Countdown to Nova – Managing Director's presentation to 2014 Annual General Meeting of Shareholders

Mark Bennett, Perth, 27th November 2014

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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.

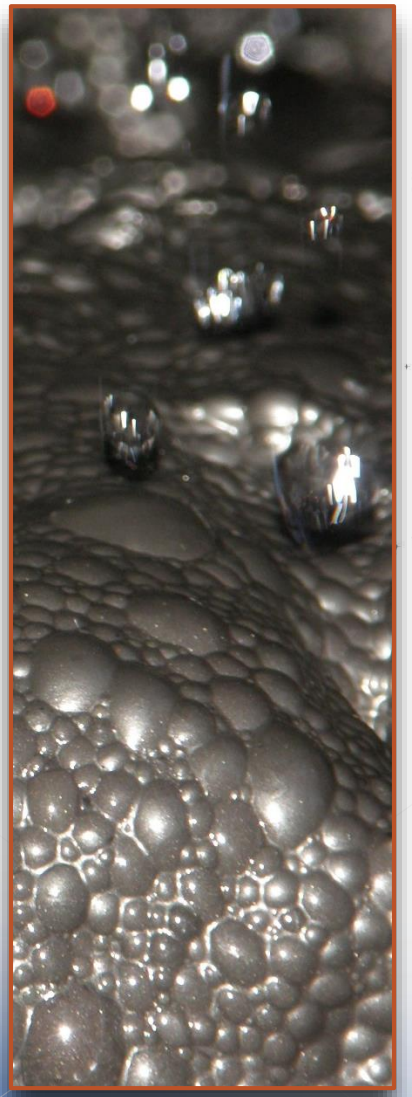
Key metrics since last AGM

Within the context of dismal market conditions:

1. Share price increased by 17% from A$2.40 to A$2.80
2. Market capitalisation increased by 113% from A$545 million to A$1.16 billion
3. Cash on hand increased by 680% from A$32 million to A$250 million
4. Ownership of Nova increased from 70% to 100%
5. Number of substantial (>5%) institutional shareholders increased from 1 to 3
6. Number of outstanding options decreased from 45.8 million to 18.4 million (via conversion to ordinary shares)

Key achievements since last AGM

1. Secured 100% ownership of Nova through buyout of Mark Creasy's 30% interest
2. Completed Definitive Feasibility Study on time and to expectations
3. Completed Mining Access Agreement with Ngadju people, traditional owners
4. Mining Lease granted by Department of Mines and Petroleum
5. Completed equity capital raising of A$189 million on very good terms to fund and pre-position the Company ahead of project financing negotiations
6. Discovered new nickel mineralised trend at Polar Bear project
7. Decided banking syndicate to finance Nova's development
8. Identified preferred tenderers for major works programs at Nova
9. Secured nearly new 500 person village
10. Project permitting process advancing
11. Made a formal decision to go ahead with the Nova mine development*



