



SIRIUS RESOURCES

The next globally significant nickel company

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The information in this report 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 report 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 report 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 report 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 15th July 2013.

The Scoping Study referred to in this presentation is based on low-level technical and economic assessments, and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Scoping Study will be realised. 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 or that the production target itself will be realised. Sirius Resources advises the Scoping Study results and production targets reflected in this presentation are preliminary in nature as conclusions are partly drawn from Inferred Resources, which comprise less than 9% of the total resource tonnes and less than 5% of the nickel metal in the mining inventory. The Scoping Study outputs contained in this presentation relate to 100% of the project. 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.

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Corporate Overview



ASX Code	SIR
Shares on issue	227.0 m
Share options (<i>Ave Ex Price ~A\$1.19</i>)	45.8 m
Performance Shares (<i>unlikely to vest</i>)	2.2 m
Cash as at 30 September 2013	A\$32.2 m
Market Cap (<i>at \$2.40, undiluted</i>)	A\$545 m
Market Cap (<i>fully diluted</i>)	A\$655 m
Debt	Nil



Top twenty holders	58%
Substantial shareholders	Mark Creasy 20.0%
	Commonwealth Bank 5.5%

The big picture - timing is everything

- Now is a **BAD** time to be a nickel producer
 - Low nickel price (US\$6.50/lb)
 - Unfavourable exchange rate (close to US\$/A\$ parity)
 - Mine plans based on past, more favourable assumptions
 - Large nickel metal stockpiles
 - No short term recovery anticipated
 - 40% of global nickel production is loss making, but persisting in the hope of short term recovery or to feed downstream processing infrastructure – this is UNSUSTAINABLE
 - Recent events attest to this – Mirabela’s Santa Rita nickel mine, Xstrata’s closure of Cosmos, Glencore’s closure of Falcondo mine, Votorantim’s closure of Fortaleza smelter
- **SO WHY EVEN BOTHER TO MINE NICKEL ?**
- Remember, this is the present, which is a consequence of the past. What about the future?



The big picture - timing is everything

- 2017 could be a **GREAT** time to be a nickel producer
 - Reduced nickel supply due to closure of unprofitable mines and failed laterite projects
 - Continued growth in demand and decreasing stockpiles
 - Translating to higher prices (estimates US\$8-12/lb)
- 2017 could be an even **BETTER** time to be a nickel sulphide concentrate producer
 - A world with even less nickel sulphide production
 - More hungry smelters in need of nickel sulphide concentrate
 - Reluctance to close these smelters due to closure costs
 - No more laterite “folly” projects being developed
 - Dwindling of supply and increasing cost of high grade DSO nickel laterite to feed the Chinese pig nickel iron producers
- **NOVA IS A STRATEGIC PRODUCT AND A STRATEGIC ASSET AND IS POISED TO COMMENCE FULL PRODUCTION IN 2017**



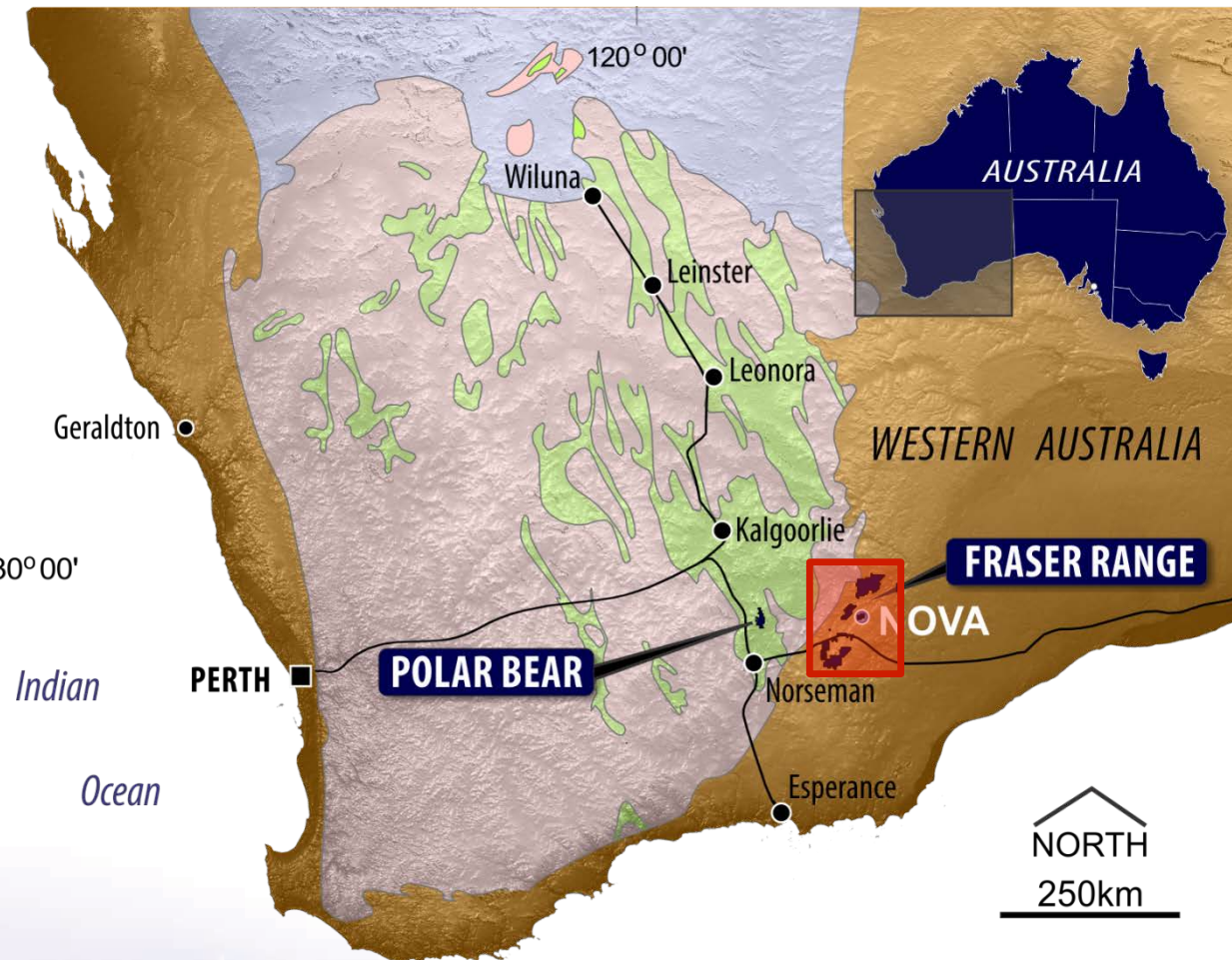
Nova-Bollinger – A globally significant project

- Nova-Bollinger Mineral Resource - 14.6mt @ 2.2% Ni, 0.9% Cu and 0.08% Co, containing 325,000t Ni, 134,000t Cu, 11,000t Co
- Scoping study indicates Nova-Bollinger is a financially robust and technically low risk project
 - Initial 10 year mine life
 - Globally significant producer (28,000tpa Ni, 11,000tpa Cu, 940tpa Co) – between 10th and 14th largest in world
 - Cash costs in the lowest quartile of global nickel producers
 - Initial life of mine net cash flow of A\$2.8bn forecast
- DFS underway - on track for completion by mid-2014
- Cash of A\$32.2 million as of 30th September 2013
- Significant interest from finance providers and offtake customers – various discussions advancing

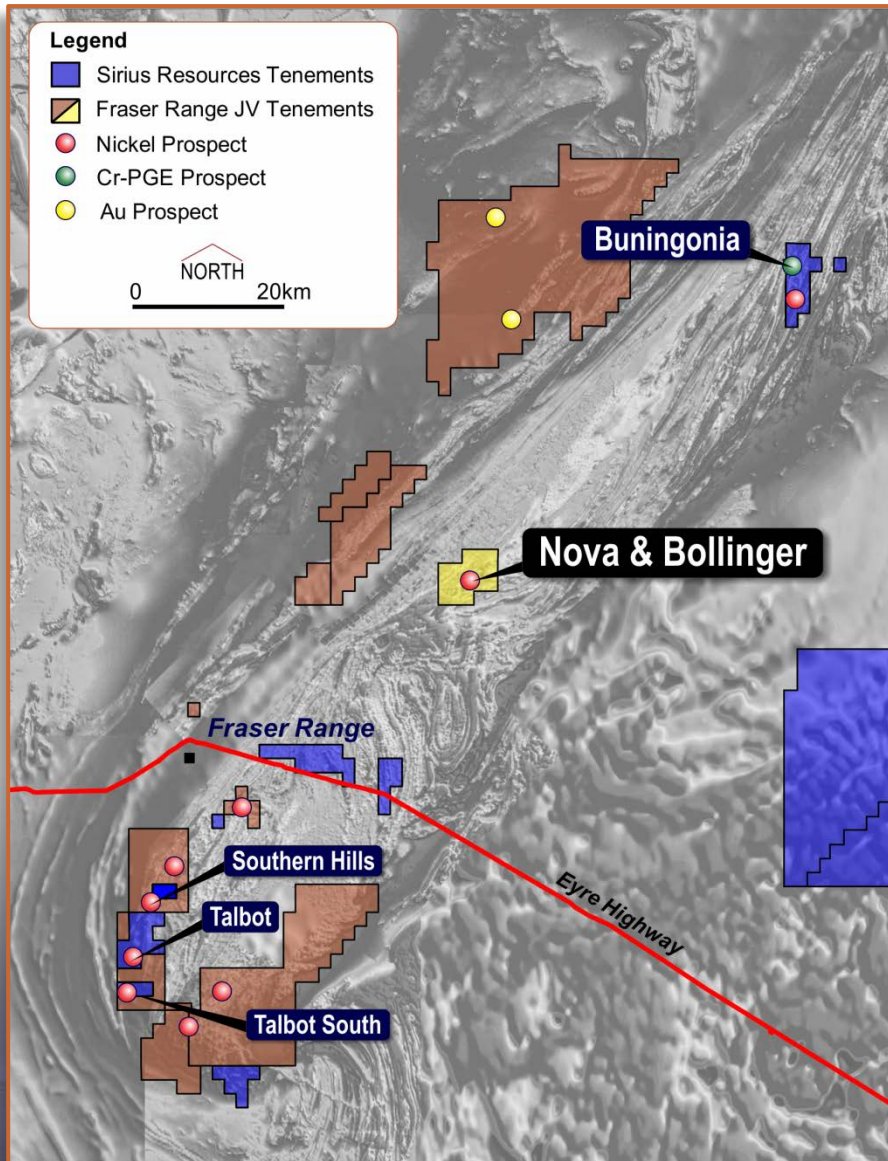


Location and advantages

- In Western Australia – a mining friendly, low political risk jurisdiction
- Relatively close to sealed highway and accessible to Kalgoorlie (north) and Esperance port (south)
- Relatively short commuter flight from Perth & drive in/out from Norseman & Esperance



