



Definitive Feasibility Study indicates Nova is a goer

Mark Bennett, Managing Director & CEO
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The information in this presentation that relates to Exploration Results is based on information compiled by Jeff Foster and Andy Thompson who are employees of Sirius Resources and fairly represents this information. Mr Foster and Mr Thompson are members of the Australasian Institute of Mining and Metallurgy. Mr Foster and Mr Thompson have sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Foster and Mr Thompson consent to the inclusion in this presentation of the matters based on information in the form and context in which it appears. Exploration results are based on standard industry practices, including sampling, assay methods, and appropriate quality assurance quality control (QAQC) measures. Reverse circulation (RC), aircore (AC) and rotary air blast (RAB) drilling samples are collected as composite samples of 4 or 2 metres and as 1 metre splits (stated in results). Mineralised intersections derived from composite samples are subsequently re-split to 1 metre samples to better define grade distribution. Core samples are taken as half NQ core or quarter HQ core and sampled to geological boundaries where appropriate. The quality of RC drilling samples is optimised by the use of riffle and/or cone splitters, dust collectors, logging of various criteria designed to record sample size, recovery and contamination, and use of field duplicates to measure sample representivity. For soil samples, PGM and gold assays are based on an aqua regia digest with Inductively Coupled Plasma (ICP) finish and base metal assays may be based on aqua regia or four acid digest with inductively coupled plasma optical emission spectrometry (ICPOES) or atomic absorption spectrometry (AAS) finish. In the case of reconnaissance RAB, AC, RC or rock chip samples, PGM and gold assays are based on lead or nickel sulphide collection fire assay digests with an ICP finish, base metal assays are based on a four acid digest and inductively coupled plasma optical emission spectrometry (ICPOES) and atomic absorption spectrometry (AAS) finish, and where appropriate, oxide metal elements such as Fe, Ti and Cr are based on a lithium borate fusion digest and X-ray fluorescence (XRF) finish. In the case of strongly mineralised samples, base metal assays are based on a special high precision four acid digest (a four acid digest using a larger volume of material) and an AAS finish using a dedicated calibration considered more accurate for higher concentrations. Sample preparation and analysis is undertaken at Minanalytical, Genalysis Intertek and Ultratrace laboratories in Perth, Western Australia. The quality of analytical results is monitored by the use of internal laboratory procedures and standards together with certified standards, duplicates and blanks and statistical analysis where appropriate to ensure that results are representative and within acceptable ranges of accuracy and precision. Where quoted, nickel-copper intersections are based on a minimum threshold grade of 0.5% Ni and/or Cu, and gold intersections are based on a minimum gold threshold grade of 0.1g/t Au unless otherwise stated. Intersections are length and density weighted where appropriate as per standard industry practice. All sample and drill hole co-ordinates are based on the GDA/MGA grid and datum unless otherwise stated. Exploration results obtained by other companies and quoted by Sirius have not necessarily been obtained using the same methods or subjected to the same QAQC protocols. These results may not have been independently verified because original samples and/or data may no longer be available.

The information in this presentation that relates to Mineral Resource Estimation is based on information compiled by Mr Mark Drabble, Principal Consultant Geologist – Optiro Pty Ltd and Mr Andrew Thompson, a full time employee and General Manager Resources and Geology of Sirius Resources, and fairly represents this information. Mr Drabble and Mr Thompson are members of the Australasian Institute of Mining and Metallurgy and have 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 JORC Code. Mr Drabble and Mr Thompson consent to the inclusion in this presentation of the matters based on their information in the form and context in which they appear. Information in this presentation that relates to the Mineral Resource estimate for the Nova and Bollinger deposits is fully described in the ASX release of 14th July 2014. The information in this presentation that relates to underground Ore Reserves is based on information compiled by Mr Shane McCleay who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr McCleay is an employee of Entech Pty Ltd and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr McCleay consents to the inclusion in this presentation of the matters based on his information in the form and the context in which it appears.

The information referred to in this presentation is based on the Nova Definitive Feasibility Study (DFS) and on the maiden Ore Reserve estimate as described in the ASX release of 14th July 2014. A small part of the life of mine plan is based on Inferred Mineral Resources. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the conversion of Inferred Mineral Resources to Indicated Mineral Resources, Probable Ore Reserves, or that the production target itself will be realised. The Inferred Resources referred to comprise less than 8% of the total resource tonnes and less than 4% of the nickel metal in the life of mine plan. Unless otherwise stated all cashflows are in Australian dollars, are undiscounted and are not subject to inflation/escalation factors and all years are calendar years. Sirius Resources has concluded it has a reasonable basis for providing the forward looking statements included in this presentation. Sirius Resources has prepared this presentation based on information available to it at the time of preparation. No representation or warranty, express or implied, is made as to the fairness, accuracy or completeness of the information, opinions and conclusions contained in the presentation. To the maximum extent permitted by law, Sirius Resources, its related bodies corporate (as that term is defined in the *Corporations Act 2001 (Cth)*) and the officers, directors, employees, advisers and agents of those entities do not accept any responsibility or liability including, without limitation, any liability arising from fault or negligence on the part of any person, for any loss arising from the use of the Presentation Materials or its contents or otherwise arising in connection with it.