* *Subject to finalisation of financing and permitting*

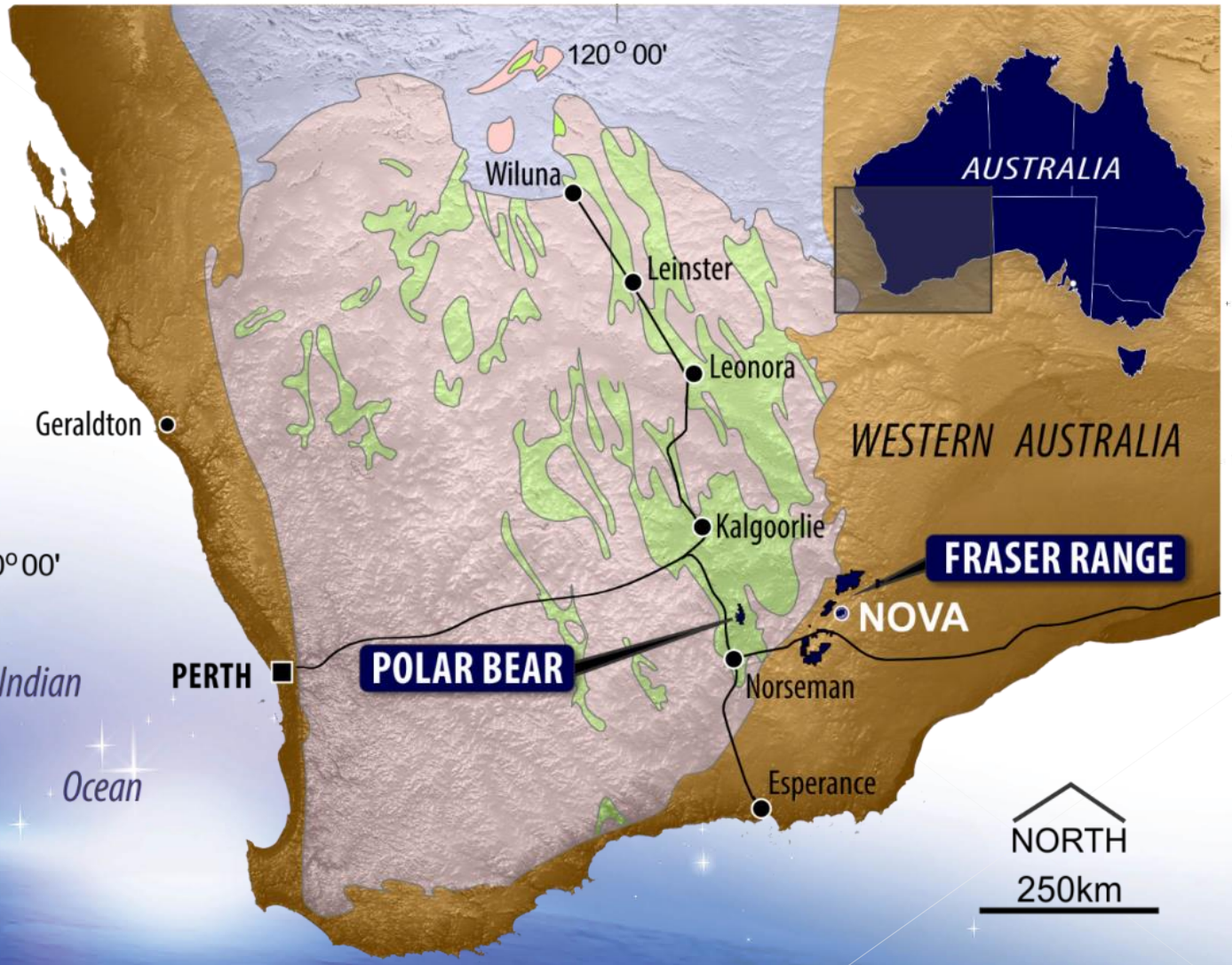
All systems go

1. Entering final stages of documentation and due diligence for project financing with four bank syndicate
2. At advanced stage of negotiation for offtake agreements for nickel and copper
3. Key permitting progressing well. Project Management Plan (PMP) approved. The Project's Mining Proposal, Works Approval and Native Vegetation Clearing Permit are advancing as planned
4. Ready to start development/construction in late January subject to receipt of permits and conclusion of financing
5. Capital costs based on selected preferred tenders are within DFS estimates
6. Exploration continuing with testing of another deep EM conductor at Nova prior to Christmas and ongoing major drilling program to test Taipan trend at Polar Bear

Bank site visit

A globally significant nickel sulphide development with access to the world

- Concentrate to be trucked by roadtrain
- 350 kilometres to either Kalgoorlie or port
- Within easy reach of local and global customers
- Workforce from Perth (FIFO) and if possible Kalgoorlie, Esperance and Norseman (bus commute)