Fraser Range project

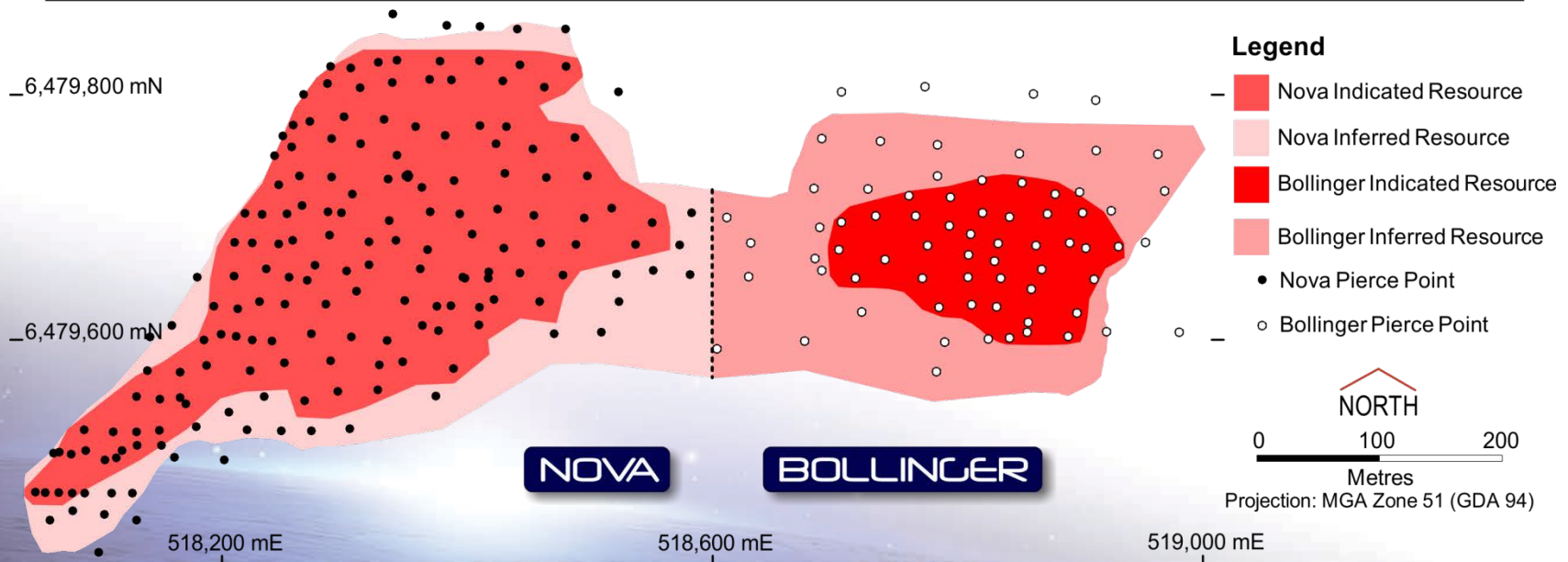


- Strategic land position (first mover in potential new district)
- Competitive advantage (knowledge from discovery)
- 48km² Mining Lease application lodged
- Numerous nickel-copper anomalies and targets to be tested
- Numerous gold anomalies to be tested in “Tropicana” belt
- FRJV (70%) plus 100% Sirius ground

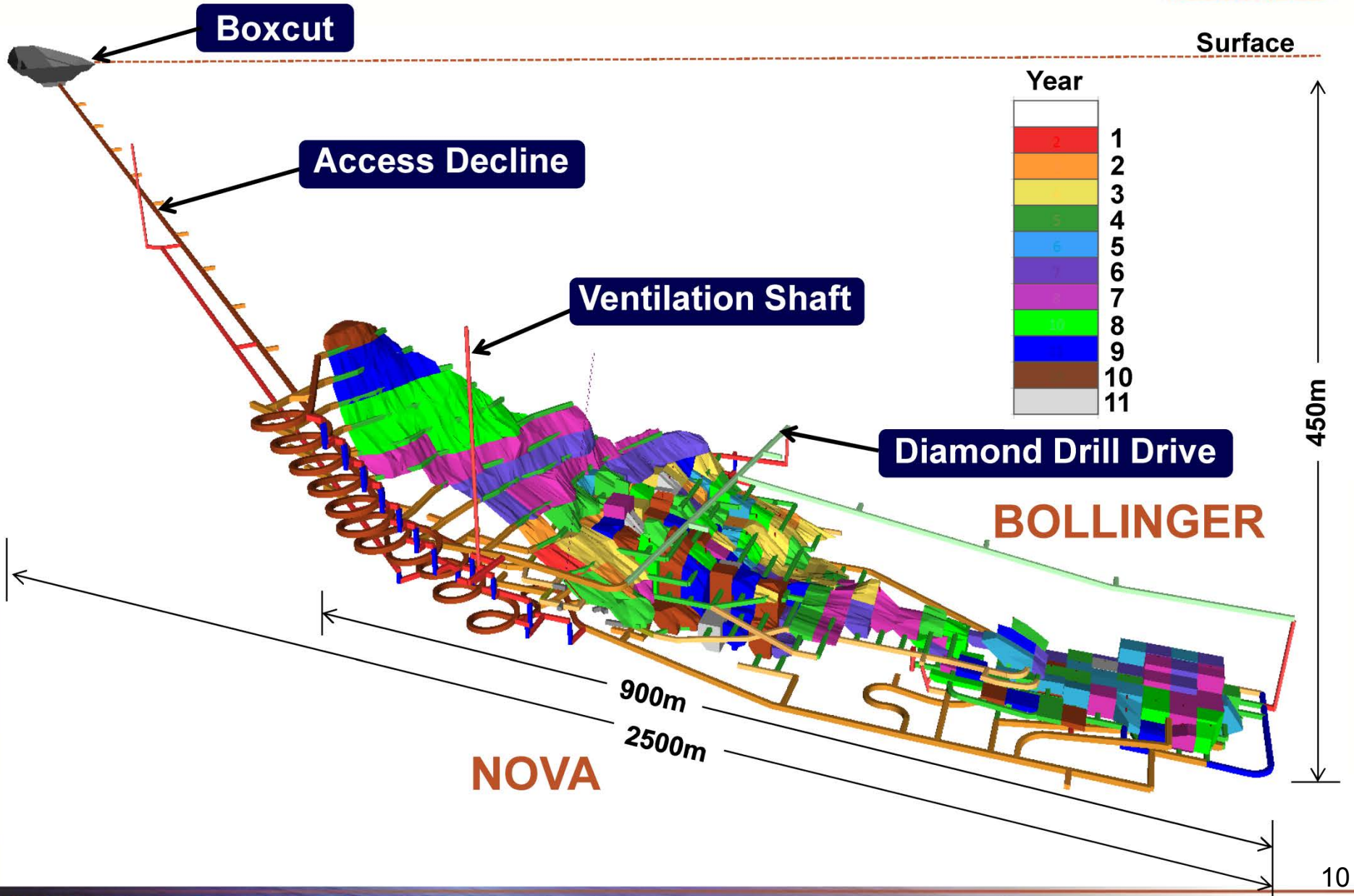
Nova – Bollinger Mineral Resource estimate

Mineral Resource estimate reported at a 0.6% nickel equivalent (NiEq) cut-off grade

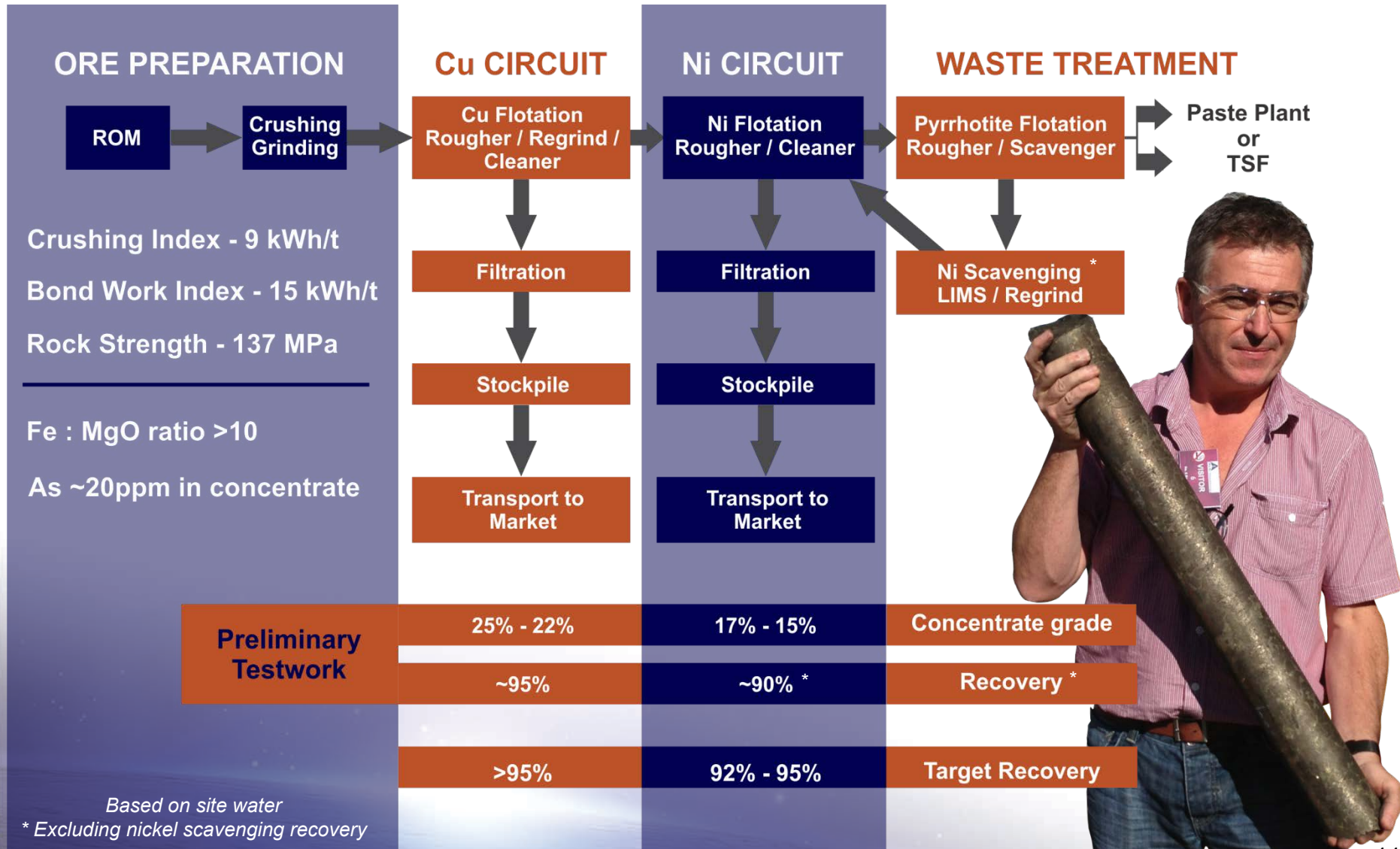
Nova-Bollinger July 2013 Mineral Resource								
Tonnes (Mt)	Grade				Contained Metal			
	NiEQ%	Ni %	Cu %	Co %	Nickel (kt)	Copper (kt)	Cobalt (kt)	
Nova								
Indicated	9.3	2.8	2.5	1.0	0.08	231	95	7.3
Inferred	1.0	1.6	1.4	0.6	0.05	14	6	0.5
Total	10.2	2.7	2.4	1.0	0.08	245	101	7.8
Bollinger								
Indicated	2.4	2.9	2.6	1.0	0.10	63	25	2.5
Inferred	2.0	1.0	0.9	0.4	0.04	18	8	0.8
Total	4.4	2.1	1.8	0.7	0.07	81	33	3.3
Total								
Indicated	11.7	2.8	2.5	1.0	0.08	294	120	9.8
Inferred	2.9	1.2	1.1	0.5	0.04	31	14	1.2
Total	14.6	2.5	2.2	0.9	0.08	325	134	11



