3. The mining method to be applied at Murrawombie underground, as described in the pre-feasibility study, is underground sub level open stoping under introduced dry fill. Primary stopes are mined and left as voids. In the next step, rib and crown pillar stopes are mass fired into the primary stope voids. Un-cemented dry fill is introduced through holes from surface to fill the remaining void to support the hanging wall. Pillar ore is drawn out until dilution from the fill becomes excessive. This method has been compared to alternatives and found to give the best outcome of low operating cost, high extraction of the Mineral Resource and management of the hanging wall. Access to the ore will be from a spiral decline mined by conventional drill and blast methods. The decline and sub level access drives will be mined 5.5m high by 5, wide, sufficiently large to allow the use of diesel powered loaders and trucks. Ventilating air for the underground mine will be provided by near vertical rises and surface fans. 4. Geotechnical stability analysis of the proposed underground mine stoping method has been completed using data from logging and laboratory testing of three diamond drill holes, as well as review of geology resource drill hole logs. Stability has been estimated using the Mathews stability graph method. Cable bolting of the mined stopes will be used to improve the stability of the rock mass surrounding the stopes. Dilution estimates are based on the stability analysis and review of industry experience with similar extraction methods 5. The underground mine Ore Reserve is based on engineer designed stopes, pillars and development drives. Dilution and ore loss factors are applied separately to; primary stopes; pillar stopes; crown pillar ore. 6. For Murrawombie underground the Ore Reserve estimates for development and stope ore include the volume of material that is below the cut-off grade and which is considered impractical to exclude from the surrounding or adjacent volume of ore. Such diluting material is inclusive to the design ore volume and estimate of grade. Mining dilution from external to the stope design ore volume is assumed to have nil grade and will increase ore tonnage by; a. Primary stopes; 10%

Criteria	JORC Code explanation	Commentary
		b. Rib pillar stopes; 10% c. Crown pillar; 20% Ore grades are reduced to reflect the inclusion of nil grade dilution tonnage. Dry fill dilution, if sourced from heap leach pads containing partially leached Murrawombie pit ore, will contain low grades of sulphide (recoverable) copper. This copper content in the dry fill has been ignored in the dilution calculation, due lack of detail design to make an reasonable estimate. Mining dilution of development ore is assumed as 0%. Intensive ground support of development drives will be applied. 7. For Murrawombie underground the mining recovery of ore from stope is assumed as a. Primary stope; 92.5%, b. Pillar stope; 90%, c. Crown pillar; 70%, , recovery factor applied after dilution Pillar and crown pillar ore is drawn from under dry fill. Hence ore recovery and dilution are interrelated in practice and lower recovery would be result in lower dilution and visa versa. Mining recovery of ore from development mining is assumed as 100%. 8. For Murrawombie open pit the Ore Reserve assumes 10% dilution and 10% ore loss. Nil copper grade is assumed for the dilution. Selective mining with excavator under geology visual control of a wide and flat dipping ore body will result in moderate dilution and ore loss. 9. Inferred Mineral Resources have not been used in the Murrawombie underground or the Murrawombie open pit studies that support the Ore Reserve estimate.
Metallurgical factors or assumptions	*1. The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.* *2. Whether the metallurgical process is well-*	1. The Murrawombie ore will be treated at the existing Tritton ore processing plant located 24km by road from the proposed mine. Copper, gold and silver metal will be recovered to a copper concentrate by sulphide flotation.

Criteria	JORC Code explanation	Commentary
	tested technology or novel in nature. 3. *The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.* 4. *Any assumptions or allowances made for deleterious elements.* 5. *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.* 6. *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	The sulphide flotation treatment method is proved on Murrawombie ore. 570kt of Murrawombie primary sulphide ore from the base of the current pit was treated through the Tritton Ore processing plant in 2005 (at plant commissioning). Successful recovery of copper from this parcel at 89 to 90% during plant commissioning (and prior to installation of tower mill grinding capacity that improves recovery) supports the assumption that the sulphide ore deeper in the deposit can be treated in the Tritton concentrator. 2. Laboratory scale flotation tests that simulate the grind size and flotation circuit of the Tritton ore processing plant have been conducted on two (2) samples of Murrawombie mineralisation recovered from diamond drill core intersecting the proposed underground mine area. The conclusion from the tests is that Murrawombie underground ore can be successfully treated in the Tritton ore processing plant to produce a saleable copper concentrate with 24% copper. Average recovery of 89% of copper for underground ore is a moderate estimate based on this limited test work. 3. The recovery of metal to copper concentrate is estimated at; a. Copper 92.5% for open pit, 89% for underground b. Gold 75% c. Silver 60% d. Concentrate grade: 24% copper 4. The Ore Reserve assumes that no allowances are required for deleterious elements in the copper concentrate. This is supported by metallurgy testing results. 5. Copper concentrate from Murrawombie ore will be blended with concentrate from Tritton and North East – Larson mine and possibly other ore bodies into parcels of 10,000 tonne to suit shipping and smelter customer requirements.
Environmental	1. *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	1. The Murrawombie deposit is located on ML1280. The site is already significantly disturbed by previous mining and heap leach processing operations. The Murrawombie pit and Murrawombie underground will not increase the disturbance or environmental impact at the site. 2. Mine Operations Plans have previously been approved for Murrawombie underground mining. This was amended when the operation was placed in to care and maintenance. As an extension of previous mining operations the existing EIS and environmental licenses will remain valid for the Murrawombie underground and Murrawombie pit