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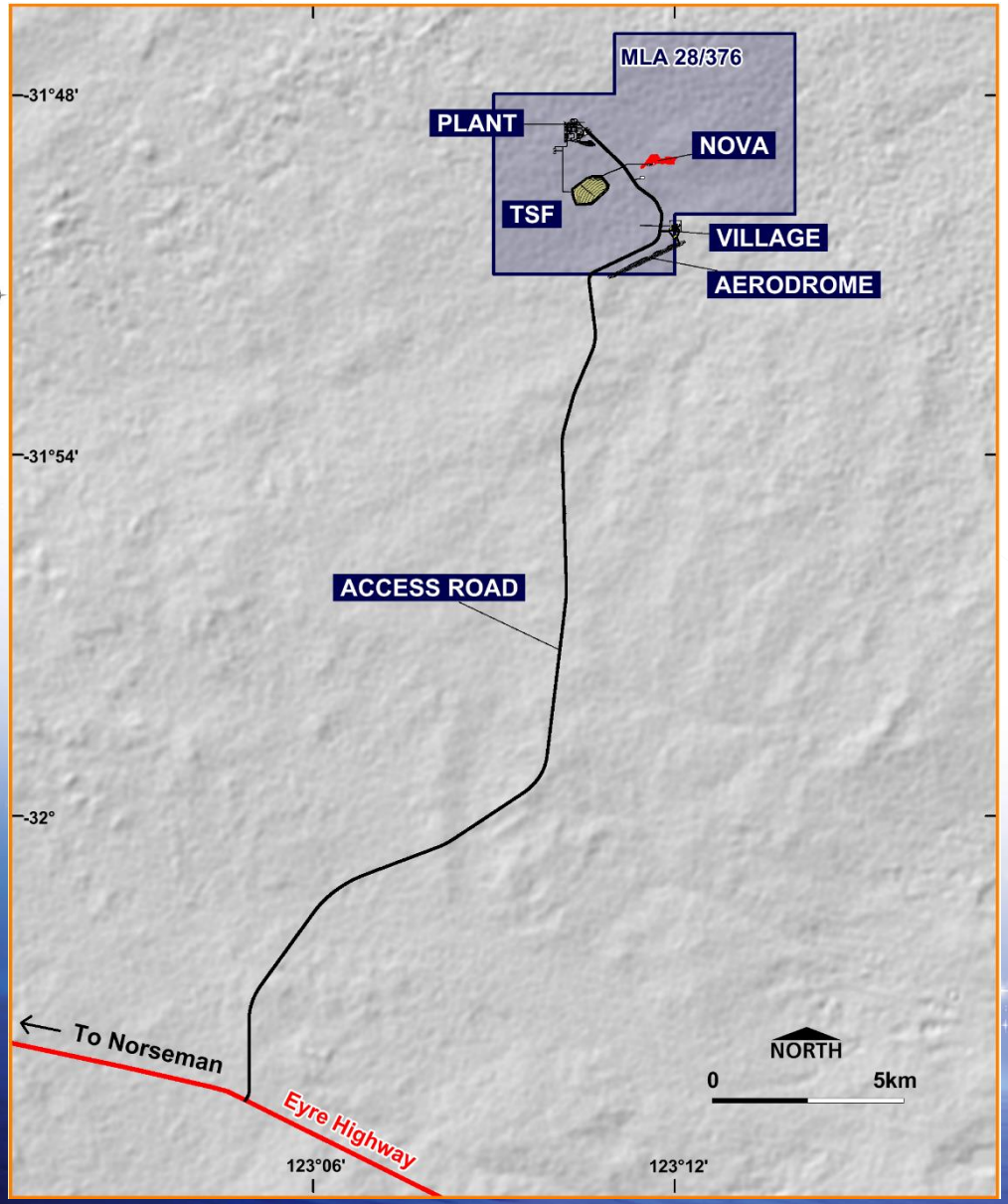