Conceptual mine design



Preliminary metallurgical testwork and process flowsheet



Scoping Study: physicals

- Nova-Bollinger Mineral Resource - 14.6mt @ 2.2% Ni, 0.9% Cu and 0.08% Co, containing 325,000t Ni, 134,000t Cu, 11,000t Co
- 1.5mtpa throughput plant
- Simple crush-grind-float circuit
- Annual production of 28,000t Ni, 11,000t Cu and 940t Co in concentrate
- Initial mine life of ~10 years
- Poised to become a significant world scale nickel producer (between 10th and 14th largest producer in the world)
- Producing two separate high quality nickel and copper concentrates:
 - Nickel-cobalt concentrate with high iron, low magnesium (Fe/Mg ratios of 10-25), very low arsenic, low deleterious impurities
 - Copper-silver concentrate with low deleterious impurities

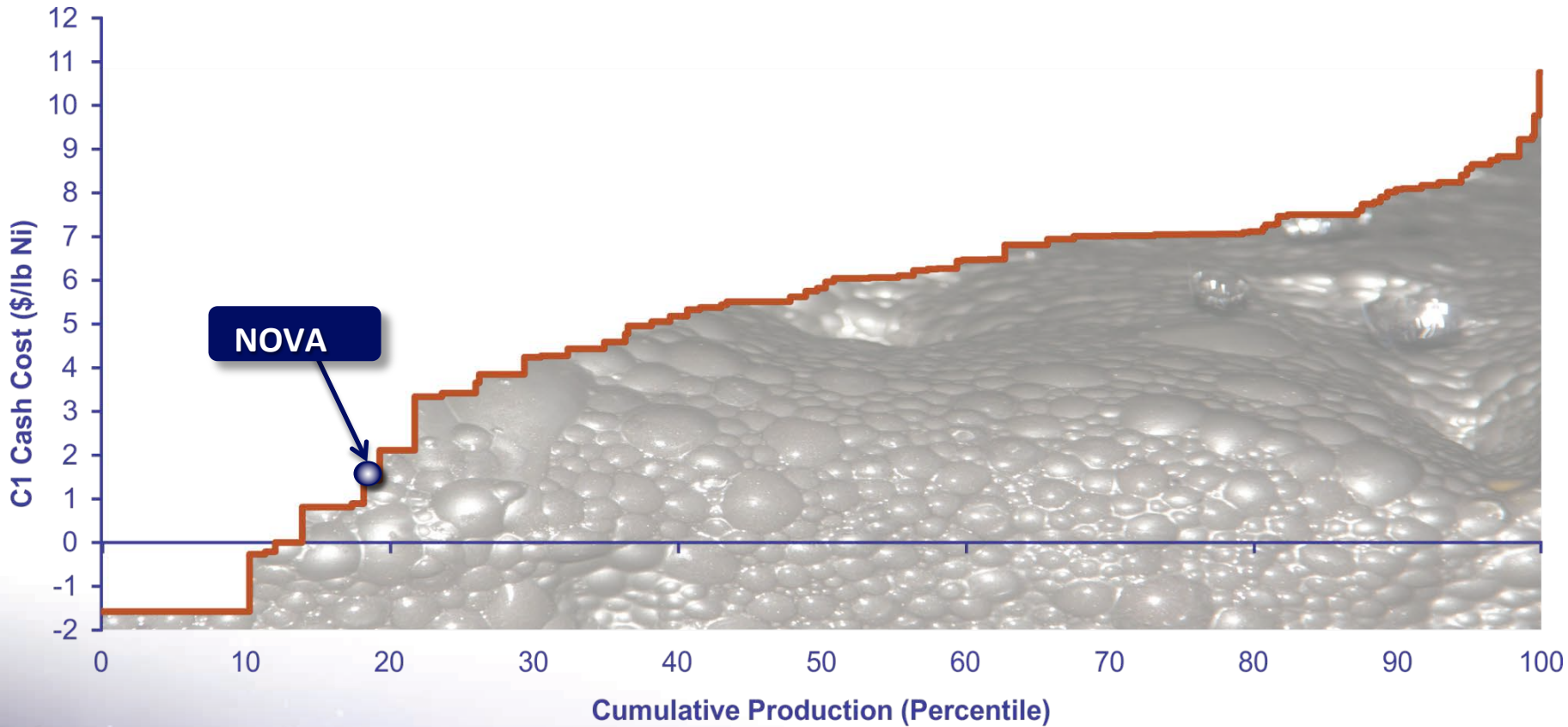


Scoping Study: operating and capital costs

- Anticipated C1 cash cost of US\$1.57/lb Ni in concentrate net of by-product credits
- Using a flat US\$/A\$ exchange rate of 0.90 equates to A\$1.75/lb
- Positions Sirius in the lowest quartile of nickel producers globally – well protected against price downside risk
- Capex in line with expectations: A\$471 million to first production, includes:
 - Contingency of A\$51 million for delays, inflation
 - Underground capital development, processing plant, port facilities, power station, paste plant, borefields, village, sealed roads and sealed jet-capable airstrip
 - Assumes all new equipment, no leasing etc.

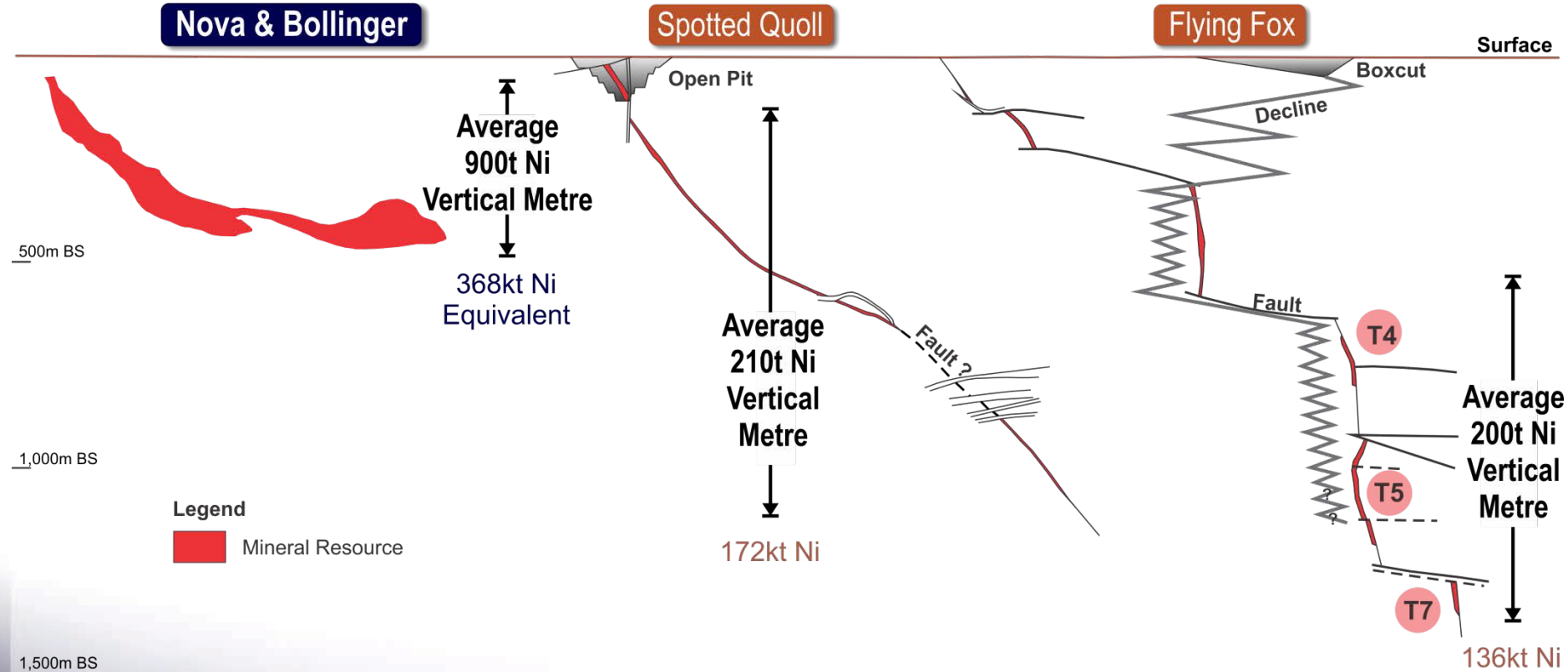


Nova cost curve



Source: Wood Mackenzie Ltd. Dataset: 2013 Q3

Tonnes per vertical metre – a measure of underground capital development cost and production capacity



Schematic representation of tonnes of nickel or nickel equivalent per vertical metre (“TVM”) – the greater the TVM the less the capital cost per unit of metal and the greater the potential production capacity (based on public domain data)

4.5 times more TVM = 4.5 times more capital efficient = lower overall real unit cost of production