Key points

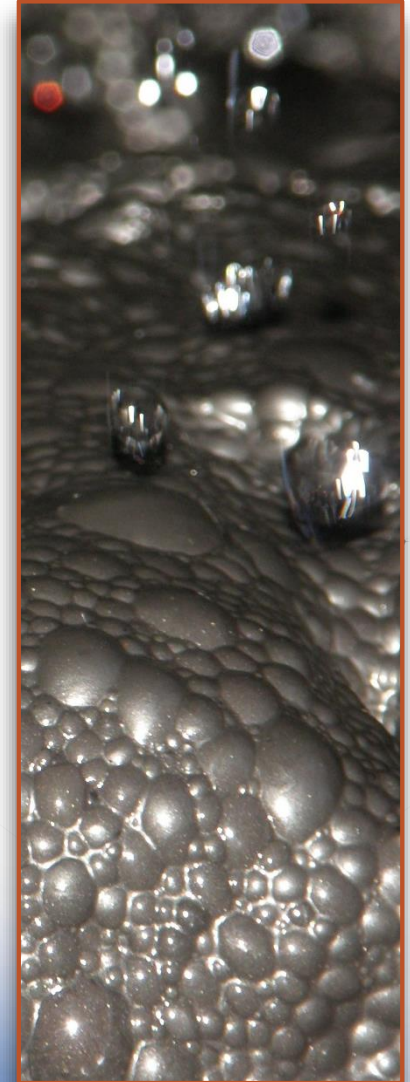
1. Completed Nova Definitive Feasibility Study (DFS) on time and within 2 years of discovery
2. DFS outcomes similar to, and in several respects, better than the scoping study
3. Outstanding conversion from Indicated Mineral Resource to Probable Ore Reserve of 93% of contained nickel metal
4. Outstanding conversion from scoping study mining inventory to DFS life of mine plan of 103% of contained nickel metal
5. Estimated low C1 cash cost of A\$1.66/lb* nickel (US\$1.50*) in lowest quartile of global producers, better than scoping study
6. Estimated all-in sustaining cash cost of A\$2.32/lb* nickel (US\$2.09*) substantially better than scoping study
7. Estimated capital cost of A\$473 million is very similar to scoping study
8. Initial mine life 10 years + 2 years development, excluding exploration upside
9. Forecast life of mine nickel revenue of A\$4.5 billion and net cashflow of A\$2.7 billion @ US\$10/lb nickel (this is lower than many current forecasts)
10. Finance and offtake discussions advancing – strong competition
11. Approvals and permitting process underway



From discovery to 100% ownership to Definitive Feasibility Study in less than 2 years



Milestone	Date (actual/forecast)
Discovery	July 2012
Maiden Resource	May 2013
Scoping Study	Sep 2013
Ongoing funding (\$84m placement)	Nov 2013
Sign deal for 100% ownership (Creasy deal)	Feb 2014
Restart exploration drilling	May 2014
Agree key terms for native title deal	May 2014
Complete Definitive Feasibility Study	June 2014
Finalise Native Title agreement	Expected mid-2014
Grant Mining Lease	? Aug 2014, subject to finalisation of native title agreement
Obtain other permitting	? 4 th Quarter 2014, subject to grant of ML & other approvals
Conclude financing & offtake agreements	Subject to grant of Mining Lease
Start development	Early 2015, subject to items above
<i>Next discovery.....?</i>	<i>Working on them</i>



Capital structure and metrics – well positioned with cash and capacity to fund mine development



Shares on issue
(incl 70 million escrowed shares) 332.5 m

Share options on issue
(Avg ex price ~A\$1.38) 48.06 m

Performance shares 2.2 m

Net cash
(as of end June 2014) A\$58.7 m

Debt Nil

Market capitalisation
(at A\$3.60, undiluted by options) A\$1,197 m

Enterprise value
(at A\$3.60) A\$1,138 m

Top twenty holders 64%

Substantial
shareholders

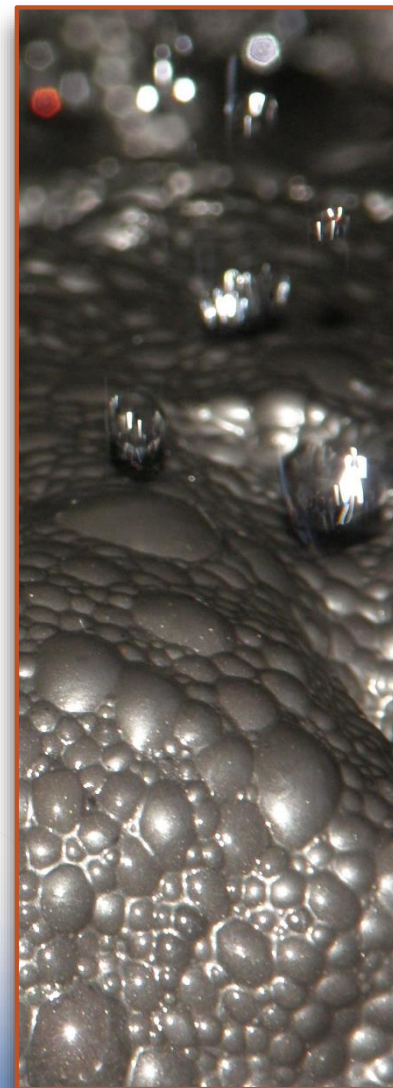
Mark Creasy	34.45%
Commonwealth Bank	5.6%