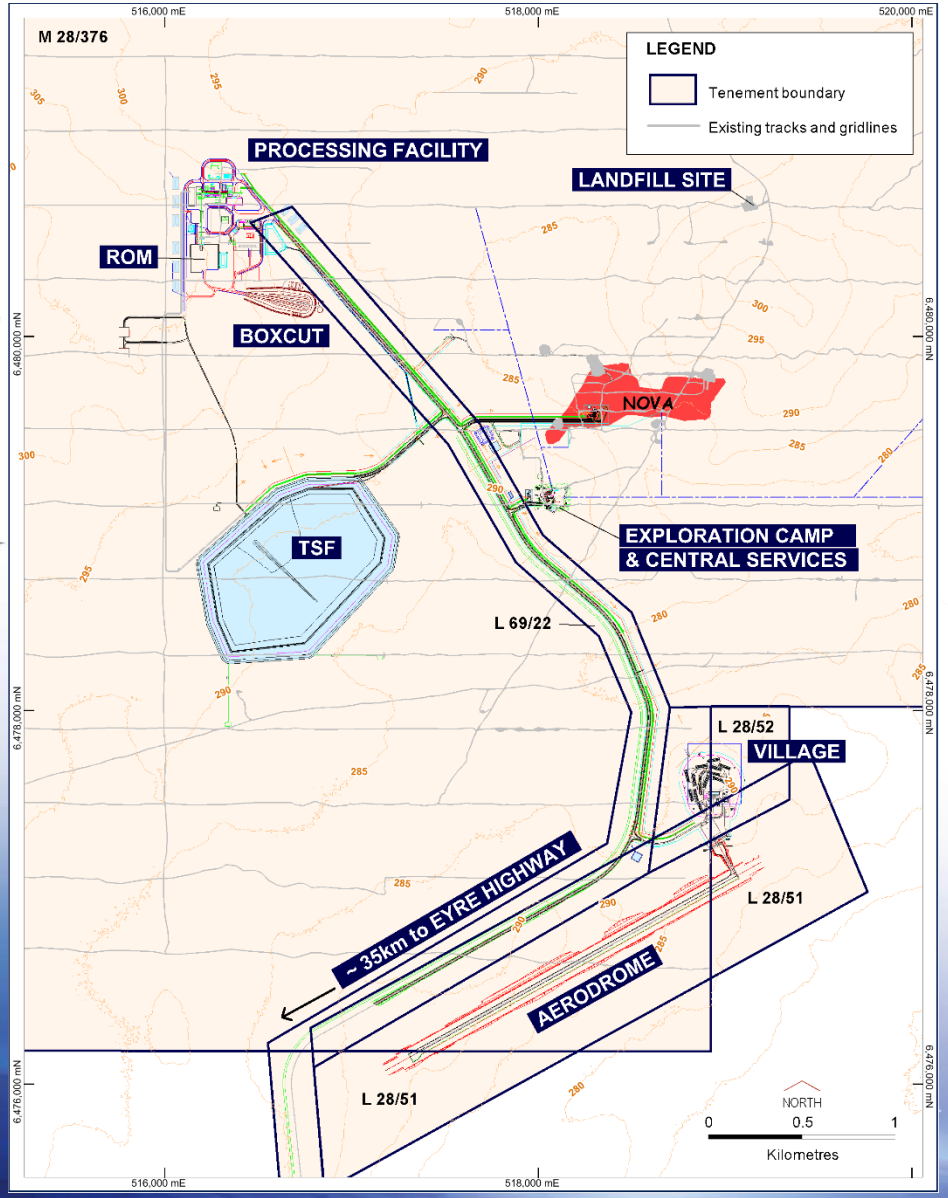
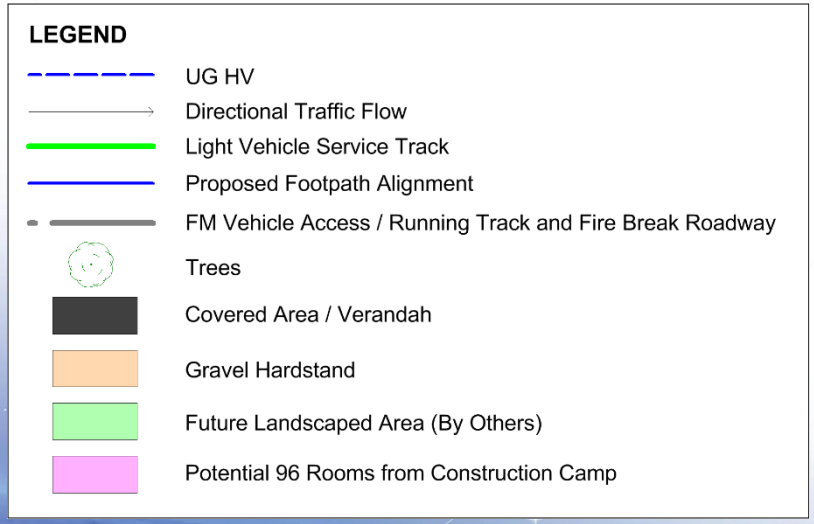
Project location and infrastructure