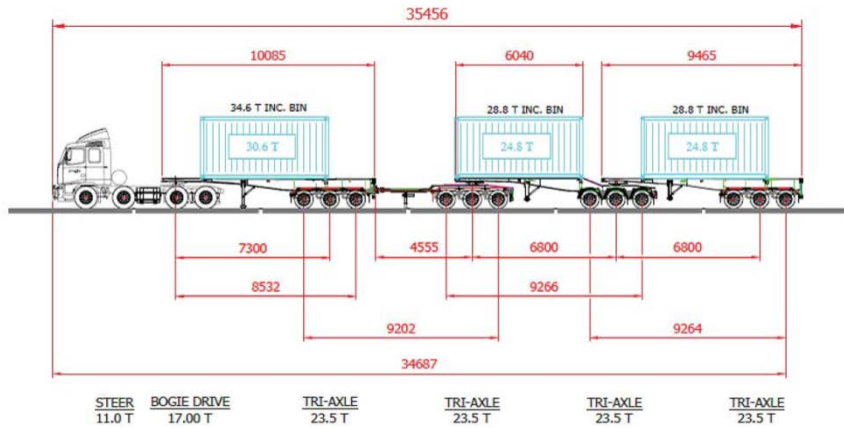
Scoping Study: financials

- Ramp up to full production coincides with forecast step change in nickel price - consensus nickel pricing during this 10 year life is US\$10/lb
- Using a flat 0.90 US\$/A\$ exchange rate this generates a revenue of A\$4.6 billion and net cash flow of A\$2.8 billion*
- Highly leveraged to nickel price (A\$440 million cash flow per US\$1/lb change)
- Also leveraged to exchange rate (A\$120 million cash flow per US\$1/A\$ 0.10 change)
- Robust in a low nickel price and/or unfavourable exchange rate environment courtesy of low operating cost
- Debt finance friendly, with minimal (if any) nickel hedging and potential rapid payback

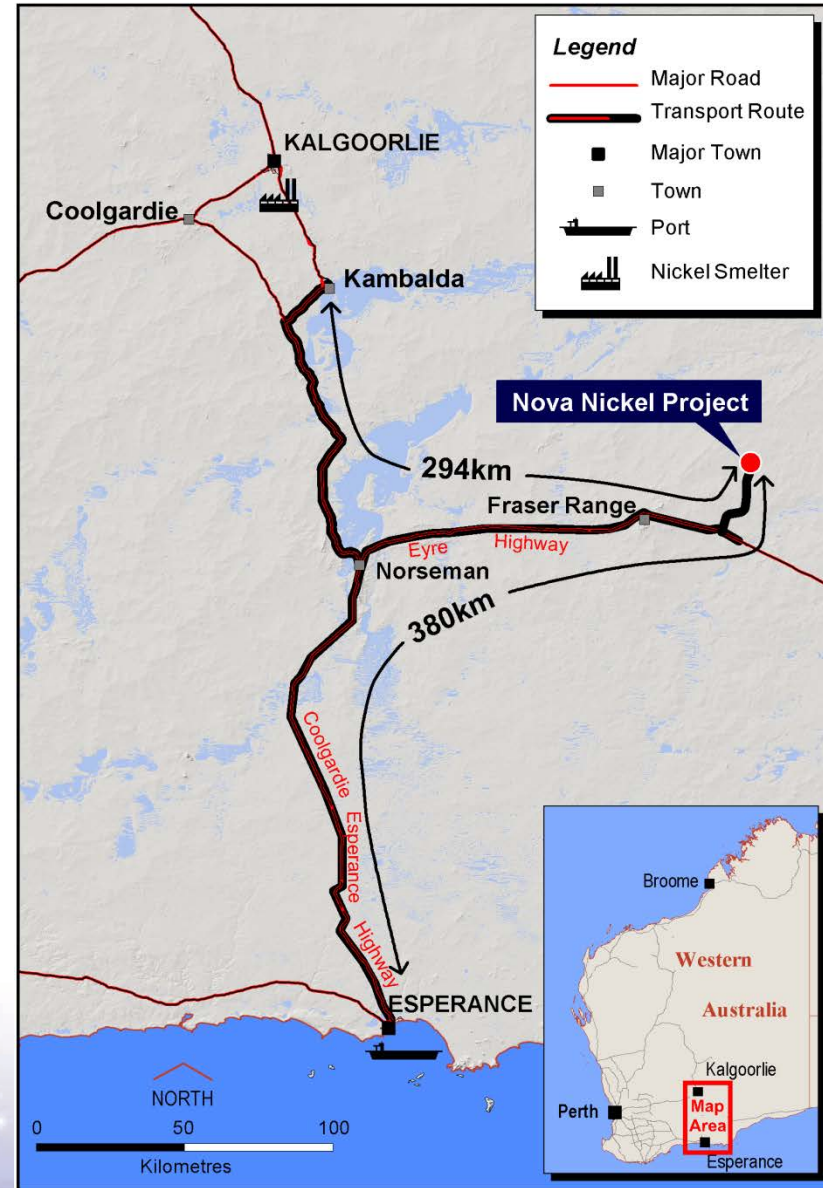
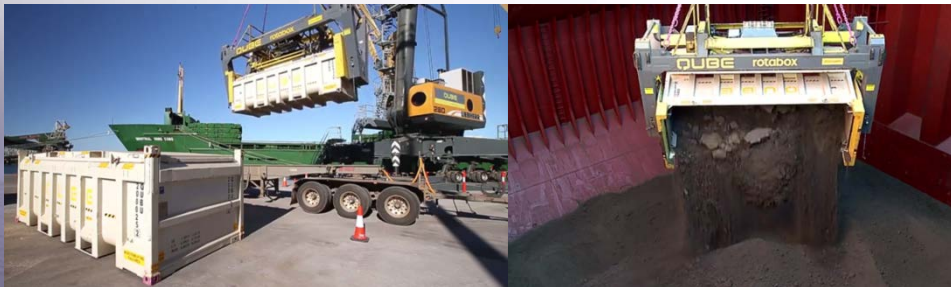
* On a 100% basis – using assumptions as stated in ASX release of 18th September 2013



Transport options



- Road train to port, in sealed containers
- 380 km mine to Esperance port, all on sealed roads
- 8 Road trains per day
- 2 Ships per month