Criteria	JORC Code explanation	Commentary
		extension that are the basis of this Ore Reserve estimate. Modification of the Mine Operations Plan and Mine Closure Plan will be necessary to achieve regulatory approval for the underground and pit extension. There are no known reasons why approval would not be granted for a restart of mining on ML1280. 3. Tailing from ore treatment will be disposed to the existing Tritton Resources tailing storage facility.
Infrastructure	*1. The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.*	1. The Murrawombie mine project site has existing infrastructure installed to support previous mining operations and maintained for use by the adjacent North East – Larsons underground mine. Infrastructure includes change facilities, offices, workshops, electrical power, water, and road access. Sufficient skilled labour is available in region to support the mine and accommodation is available in the town of Nyngan located within 50km distance from the mine. Land on which the Murrawombie mine is located is freehold lease owned by Tritton Resources Pty Ltd.
Costs	*1. The derivation of, or assumptions made, regarding projected capital costs in the study.* *2. The methodology used to estimate operating costs.* *3. Allowances made for the content of deleterious elements.* *4. The derivation of assumptions made of metal or commodity price(s), for the principal minerals and co- products.* *5. The source of exchange rates used in the study.* *6. Derivation of transportation charges.* *7. The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.* *8. The allowances made for royalties payable, both Government and private.*	1. Capital cost estimates for the Murrawombie underground mine project have been made to pre-feasibility study level of accuracy (± 25%). Engineering design and cost estimation for underground development has been completed by Tritton Resources staff using cost experience from the nearby North East – Larsons mine and the Tritton mine. Engineering design and cost estimation for the limited surface works and infrastructure required to support the development of the mine (principally ventilation infrastructure) have been derived from recent similar estimates made for Tritton Resources at adjacent mines. 2. Murrawombie open pit extension requires no capital infrastructure or equipment purchase. Estimation of mine waste mining costs that will be capitalized has been made by Tritton Resources staff using their view of Australian industry rates for contract mining. 3. Murrawombie underground mine operating cost estimates are based on experience at the existing Tritton and North East – Larsons mines operated by Tritton Resource and using similar equipment to that planned for Murrawombie. Accuracy is considered to be ±15%.

Criteria	JORC Code explanation	Commentary
		4. Murrawombie open pit extension operating cost estimates are based on Australian contract mining rates for small open pit mining. Accuracy is considered to be ±15%. 5. There are no known deleterious elements that will impact capital or operating costs in either an underground mine or the open pit extension. 6. Metal price assumptions for copper, gold and silver are Straits Resources corporate long term assumptions derived from a variety of market sources. The assumptions vary between open pit and underground due to timing of when the technical and commercial studies were completed. 7. Exchange rates used in the studies that support the Ore Reserve estimate are Straits Resources corporate long term assumptions derived from a variety of market sources. The assumptions vary between open pit and underground due to timing of when the technical and commercial studies were completed. 8. For Murrawombie underground the product transportation charges assumed in the study that supports the Ore Reserve estimate are 2014 actual cost experience for Tritton Resources; $122/dry tonne concentrate 9. For Murrawombie open pit extension the product transport charges assumed in the study that supports the Ore Reserve estimate are $158/dry tonne concentrate, as per experience at the time of estimate. 10. Copper concentrate treatment and refining charges assumed in the study are actual cost experience at the time of the study; a. Underground as at 2014; $92/t concentrate smelting and 9.2c/lb copper refining, b. Open pit as at 2011; $60/t concentrate smelting and 6.0c/lb copper refining