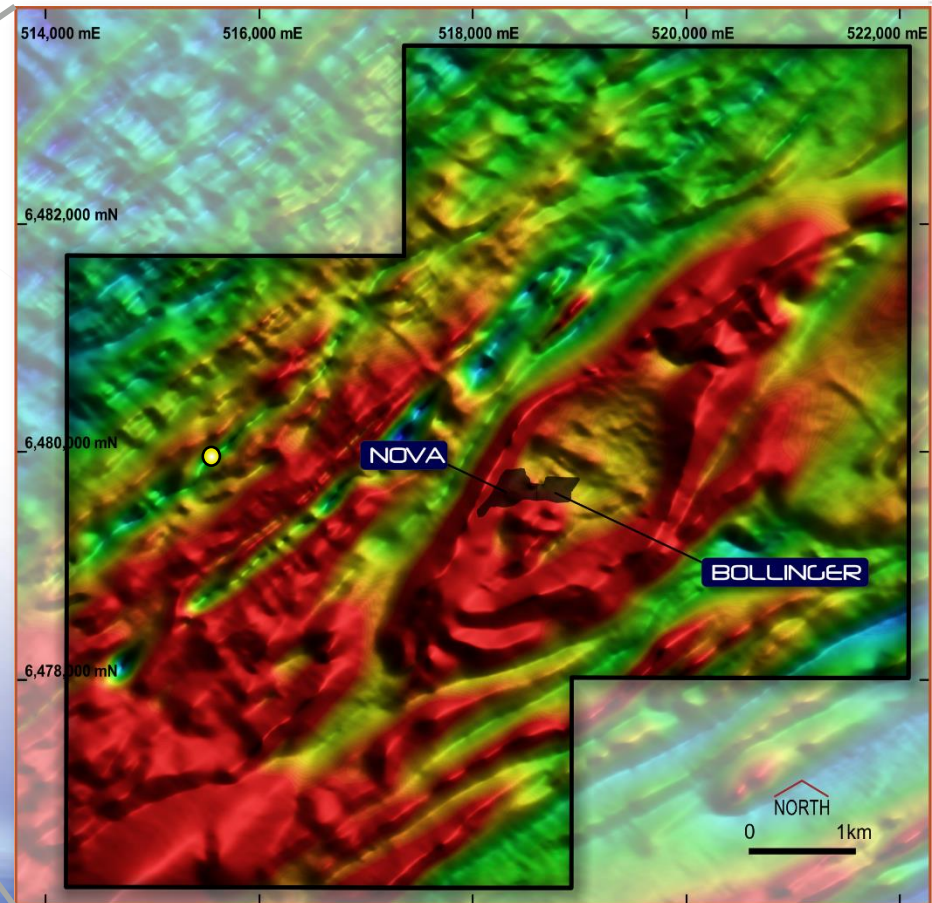
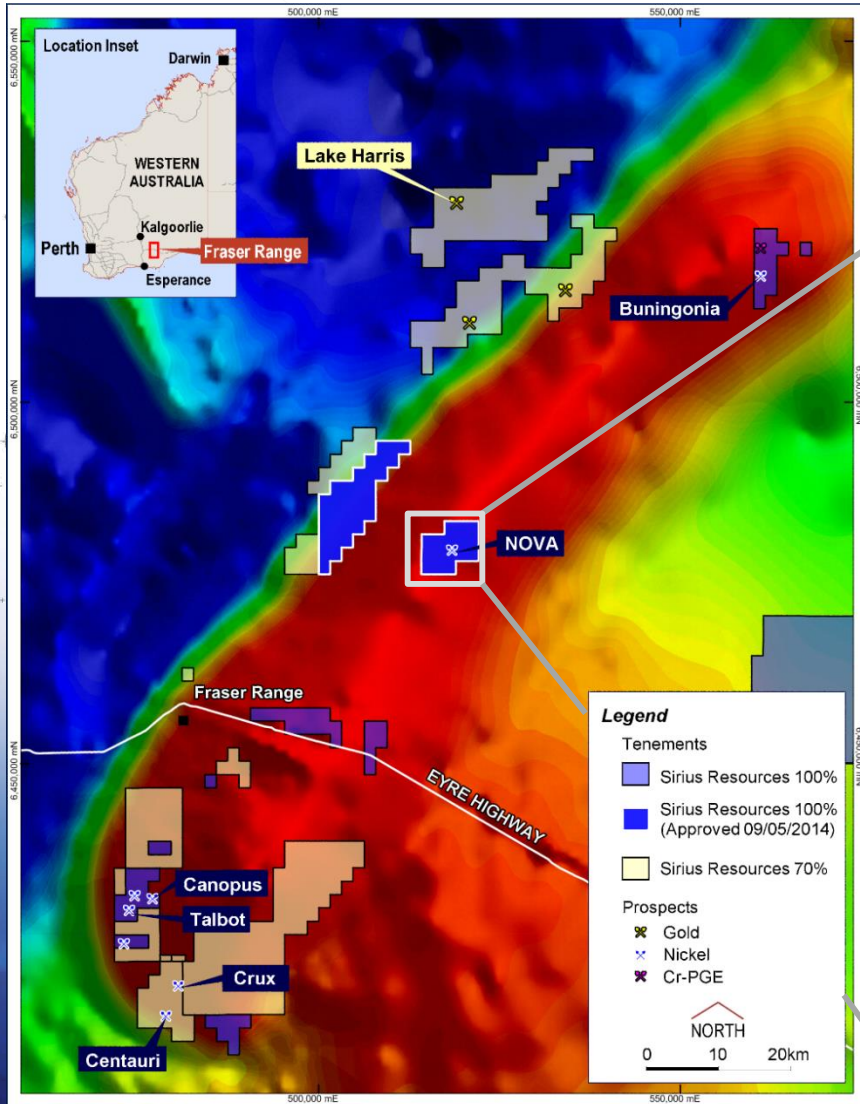
Experienced and successful management team to finance, build and operate the best new nickel mine