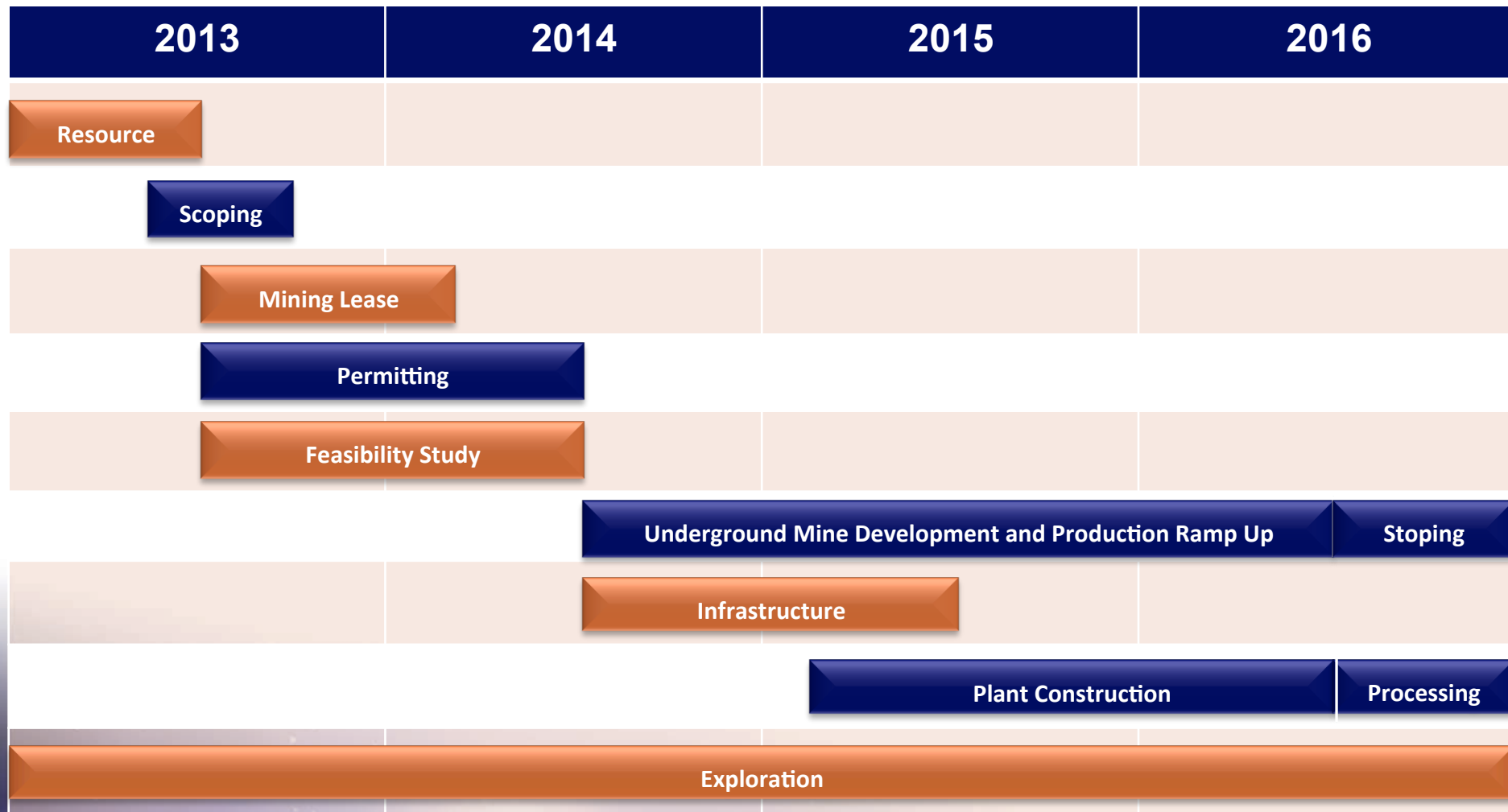


The team to deliver



Jeff Dowling	Non-executive Chairman	Accountant, former managing partner, Ernst & Young Western Region. Non-executive director of Atlas Iron, deputy chairperson of the Metropolitan Redevelopment Authority
Mark Bennett	Managing Director & Chief Executive Officer	Geologist, ex-WMC, former exploration manager of LionOre, discoverer of the Thunderbox gold mine & Waterloo nickel mine, two-times AMEC Prospector of the Year (2002, 2013)
Jeff Foster	Exploration Director	Geologist, former WMC diamond specialist, BHP nickel specialist, co-founder of the Geodiscovery Group & consultant to Anglo American plc
Anna Neuling	Director – Corporate and Commercial, & Company Sec.	Accountant, former Deloitte’s auditor, chief financial officer and company secretary of several ASX listed companies
Neil Warburton	Non-executive Director	Mining engineer , former CEO of Barmenco (Australia’s largest underground mining contractor), current Non-exec director of Red Mountain Mining and Australian Mines (rep of Mark Creasy)
David Craig	Non-executive Director	Lawyer, ex-Parker & Parker (later Freehills), former executive at Woodside Petroleum, former stockbroker and director of a national stockbroking firm, current chairman of Forge Group Ltd
Terry Grammer	Non-executive Director	Geologist, co-discoverer of Jubilee’s Cosmos nickel mine, co-founder of Western Areas, chairman of South Boulder Mines, 2000 Prospector of the Year
Grant Dyker	Chief Financial Officer	Accountant, former CFO of Avoca Resources, Doray Minerals, extensive experience in project financing for companies transitioning from discovery through development to production
David English	Project Manager – Processing & Infrastructure	Mechanical engineer , former construction manager of DeGrussa copper project for Sandfire, numerous roles at TiWest JV, Mt Keith (BHP), Kwinana refinery, Windimurra vanadium project
Andy Thompson	General Manager Resources & Geology	Geologist, former superintendent of LionOre’s Thunderbox gold mine and Silver Swan nickel mine, geology manager of Wiluna gold mine
John Bartlett	Exploration Manager	Geologist, former senior exploration geologist at LionOre’s Lake Johnston nickel mines and exploration geologist at INCO’s Indonesian nickel operations
Su-Mei Chan	Financial Controller	Accountant, has held financial controller and business system development roles in several ASX listed companies
Bill Cunningham	Advisor – product marketing and offtake	50 years offtake and marketing experience with CRA’s lead-zinc division, WMC’s nickel division, Jubilee Mines, Western Areas, LionOre, and most recently Sandfire (DeGrussa)

Conceptual development timetable



Commencement of underground mine development and infrastructure and plant construction subject to project financing in mid-2014

Definitive Feasibility Study

- Underway – on schedule for completion by mid 2014
- In-house team plus respected external consultants
- Examining options such as underground conveyor haulage
- Sequencing mining schedule to optimise cash flows etc
- Investigating sources of lower cost (new/used) equipment
- Continuing with key activities (ongoing metallurgical testwork, paste fill testwork, exploration, testing and development of water borefields)
- Engaging with various potential customers
- Reviewing numerous project financing options



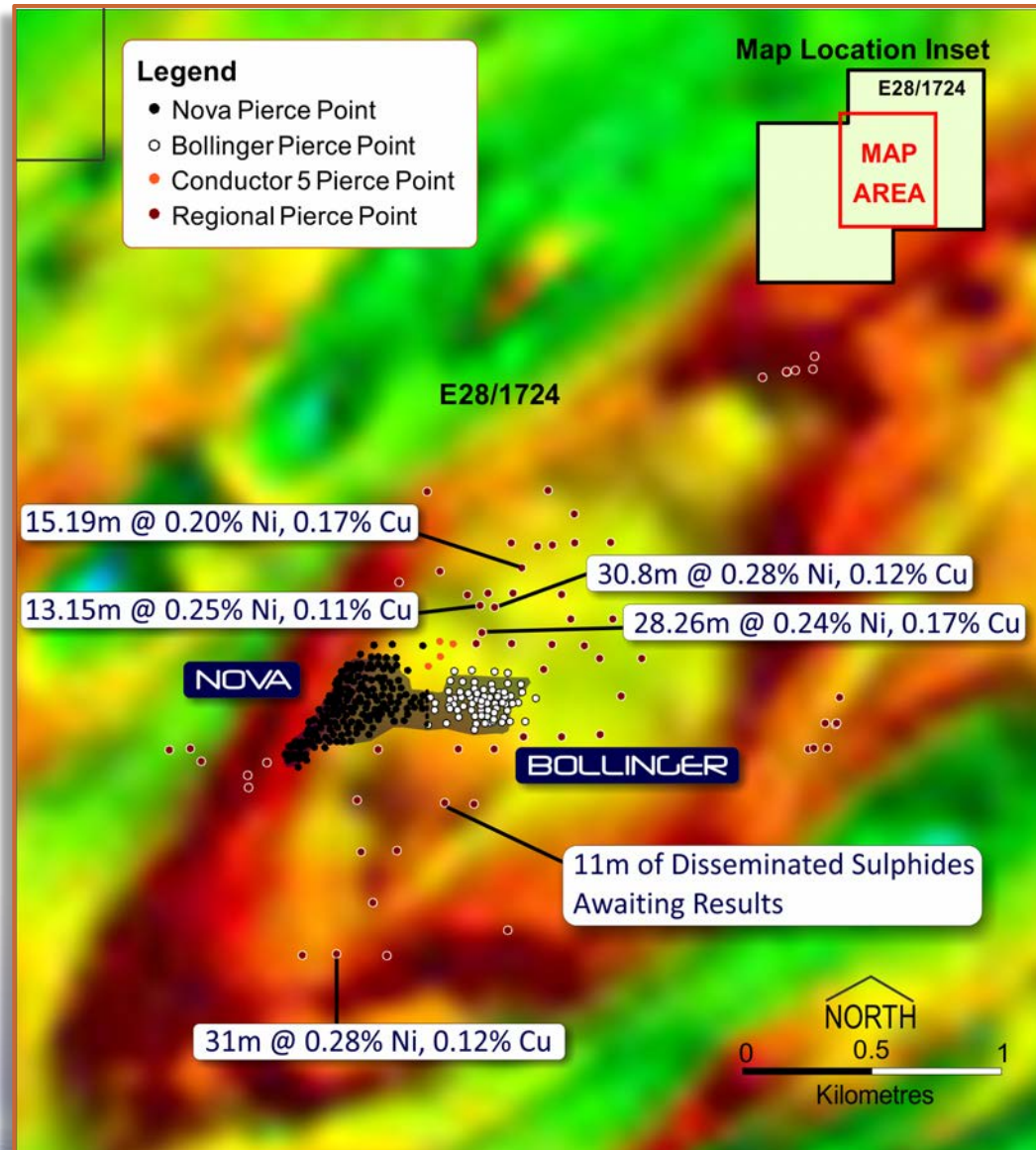


**Exploration and growth pipeline:
Drilling finding new zones of mineralisation**

Nickel intersections in the “The Eye”

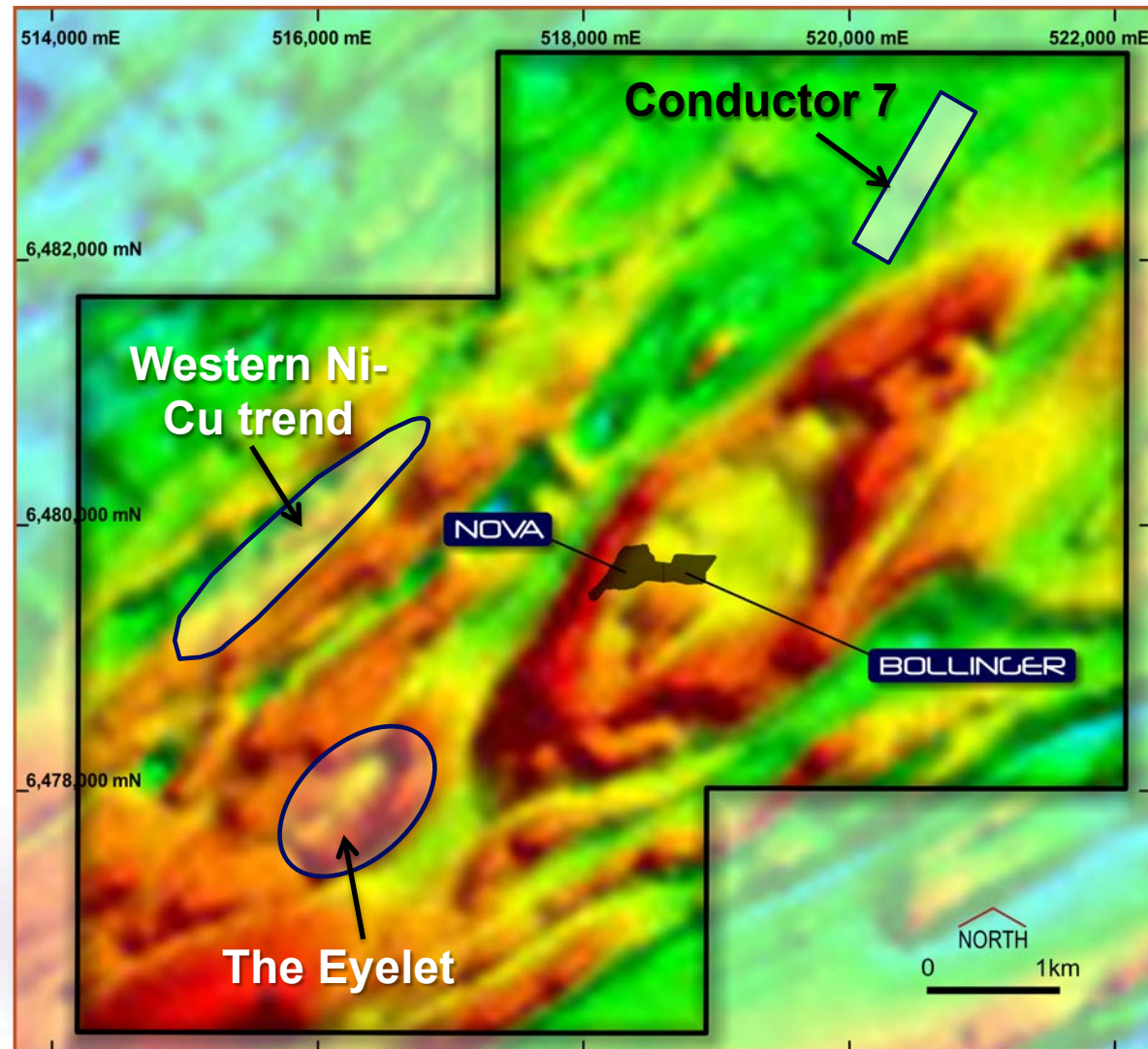
- 364 drillholes including 297 diamond core
- Extensive disseminated sulphide mineralisation*
- Only four deep holes greater than 600m
- Previous surface geophysics – limited to <250m depth penetration
- Deep penetrating EM to “light up” deeper targets