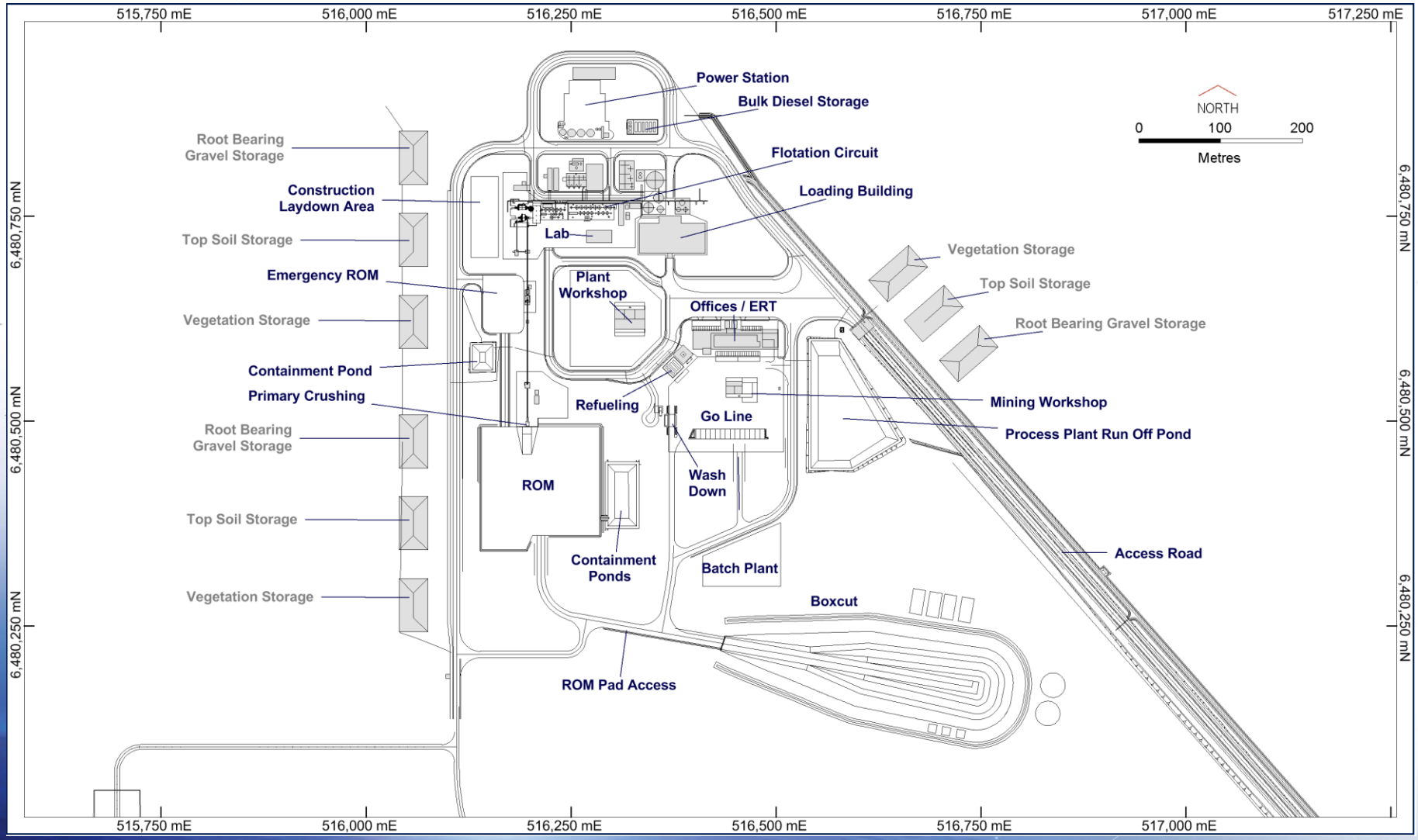
- Mine, plant, TSF, village and airstrip all on 47 square kilometre mining lease
- Water sources on mining lease
- Sealed airstrip capable of taking 100 seat jets
- 35 kilometre long sealed access road to ensure inbound delivery of essential supplies and outward shipment of product is not affected by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