Jeff Dowling (Non-executive Chairman)	Accountant, 40 years experience, ex-managing partner E&Y Perth, director of Atlas Iron, NRW, metropolitan redevelopment authority, financial compliance and governance expertise
Mark Bennett (Managing Director & CEO)	Geologist, 25 years experience, two times Prospector of the Year, discovered and developed several mines, extensive exploration and equity capital markets expertise (WMC, LionOre)
Rob Dennis (Chief Operating Officer)	Mining engineer, 40 years experience developing and operating gold, nickel and copper mines, director of Poseidon Nickel, mining and project development expertise (WMC, GCM, LionOre, Birla, Poseidon)
Grant Dyker (Chief Financial Officer)	Accountant, 20 years experience financing startup gold and base metal projects, extensive management accounting and debt financing expertise (Western Metals, Avoca, Doray)
David English (Project Manager)	Mechanical engineer, 25 years experience operating and constructing processing plants, most recently the DeGrussa copper mine, plant and site construction expertise (WMC, Alcoa, Sandfire)
Jeff Foster (Exploration Director)	Geologist, 25 years experience, adjunct professor at University of Tasmania, nickel sulfide exploration expertise (WMC, BHP, Anglo American)
Anna Neuling (Director & Co Sec)	Accountant, 15 years experience in auditor, financial controller, CFO and company secretary roles, accounting, compliance and general corporate expertise (Deloitte, LionOre)
Neil Warburton (Non-executive director)	Mining engineer, 30 years experience as CEO of mining companies and contract mining companies, chairman of Red Mountain Mining, mining & management expertise (WMC, Coolgardie Gold, Barminto)
Terry Grammer (Non-executive director)	Geologist, 35 years experience, Prospector of the Year, discovered Cosmos, co-founder of Western Areas, nickel exploration expertise (Jubilee, Western Areas, South Boulder)
Bill Cunningham (Marketing consultant)	Commercial manager, 50 years experience in offtake sales, broad metal market expertise (CRA, WMC, Jubilee, LionOre, Western Areas)



First mover with an extensive ground position covering key targets in a new belt

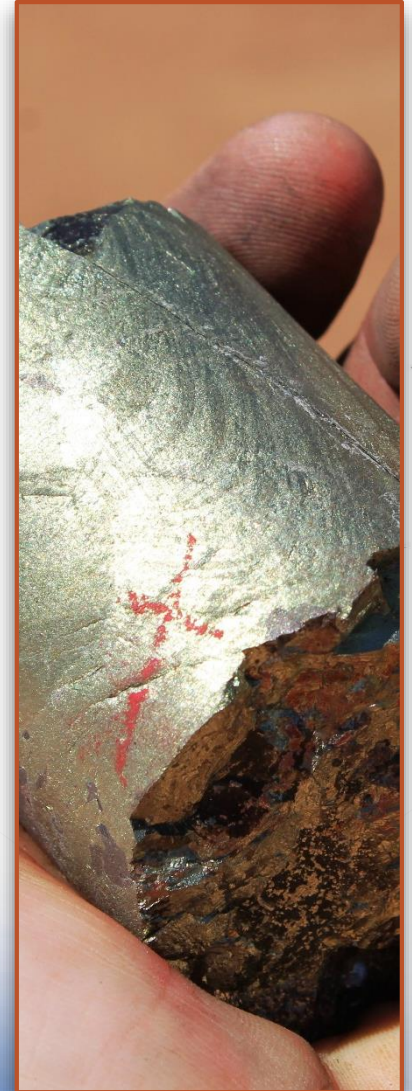


Key outcomes of Nova DFS - physicals



- Maiden Probable Ore Reserve of 13.1mt @ 2.1% Ni, 0.9% Cu and 0.07% Co for 273kt Ni, 112kt Cu and 9kt Co represents a 93% conversion of Ni metal from Indicated Mineral Resource, using US\$7.44/lb nickel price
- Life of mine plan of 14.2mt @ 2.0% Ni, 0.8% Cu and 0.07% Co for 285kt Ni, 118kt Cu and 10kt Co represents a 103% conversion from scoping study mining inventory
- Underground mine with 83% of ore from low cost sub-level open stoping method, with individual stopes containing up to 200kt of ore
- 2 year construction/development period followed by 10 year initial mine life (excluding exploration success), processing 1.5mtpa
- 89% nickel recovery into a 13.5% concentrate, and 95% copper recovery into a 29% concentrate
- Producing two separate high quality concentrates with no impurities and excellent smelter-friendly Fe:MgO ratios
- Based on comprehensive testwork for resource, metallurgy, geotechnics, dilution, groundwater, paste fill

Please refer to the full ASX announcement for cautionary statements, competent person signoffs and explanation of sensitivity of outcomes to the non-Ore Reserve component of the life of mine plan



