



Sirius Resources NL

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Projects:

Fraser Range nickel-copper, gold

Polar Bear gold, nickel

SIRIUS RECEIVES APPROVAL FOR PROJECT MANAGEMENT PLAN FOR NOVA, AWARDS PREFERRED TENDER STATUS FOR MAJOR WORKS AND SECURES 500 PERSON VILLAGE

Key points

- Project Management Plan approved by Department of Mines and Petroleum
- Preferred tenderers announced for major works programs including road, aerodrome, tailings storage facility, boxcut, underground mining and village
- Second hand 500 person accommodation village secured
- Project remains on track for startup in late January 2015 subject to final permitting approvals and financing

Sirius Resources NL (ASX: SIR) ("Sirius" or the "Company") provides the following update on further significant progress made towards the start of development of the Nova Nickel Project ("Nova"). A number of companies have been selected as preferred tenderers for various major works programs, a high quality, transportable, second hand 500 person village has been secured and approval for one of the several permits required to commence operations has been received.

Airstrip and access road

Following an extensive selection process, RJ Vincent has been nominated as the preferred tenderer for the construction of the Nova aerodrome and access road.

The aerodrome will comprise a 2 kilometre sealed strip together with a taxiway and apron capable of taking jet aircraft. The access road will comprise an all weather 35 kilometre long two-lane sealed road linking the Nova mine site to the Eyre Highway.

Tailings storage facility

Watpac Civil & Mining Pty Ltd has been nominated as the preferred tenderer to construct the tailings storage facility (TSF) which will comprise a fully lined above ground impoundment.

ASX Announcement

Thursday 27th November 2014



Mining

Leading underground hard-rock mining contractor Barminto Holdings Limited has been selected as the preferred tenderer for the excavation of the boxcut, portal and a subsequent three year underground mining contract.

Village

Kerman has been selected to procure, transport and construct the Nova mine accommodation village. Sirius has paid a holding fee for an option on a second hand 500 person camp currently stored in Queensland which will be relocated to Nova commencing early January 2015.

All of the preferred tenderers will now progress to completion of documentation with agreements expected to be signed prior to January 2015.

Status of permitting, financing and offtake agreements

The Company has received formal notice from the Western Australian Department of Mines and Petroleum (DMP) that it has approved the Project Management Plan (PMP) for the Nova Nickel Project. Construction remains on track to start in late January 2015, subject to financing and the receipt of final approvals and permits.

The four banks mandated to undertake the financing of Nova visited site earlier this week as part of the final due diligence process, and the project financing is on track to be completed by the end of December 2014.

Sirius has also progressed to detailed negotiations with a number of parties for an initial nickel offtake agreement in respect of approximately half of the planned nickel concentrate production for three years as well as a copper offtake agreement for all of the copper concentrate production over the same period.

Sirius' Managing Director Mark Bennett said: "The Nova Nickel Project continues to progress well and in line with timelines previously announced and the calibre of the project is such that Sirius is attracting excellent companies with which to partner. We also expect to conclude at least one offtake agreement in the near future, although this is not a prerequisite for the finalisation of the project financing, such is the quality of Nova."

Mark Bennett, Managing Director and CEO

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