Site layout

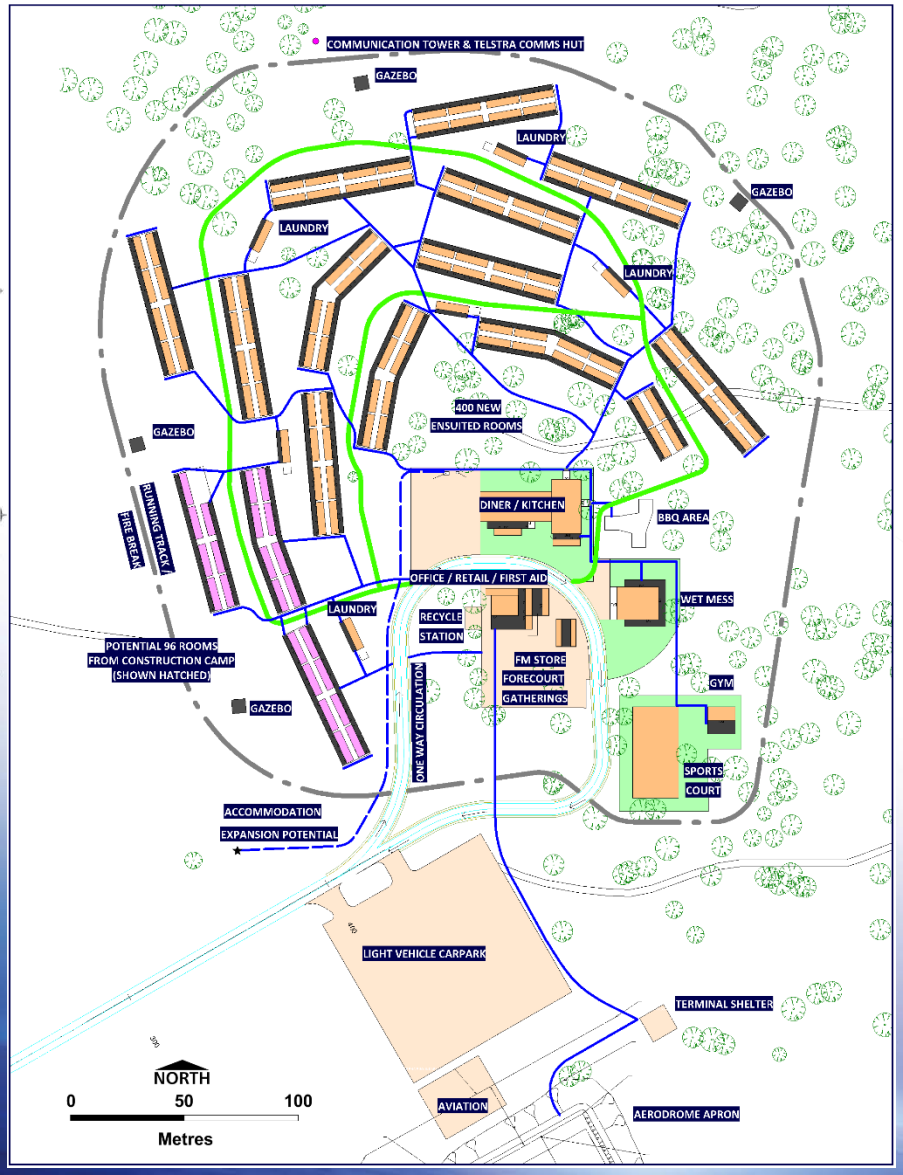

M 28/376
LEGEND
Tenement boundary
Existing tracks and gridlines
PROCESSING FACILITY
LANDFILL SITE
ROM
BOXCUT
NOVA
TSF
EXPLORATION CAMP
& CENTRAL SERVICES
L 69/22
L 28/52
VILLAGE
~ 35km to EYRE HIGHWAY
L 28/51
AERODROME
L 28/51
NORTH
0
0.5
1
Kilometres
516,000 mE
518,000 mE
520,000 mE
6,480,000 mN
6,478,000 mN
6,476,000 mN


LEGEND
UG HV
Directional Traffic Flow
Light Vehicle Service Track
Proposed Footpath Alignment
FM Vehicle Access / Running Track and Fire Break Roadway
Trees
Covered Area / Verandah
Gravel Hardstand
Future Landscaped Area (By Others)
Potential 96 Rooms from Construction Camp