Key outcomes of Nova DFS - financials

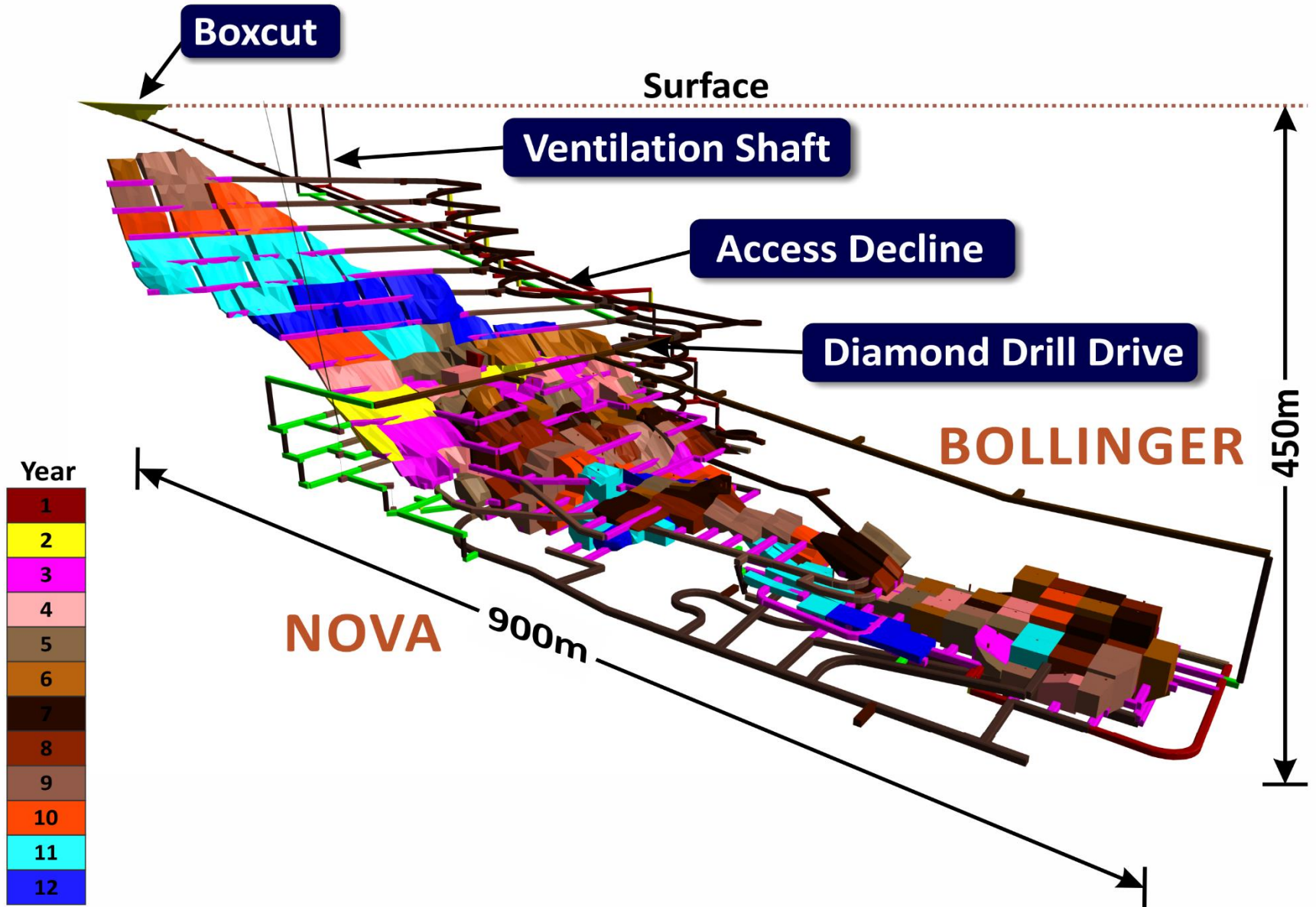


- Low estimated average C1 cash cost of A\$1.66/lb (US\$1.50/lb) nickel in concentrate positions Sirius in lowest quartile of global nickel producers
- Very low estimated all-in sustaining cash cost of A\$2.32/lb (US\$2.09/lb) nickel in concentrate emphasises world class quality of project
- Estimated capital expenditure of A\$473 million very similar to scoping study and includes additional risk-mitigating/revenue protecting items
- On the basis of last September's consensus nickel price of US\$10/lb, the project is forecast to generate nickel revenue of A\$4.5 billion and net cashflow of A\$2.73 billion over its initial 10 year life
- Using Wood Mackenzies nickel price forecast which results in an average weighted price of US\$11.79, the project is forecast to generate nickel revenue of A\$5.3 billion and net cashflow of A\$3.5 billion over the same period
- The project is strongly leveraged to nickel price, with project cashflow changing by A\$434 million for each US\$1/lb change in the nickel price, and several analysts predict higher prices than those used in Sirius' DFS

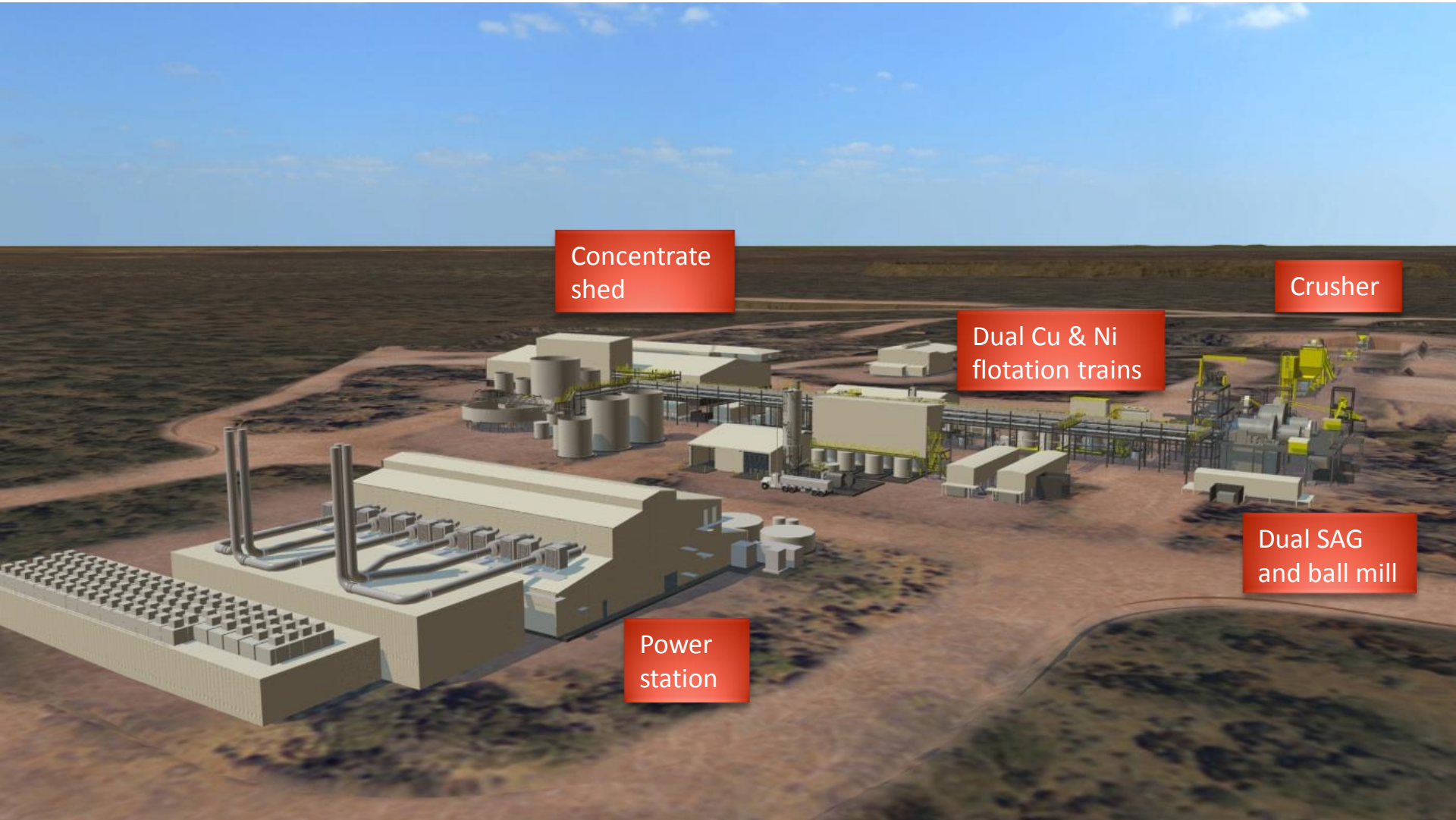
Please refer to the full ASX announcement for financial inputs to these forecasts – including US\$10/lb nickel price, US\$3.30/lb copper price and 0.90 US\$:A\$ exchange rate. Figures are quoted on a 100% payability basis