* Mineralised intercepts lower than reported 0.4% nickel cut off grade used in Nova-Bollinger Mineral Resource estimate



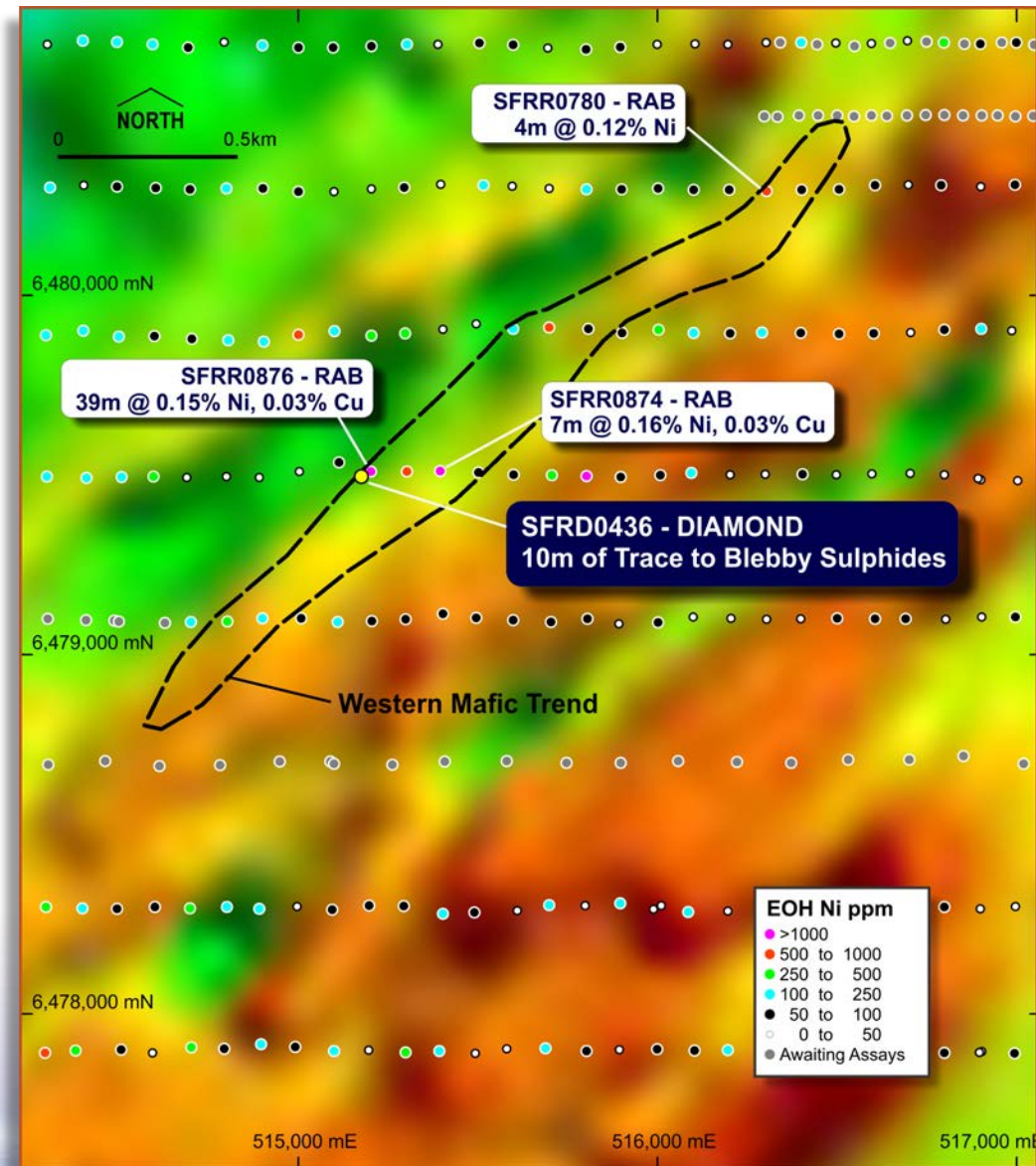
Near Nova nickel sulphide targets

- All within Mining Lease application area and adjacent to proposed plant site
- The “Eyelet” – Nova rocks, yet to be drilled
- Western trend – elevated Ni-Cu in RAB drilling, now **nickel sulphides intersected in first diamond drill hole** drilled outside the Eye – a paradigm changer?
- EM Conductor 7 – yet to be drilled



Western trend nickel sulphides

- Anomalous Ni- Cu in sterilisation RAB drilling
- 2.5km long trend of elevated Ni-Cu parallel to the “Eye”
- First diamond hole drilled outside the Eye (SFRD0436) intersects disseminated and blebby sulphides over 10 metres with visible pentlandite and chalcopyrite (assays awaited)
- A paradigm changer?
- Focus of follow up drilling



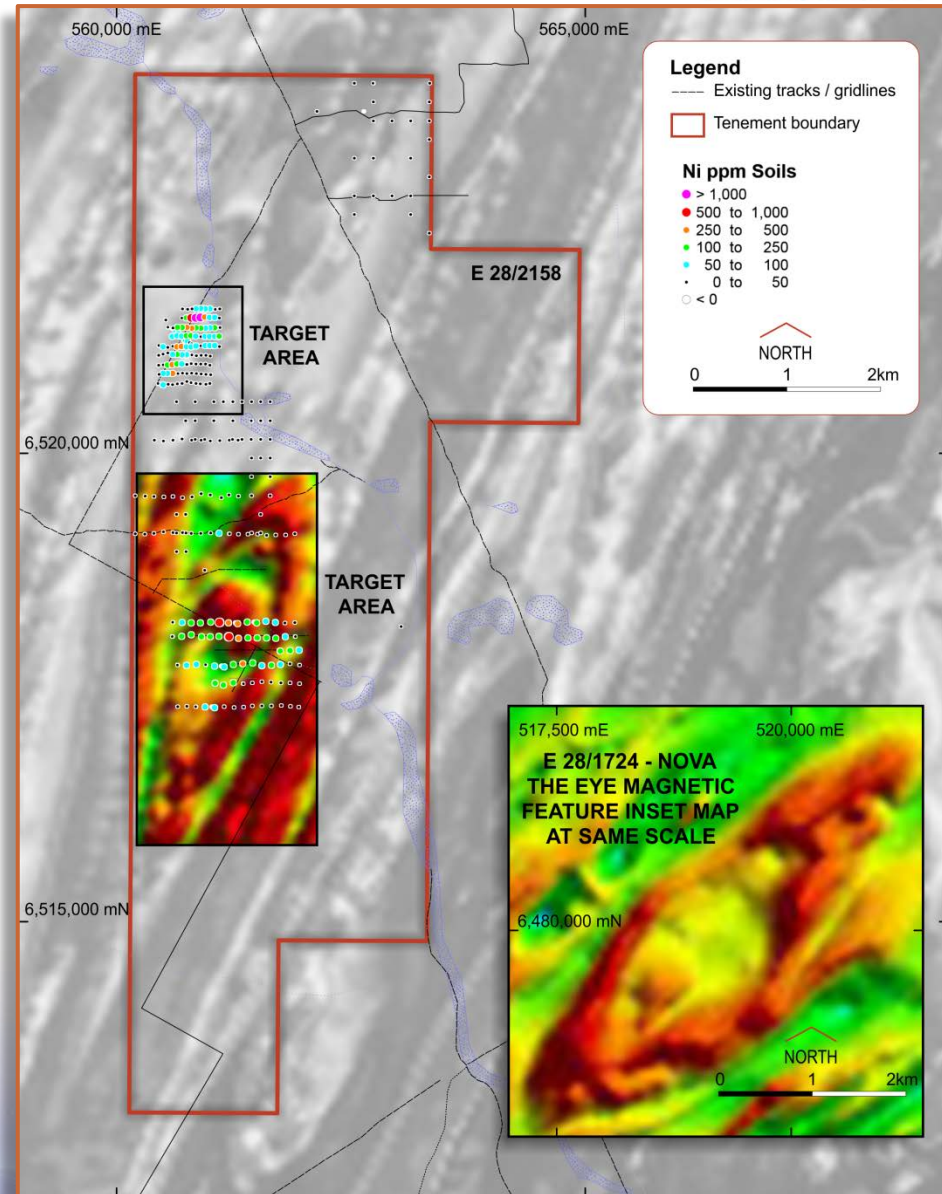
Western trend nickel sulphides

- New target – Western trend
- First diamond drill hole
- Nickel and copper sulphides in Nova-style hostrock