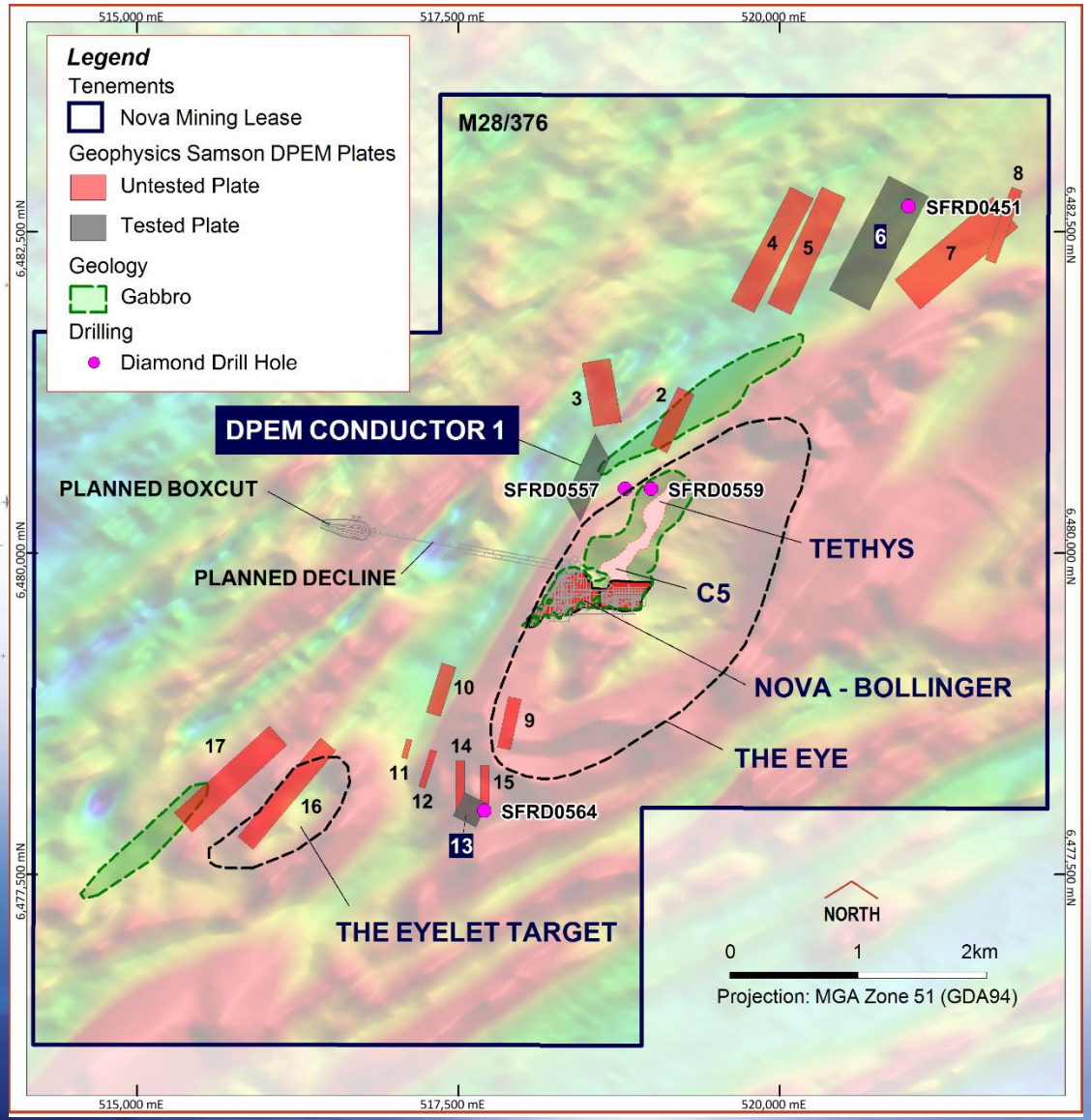
Processing plant



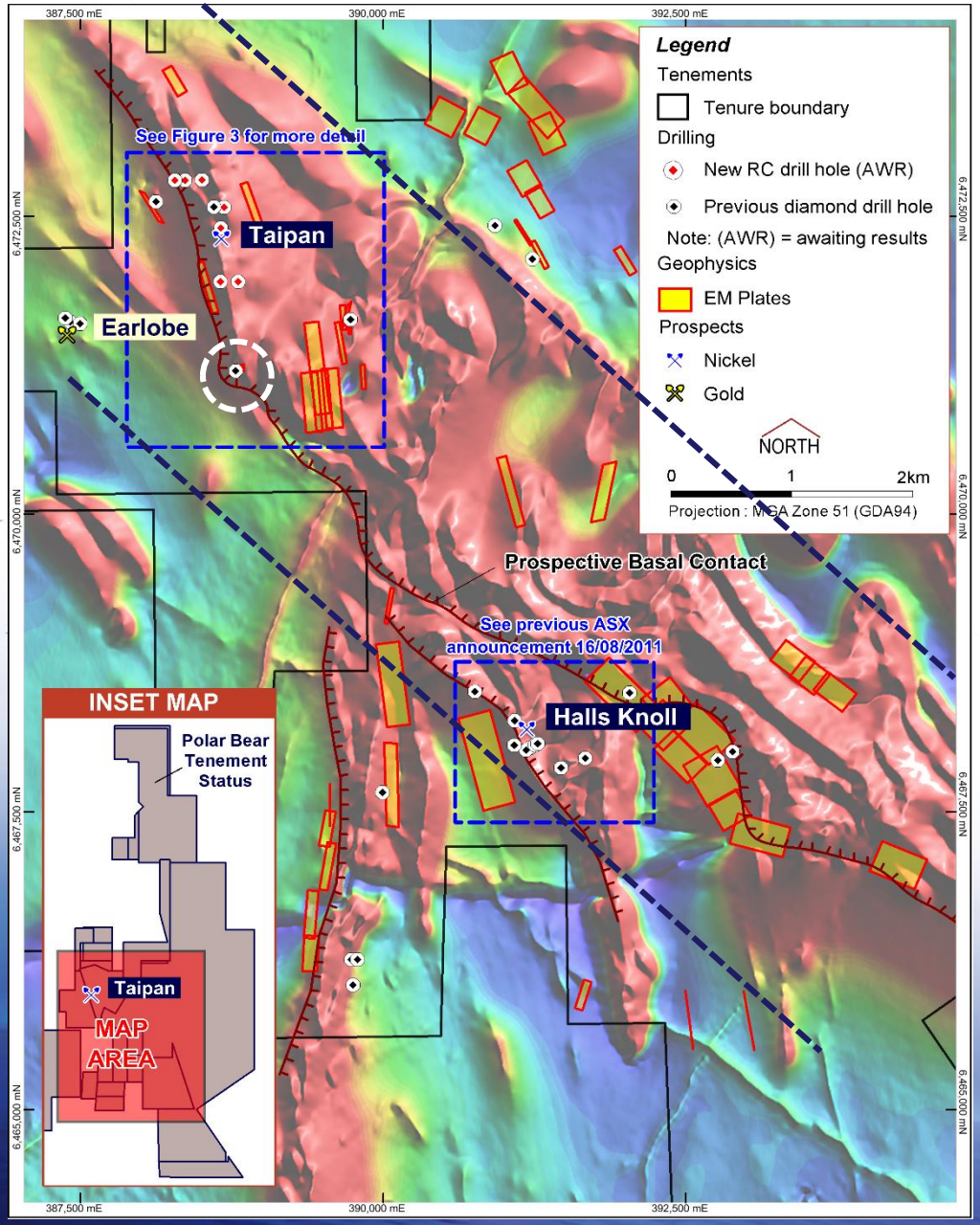
Village


COMMUNICATION TOWER & TELSTRA COMMS HUT
GAZEBO
LAUNDRY
GAZEBO
LAUNDRY
LAUNDRY
400 NEW
ENSUITED ROOMS
GAZEBO
RUNNING TRACK
FIRE BREAK
DINER / KITCHEN
BBQ AREA
OFFICE / RETAIL / FIRST AID
WET MESS
LAUNDRY
RECYCLE
STATION
POTENTIAL 96 ROOMS
FROM CONSTRUCTION CAMP
(SHOWN HATCHED)
FM STORE
FORECOURT
GATHERINGS
GYM
GAZEBO
ONE WAY CIRCULATION
SPORTS
COURT
ACCOMMODATION
EXPANSION POTENTIAL
LIGHT VEHICLE CARPARK
TERMINAL SHELTER
NORTH
0
50
100
Metres
AVIATION
AERODROME APRON

Exploration - 13 undrilled EM conductors at Nova



Exploration – Taipan nickel trend at Polar Bear



Significant strike length and width of prospective stratigraphy (dashed blue lines)

90% of the prospective stratigraphy is hidden beneath salt lake & unexplored

Nearly every hole in this stratigraphy has intersected nickel sulphide mineralisation

Significant amounts of nickel sulphide have been intersected in early drilling at Taipan (see previous slides)

Taipan East and West zones form a very small part of the prospective stratigraphy (dashed circle)

A 1,000 hole reconnaissance drilling program will commence soon

Timing appears good on all fronts

- Analysts forecast a longer, slower increase in nickel price, peaking through 2017-2019
- Perfect timing for Nova, with first concentrate due late 2016
- Shrinking supply of high quality concentrates makes Nova concentrates more desirable
- Post-boom reality adjustment means:
  - greater availability and better quality of labour
  - more competitive contracts
  - quicker lead times
- Macro-economic environment means:
  - lower interest rates
  - more favourable exchange rate