Criteria	JORC Code explanation	Commentary
		11. NSW government royalty of 4% is payable on revenue less deductible items. After deductions, the effective royalty rate on revenue is approximately 3% for Tritton Resources. No private royalties will apply.
Revenue factors	1. *The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.* 2. *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	1. For Murrawombie underground the metal price assumptions used in the study that supports the Ore Reserve are; a. Copper price of USD$6967/tonne b. Gold price of USD$1300/oz c. Silver price of USD$20/oz d. AUD:USD exchange rate of 0.9 e. Copper treatment charge of USD$92/t f. Copper refinery charge of USD9.2c/lb g. Standard Tritton Resources contract smelter terms for payable metal, copper payable of 96.5% h. Assumptions were current at May 2014 2. For Murrawombie open pit extension the metal price assumptions used in the study that supports the Ore Reserve are; a. Copper price of AUD$7714/tonne b. Gold price of AUD$1300/oz c. Silver price not specified d. Copper treatment charge of USD$65/tonne e. Copper refinery charge of USD6.0c/lb f. Copper payable of 97.5% g. Assumptions were current April 2011 Studies that support underground and open pit were completed at different times explaining the difference in the revenue assumptions. The net copper price realized after charges is within 1.5% between the two sets of assumptions and not considered material; Underground AUD$6073/tonne copper; Open pit extension AUD$6161/tonne copper.
Market assessment	1. *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* 2. *A customer and competitor analysis along with the identification of likely market windows for the product.* 3. *Price and volume forecasts and the basis for*	1. The world market for copper concentrate is large compared to production from Murrawombie. The Murrawombie copper concentrate will be a clean product with low impurities and demand for this product from copper smelters is expected to remain high. All copper concentrate is sold under life of mine contract to Glencore International AG.

Criteria	JORC Code explanation	Commentary
	these forecasts. *4. For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	
Economic	*1. The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.* *2. NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	1. For Murrawombie open pit the optimisation study that supports the Ore Reserve estimate has estimated that the project will generate positive cash of AUD$11 million to AUD$17 million. The cost of waste mining up to 15% in excess of the pit optimisation shell would reduce cash by $1.5 to $2million. The project remains economic under this stress test. Since the mine life will be less than one year no Net Present Value is calculated. 2. For Murrawombie underground the pre-feasibility level studies that support the Ore Reserve have estimated the project will generate a positive Net Present Value (10%) of AUD$15 million real, in a simple pre-tax analysis. Taxation calculations are complex where the project will be mined within a broader business. 3. Valuation of both the open pit extension and the underground are most sensitive to metal price assumptions and operating cost assumptions.
Social	*1. The status of agreements with key stakeholders and matters leading to social licence to operate.*	1. The Murrawombie deposit is located on existing Mining Lease. Approval to mine both underground and open pit mines will require only amendments to current Bogan Shire Council and NSW state government approvals. The Murrawombie mines will be additions to the existing Tritton Resources operations, based in the township of Nyngan in the Bogan Shire NSW. Strong community support for the continued operation of Tritton Resources has been evidenced in regular community consultation sessions. There are no known objections from the community against the Tritton Resources operations. Tritton Resources owns the land on which Murrawombie deposit is located.
Other	*1. To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* *2. Any identified material naturally occurring risks.* *3. The status of material legal agreements and marketing arrangements.* *4. The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There*	1. No material natural risks have been identified for the project. 2. All copper concentrate produced by Tritton Resources from the Murrawombie mining project will be sold to Glencore International AG under an existing life of mine contract. 3. The Murrawombie deposit is located on a Mining Lease; ML1280. A process of consultation with the Bogan shire council and NSW State Government regulatory authorities is required before full approval to re-start mining will be granted. Submission of revised Mine Operations Plan and Mine Closure Plan will be necessary to gain consent for the re-start of mining. There are no known reasons why Government approvals would NOT be granted for the mining of the deposit.

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td>must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.</td><td></td></tr>
<tr><td>Classification</td><td>1. The basis for the classification of the Ore Reserves into varying confidence categories.
2. Whether the result appropriately reflects the Competent Person's view of the deposit.
3. The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).</td><td>1. The Murrawombie underground Ore Reserve is classified as Probable since it is a conversion of Indicated Mineral Resource.

Modifying factors that result in a Probable classification in addition to the Mineral Resource classification are;
a. Further laboratory tests of copper recovery from ore are required to obtain an greater statistical confidence in the estimate of copper recovery.

2. The Murrawombie open pit extension Ore Reserve is classified as Probable since it is a conversion of Indicated Mineral Resource.