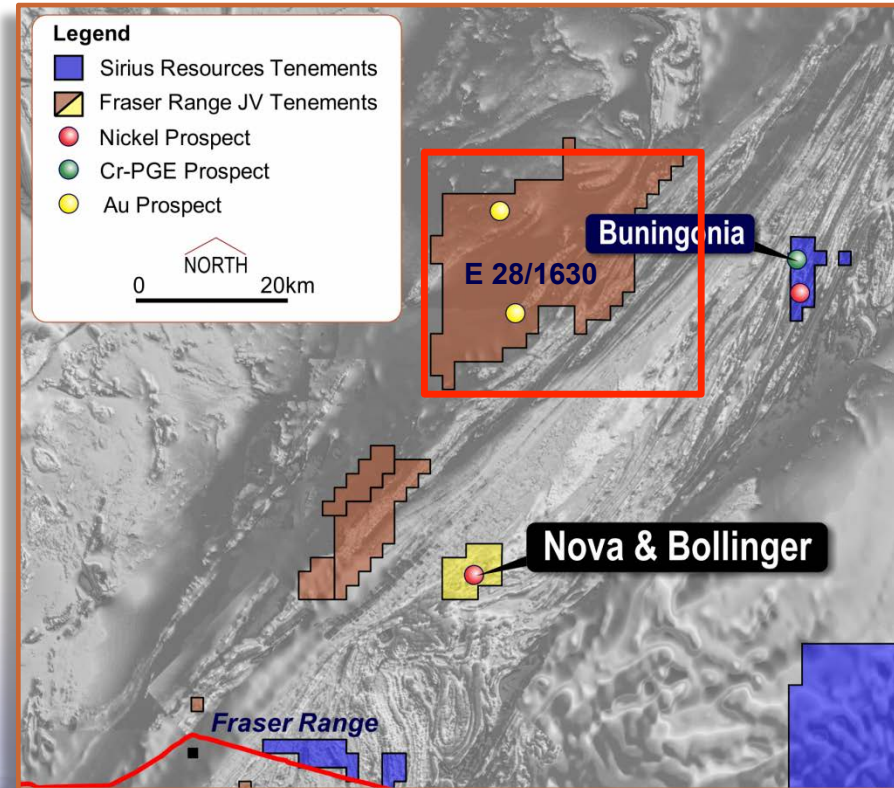
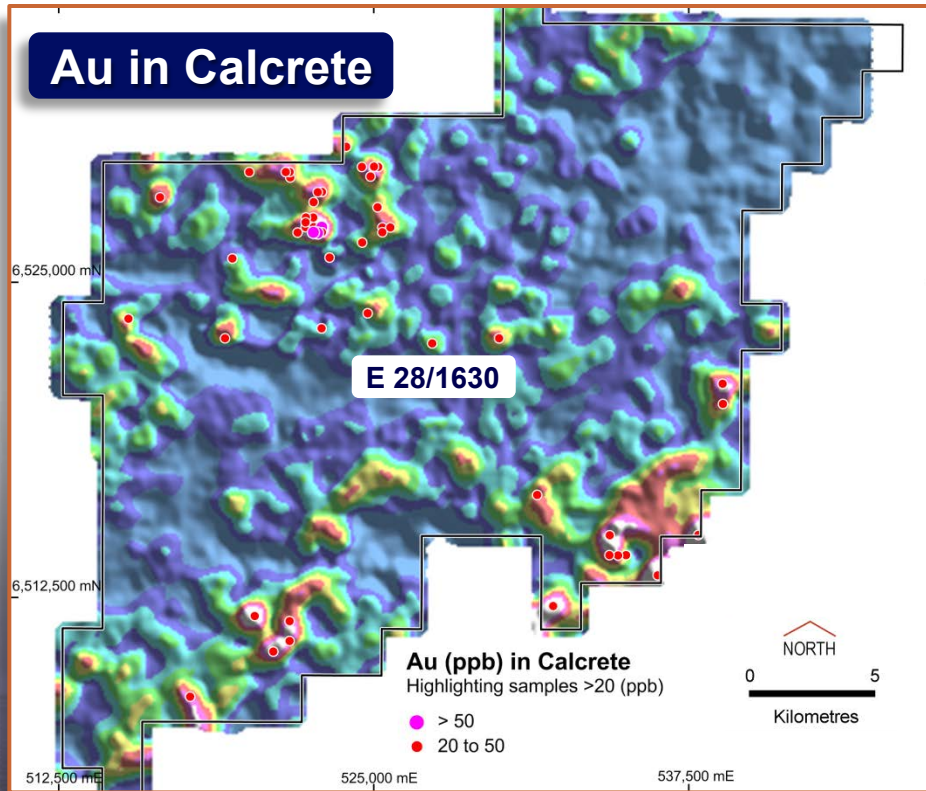
Buningonia – Nickel Sulphide Target

- “Eye”-like intrusion
- Anomalous Ni, Cu, Co, Pt, Pd in soil and rockchip sampling
- Chromite seams with up to 1g/t platinum at surface
- EM geophysics underway
- 50km northeast of Nova



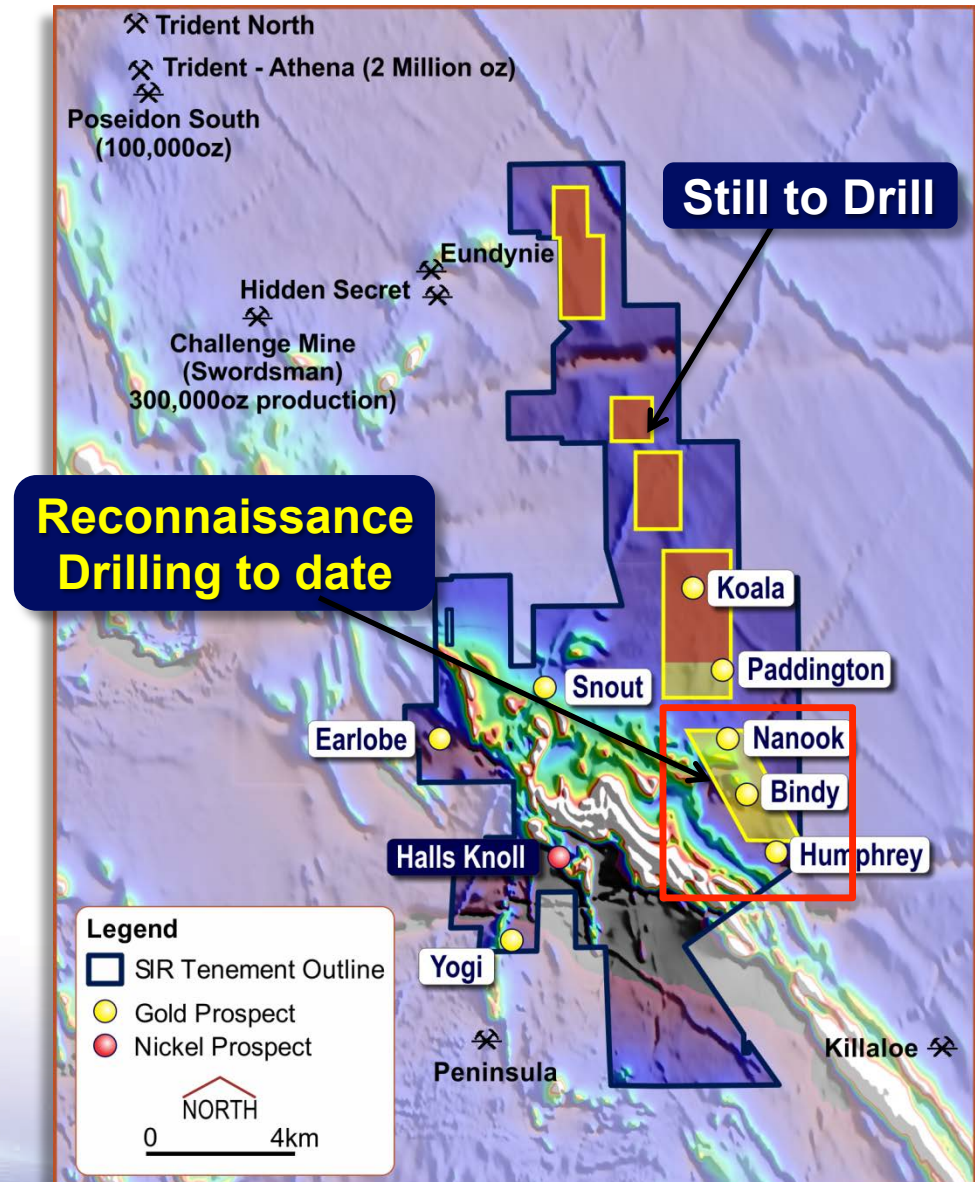
Gold targets in Tropicana belt – “Lake Harris”

- 580 square kilometres covering extension of Tropicana belt
- Several coherent gold +/- arsenic anomalies up to 4km across
- 4,000m drill program imminent



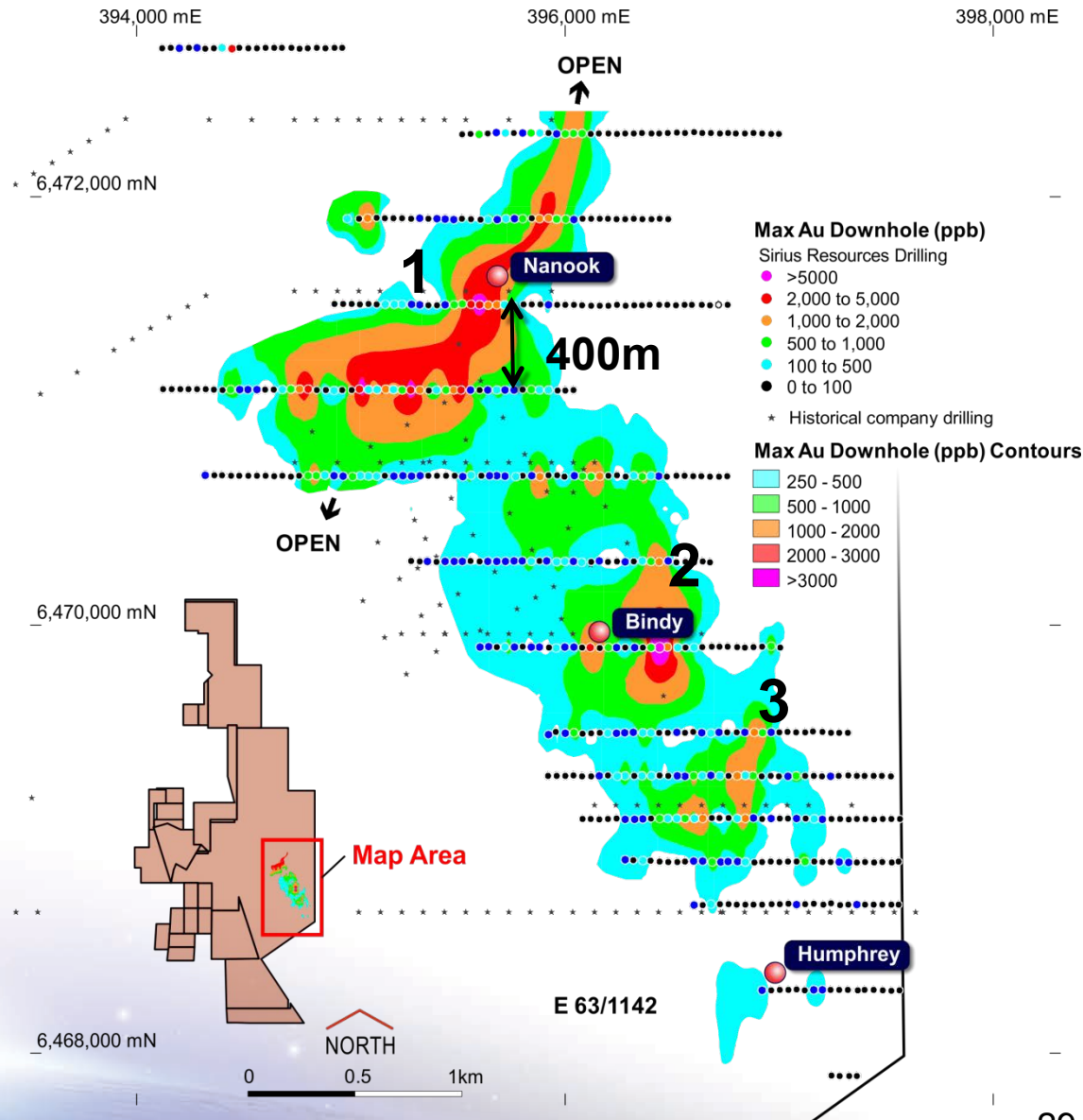
Gold and nickel targets at Polar Bear (100% SIR)