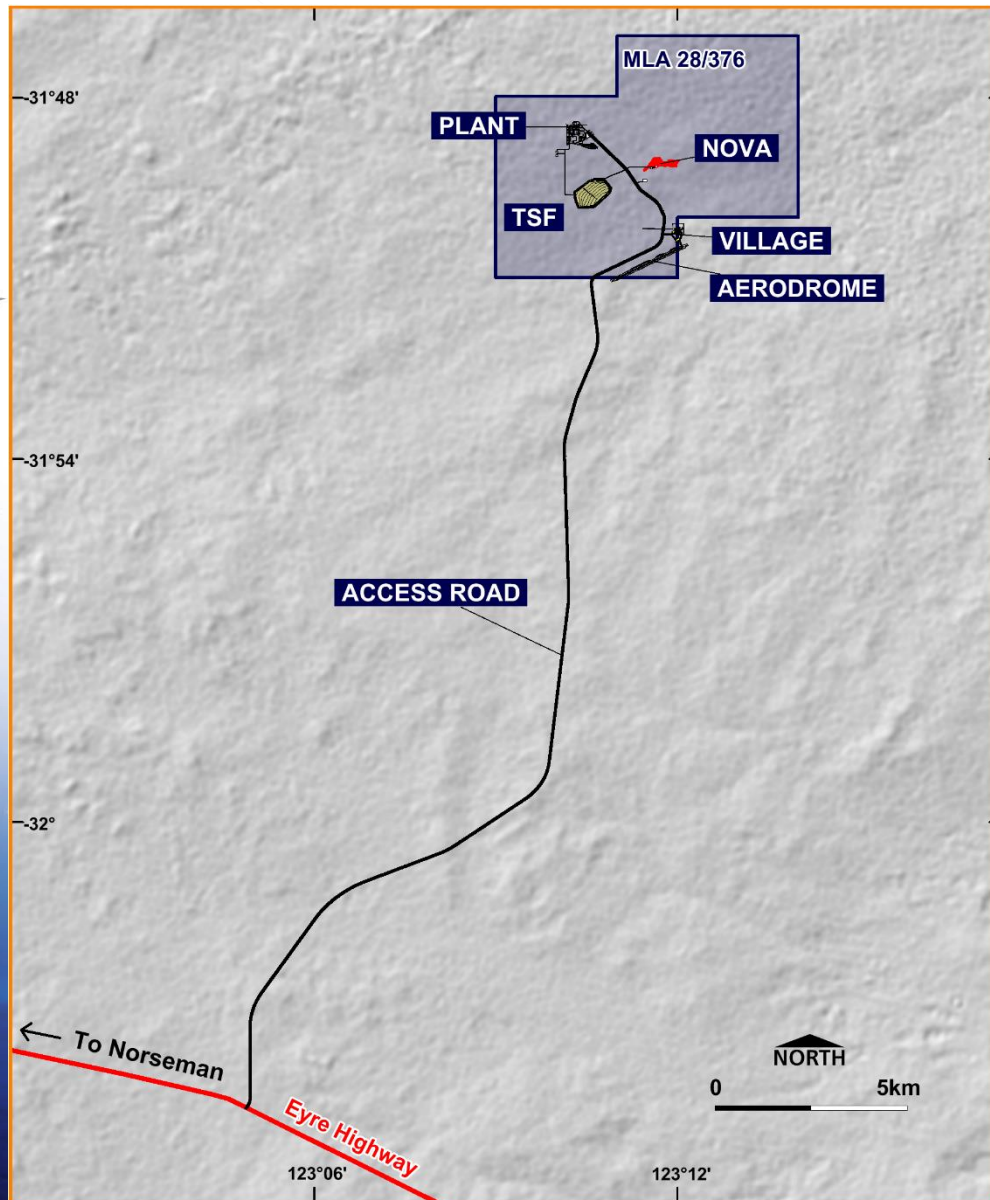
Underground mine design



Plant site layout



Project location and infrastructure



- Mine, plant, TSF, village and airstrip all on 47 square kilometre mining lease application
- Water sources on mining lease application
- Sealed airstrip capable of taking 100 seat jets
- 34 kilometre long sealed access road to ensure inbound delivery of essential supplies and outward shipment of product is not affected by adverse weather conditions
- Connects to Eyre Highway (the trans-Australia highway) and onwards to smelters or ports