Modifying factors that result in a Probable classification in addition to the Mineral Resource classification are;
a. Detailed pit design has not been completed to confirm results of the pit optimisation studies.

3. The classification of the Ore Reserve as Probable is appropriate reflection of the overall status of the project technical studies in the opinion of the competent person, Mr Ian Sheppard

4. No Probable Ore Reserve has been derived from Measured Mineral Resources.</td></tr>
<tr><td>Audits or reviews</td><td>1. The results of any audits or reviews of Ore Reserve estimates.</td><td>1. No audits of the Ore Reserve have been completed.</td></tr>
<tr><td>Discussion of relative accuracy/ confidence</td><td>2. Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the</td><td>1. For Murrawombie underground mine;

<table>
<tr><th>Criteria</th><th>Risk Rating</th><th>Comment</th></tr>
<tr><td>Mineral Resource estimate for conversion to Ore</td><td>High</td><td>There has been no mining from the deposit by underground methods and hence no reconciliation data is available to compare to the resource estimate. The modelling methods applied have</td></tr>
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Criteria	JORC Code explanation	Commentary

application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.

3. *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.*
4. *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.*
5. *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*

Reserves		been successful at other deposits of similar style in the region and we expect the model to be an accurate estimator. None less without dense grade control drilling and or stope production experience the performance of the model is unknown and remains a high risk.
Classification	Low	All Probable Ore Reserve based on Indicated Mineral Resource. No complications from modifying factors.
Site visit	Low	Site visits completed and existing decline inspected.
Study status	Medium	Studies that support Ore Reserve estimate are at pre-feasibility level. Progression to feasibility level of studies may reveal technical hazards not currently recognised and or cause cost estimates to be revised upwards.
Cut-off grade	Medium	Cut-off grade is sensitive to mine operating costs achieved and dilution in addition to the normal metal price volatility risk.
Mining factors	High	Dilution and ore loss factors are derived from literature review of experience with similar mining methods. Further work on modelling the dilution and ore loss is required to confirm estimates at feasibility study level.
Metallurgy factors	Medium	Additional laboratory test work is required to build statistical confidence in the estimates of copper recovery to concentrate. Modest copper recovery is currently assumed when compared to experience with treatment of ore from adjacent mines in the Tritton ore processing plant.
Environmental	Low	Located on existing Mining Lease. Only requires amendments to current approvals to proceed.
Infrastructure	Low	All required infrastructure is in place.
Costs	Low	Estimates are based on current experience at adjacent mines.
Revenue Factors	High	Copper metal price has high annual variability. Murrawombie mine will have moderate margins and operations could be suspended during periods of extended low metal price.
Market assessment	Low	Life of mine concentrate sale contract is in place.
Economics	Medium	Risk reflects impact of metal price variability and modest grade.
Social	Low	No problems are expected in achieving approval for re-start of mining operations and Tritton Resources has strong community support.

2. For Murrawombie open pit extension

Criteria	Risk Rating	Comment
Mineral Resource estimate for conversion to Ore	Low	Relatively dense drilling of the deposit for an Indicated Resource categorisation to be mined by open pit. Previous open pit mining of sulphide ore was successful in achieving similar grades to

Criteria	JORC Code explanation	Commentary		
		Reserves		those modelled.
		Classification	Low	All Probable Ore Reserve based on Indicated Mineral Resource. No complications from modifying factors.
		Site visit	Low	Site visits completed and existing pit inspected.
		Study status	Medium	Studies at pre-feasibility level support the Ore Reserve. Progression to feasibility level of studies may reveal technical hazards not currently recognised and or cause cost estimates to be revised upwards.
		Cut-off grade	Low	Once exposed for mining the breakeven cut-off grade of ore is very low for open pit mining since all costs are sunk. Ore cut-off recovers all Mineral Resource. Mining can be very selective.
		Mining factors	Low	Dilution and ore loss factors are considered low risk for open pit mining with selective mining practices.
		Metallurgy factors	Medium	Additional laboratory test work is required to build statistical confidence in the estimates of recovery.
		Environmental	Low	Located on existing Mining Lease. Only requires amendments to current approvals.
		Infrastructure	Low	All required infrastructure is in place.
		Costs	Low	Estimates based on current industry data.
		Revenue Factors	Medium	Copper metal price has high annual variability..
		Market assessment	Low	Life of mine concentrate sale contract in place.
		Economics	Low	Relatively robust economics provided capital is available to finance waste mining.
		Social	Low	No problems are expected in achieving approval for re-start of mining operations and Tritton Resources has strong community support.

End Report