- 400 aircore holes drilled in 2013
- 3 significant new gold anomalies identified
- 4 further target areas still to test
- 15 km strike of prospective stratigraphy
- 25 million oz gold within a 30km radius (St Ives, Norseman, Higginsville)
- Extensive belt of Kambalda ultramafic rocks – with gossans and primary nickel sulphides at Halls Knoll



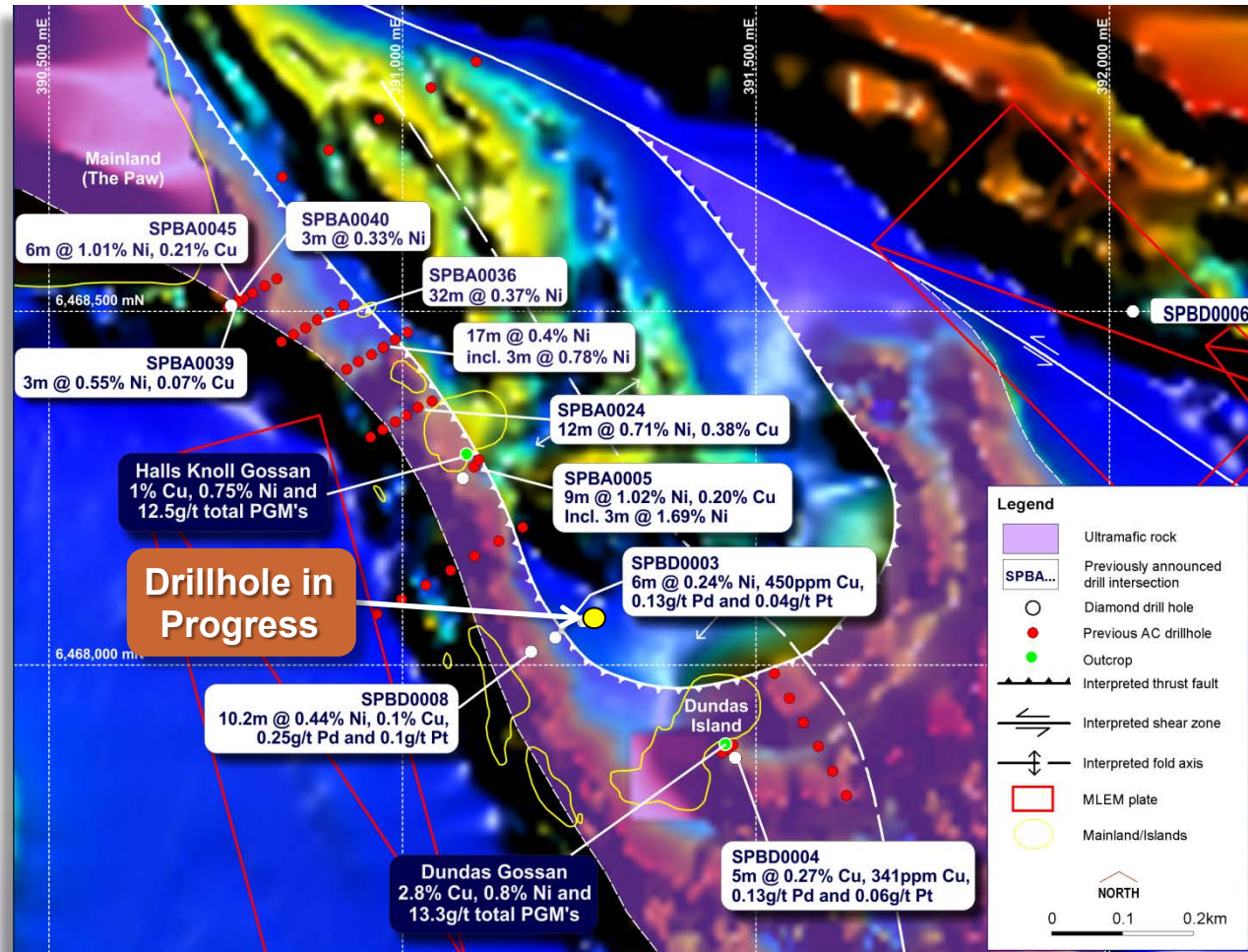
Polar Bear supergene gold anomalies

- Three significant new supergene gold anomalies
- Northern anomaly (“Nanook”) has strike extent >1.5km and width of >400m at greater than 1g/t gold
- Open to northeast
- Highly anomalous peak values including 7.2 g/t, 3.64 g/t and 1.4 g/t
- Follow up drilling completed, assays awaited

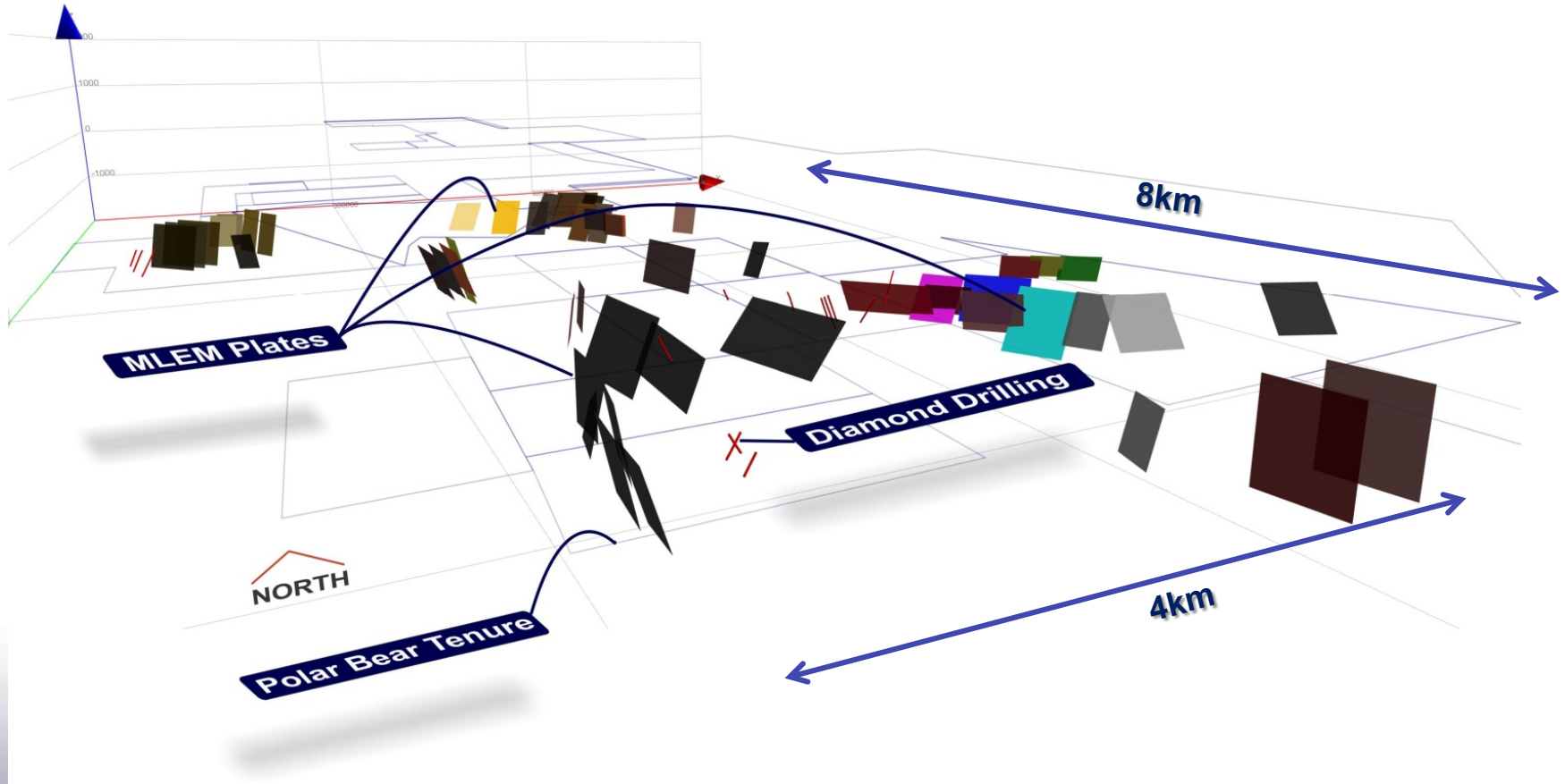


Polar Bear nickel sulphide prospectivity

- Kambalda rocks
- Surface gossans
- Nickel sulphides in drilling
- High PGE values
- 15 km strike length
- Multiple horizons
- Drilling underway
- Unexplored



Polar Bear nickel sulphide targets – 3D view



- Numerous geophysical targets (from moving loop EM survey)
- Known geological “contact” targets with halos of disseminated nickel sulphides

Conclusions

- Discovering nickel and copper at a rapid rate (325kt Ni and 134kt Cu in 12 months) and at an extremely low cost (**A\$0.04/lb**)
- **Robust scoping study completed** - DFS targeted for completion by mid-2014
- Developing a **globally significant** and **financially robust** nickel-copper project in a **stable mining-friendly jurisdiction**
- **8th lowest cost nickel producer globally** with cash costs in the lowest quartile
- **10th-14th largest nickel producer in the world** with 28,000t Ni, 11,000t Cu and 940t Co in concentrate per annum
- **The team** to create an outstanding mine which will fund further discoveries, drive further growth and deliver further value to shareholders
- **Significant further exploration potential** - nickel, copper and gold exploration potential across Sirius' extensive 70% and 100% owned Fraser Range project and 100% owned Polar Bear project
- **We aim to continue to create significant value by being Australia's lowest cost and most profitable nickel producer and replicating our exploration success with the discovery of more base and precious metal mines**



What the analysts say about Nova and Sirius

- **“World class by any measure.....Nova-Bollinger is an A grader.....Timing looks perfect” – Macquarie**
- **“Investors should not ignore the strategic value a large low cost deposit like this holds.....Sirius Resources offers investors a ‘best in class’ exposure to nickel” – Euroz**
- **“Rags to riches.....Australia’s next nickel mine.....Shows similarities to the globally significant Voiseys Bay deposits in Canada” – UBS**
- **“Nova-Bollinger project is in 1st quartile of nickel cost curve” – Bell Potter**
- **“Most compelling nickel investment confirmed.....New best in class” – Hartleys**
- **“High grade and low cost new discovery.....Quality of the orebody is exceptional” - Commsec**