Nova Nickel Project - a globally significant nickel sulphide development with access to the world

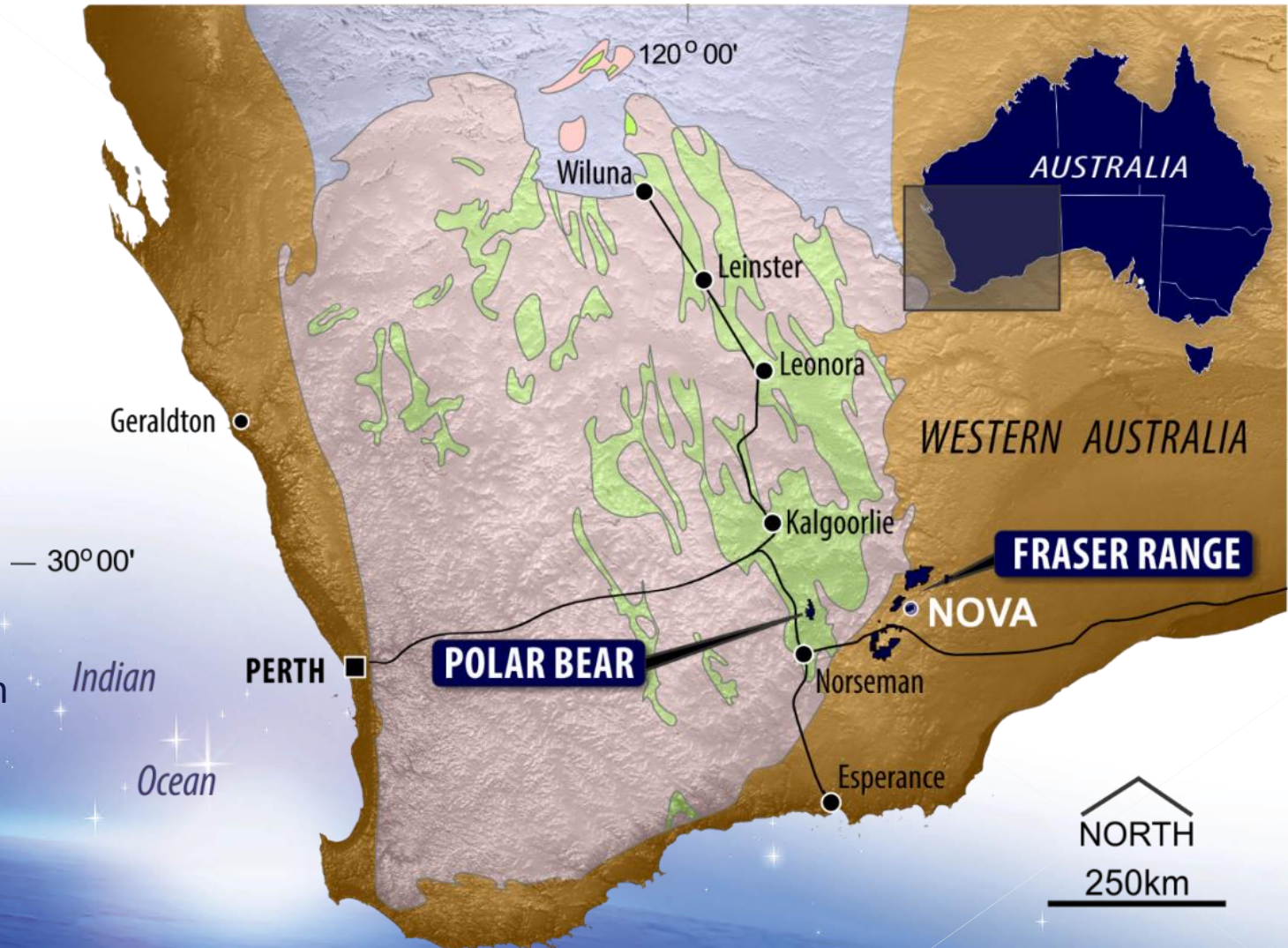


Concentrate to be trucked by roadtrain

350 kilometres to either Kalgoorlie or Esperance

Within easy reach of local and global customers

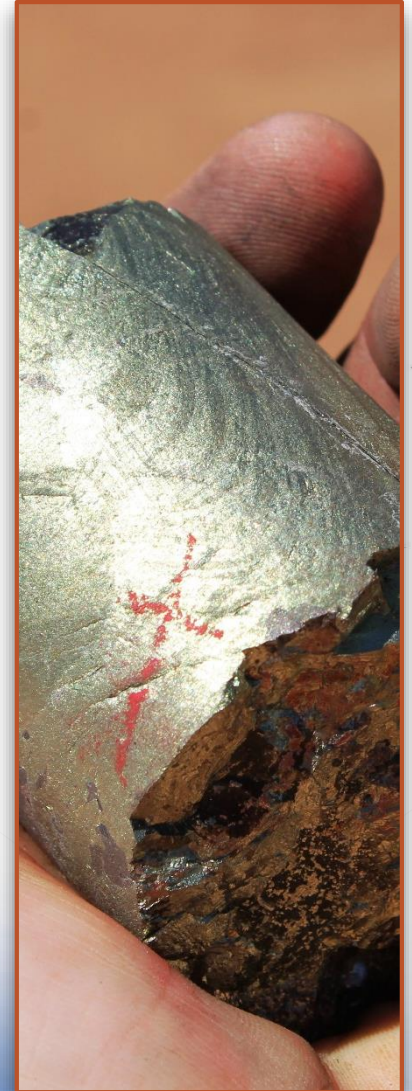
Workforce from Perth (FIFO) and if possible Norseman (bus commute)



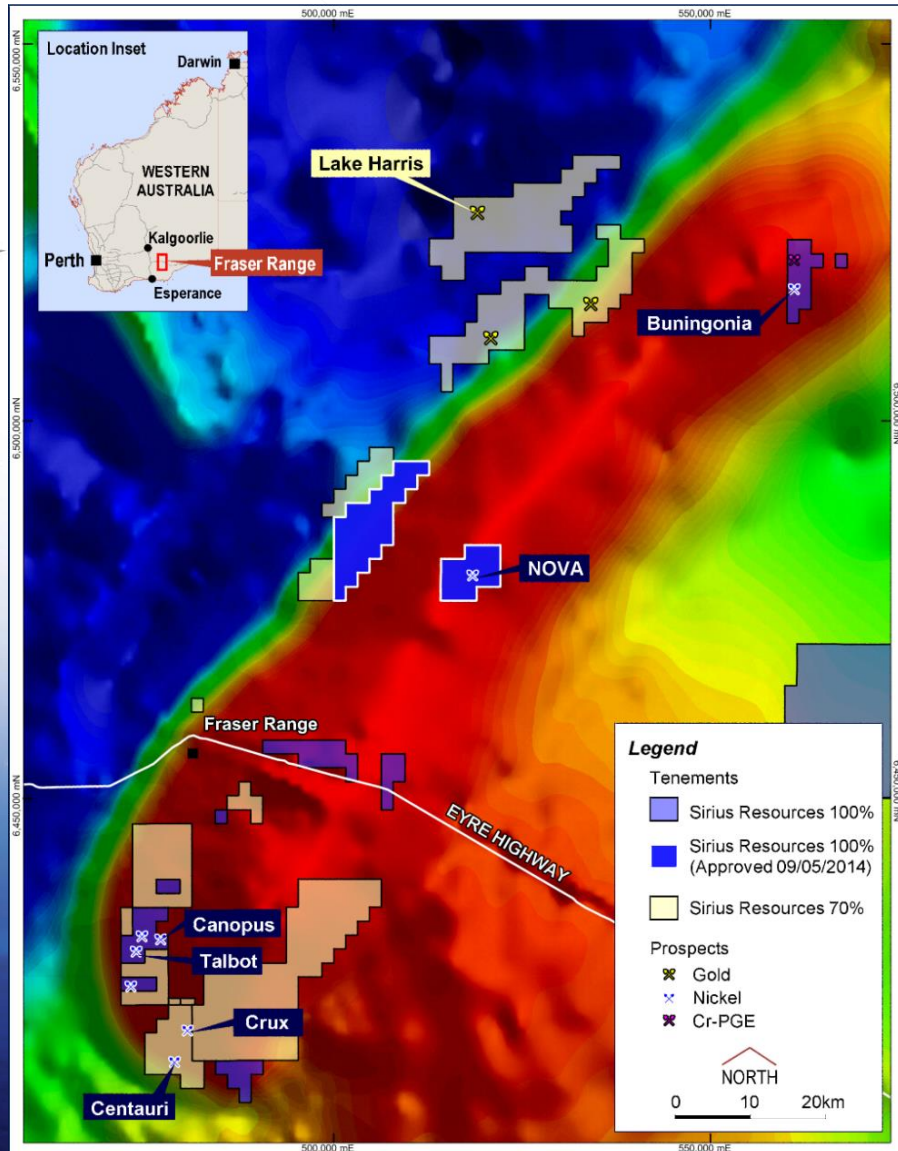
Next steps toward development and production

- Project financing discussions are advancing with 6 shortlisted banks – there is strong interest well in excess of Nova's funding requirement
- Offtake discussions are advancing with 6 shortlisted customers – there is strong demand for the product, which is of premium quality
- The permitting process has commenced with submissions to the Environmental Protection Agency
- Signing of the final mine development agreement with the native title holders is anticipated in the near future. This will trigger the process leading to grant of a Mining Lease, which in turn determines the timing of other approvals processes.
- Subject to the native title agreement being concluded when expected, all approvals could be received by late 2014, enabling development to commence in early 2015
- First activities will comprise concurrent construction of the village, road, airstrip and TSF, and the start of mining the boxcut and decline
- First ore is expected in Q2 2016 and first concentrate Q4 2016

Please refer to the full ASX announcement for details of the schedule and underlying assumptions



Exploration – maintaining momentum and growth



- Exploration will continue during the project financing, construction and development
- Four key focus areas:
 - Infill and extensional drilling to define additional resources adjacent to the Nova and Bollinger deposits (from underground)
 - Near-mine exploration on the Nova mining lease using Samson deep- penetration EM to define deep targets for drilling
 - Regional exploration identifying and drilling new targets at Fraser Range – currently at the reconnaissance drilling stage at Crux and Centauri
 - Gold and nickel exploration at the Polar Bear project

Conclusions

- Sirius owns the best undeveloped nickel sulphide project in the world, in a stable mining friendly jurisdiction
- DFS indicates Nova is a low risk, highly profitable project throughout the nickel price cycle
- Initial mine life of 10 years and significant production profile positions it as a significant global nickel producer
- Low C1 and all-in sustaining cash costs position Nova as a robust lowest cost quartile producer
- Project is strongly leveraged to nickel price upside (A\$434 million net cashflow change per US\$1/lb change), in a strengthening nickel market
- Nova will produce a strategic product – namely clean, smelter friendly concentrates ideal for blending. This will be highly sought after
- Very strong interest from financiers and customers places Sirius in a strong position to fund development as soon as permitting is in place
- Extremely low discovery cost of A\$0.04/lb reflects the prospectivity and untapped potential of this new unexplored belt
- Sirius' industry leading exploration team intends to build on the foundation created by Nova with more discoveries on its highly prospective ground

