ASX ANNOUNCEMENT **18 APRIL 2012**

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Polar Bear gold and nickel

Fraser Range gold and nickel

Youanmi base metals, gold and PGM's

Collurabbie base metals and PGM's

STRONG EM CONDUCTOR BENEATH COPPER AND NICKEL ANOMALY AT FRASER RANGE

Sirius Resources (ASX:SIR) advises that processing of the recently completed electromagnetic (EM) survey at the Eye nickel-copper-cobalt prospect has confirmed the presence of several EM conductors, with the strongest and largest of these situated beneath the strongest copper and nickel anomaly identified in previous soil sampling.

Processing by consultancy group Newexco indicates that the strongest and largest EM conductor occurs on the western contact of the eye-shaped geological feature. It is strongest in late time channels (indicating it is a highly conductive zone within the bedrock) and is modelled as a body with a **strike length of 200 metres that extends for a distance of 1,000 metres to the northeast down plunge** (*see Figure 1*).

The conductor commences at a depth of 50 metres below surface and plunges some 200-300 metres beneath previous RC and diamond drilling which intersected **mafic and ultramafic rocks containing trace nickel and copper sulphide** minerals as announced on 6th December 2011.

The uppermost projection of this conductor also **coincides with the peak copper value and high nickel values obtained in previous soil sampling** (*see Figure 2*).

A second, more subtle, EM conductor identified on the eastern side of the surveyed area is also interpreted to be a bedrock conductor (*see Figure 2*).

A third EM conductor (mainly evident in earlier channels and not seen in very late time channels such as channel 32 shown in Figure 2) coincides with an area of unusually deep weathering where the recent reconnaissance drilling was unable to reach fresh rock despite penetrating to depths of 70-80 metres.

The recent reconnaissance drilling program was designed to define the extent and focus of the nickel-copper-cobalt enrichment blanket discovered in previous drilling but, being wide spaced (400 x 160 metre centres) and generally shallow, did not penetrate to depths sufficient to test these conductors. The conductors will be drilled once results from the reconnaissance drilling have been received, and when a suitable rig can be sourced and approvals have been obtained.

Mark Bennett, Managing Director and CEO

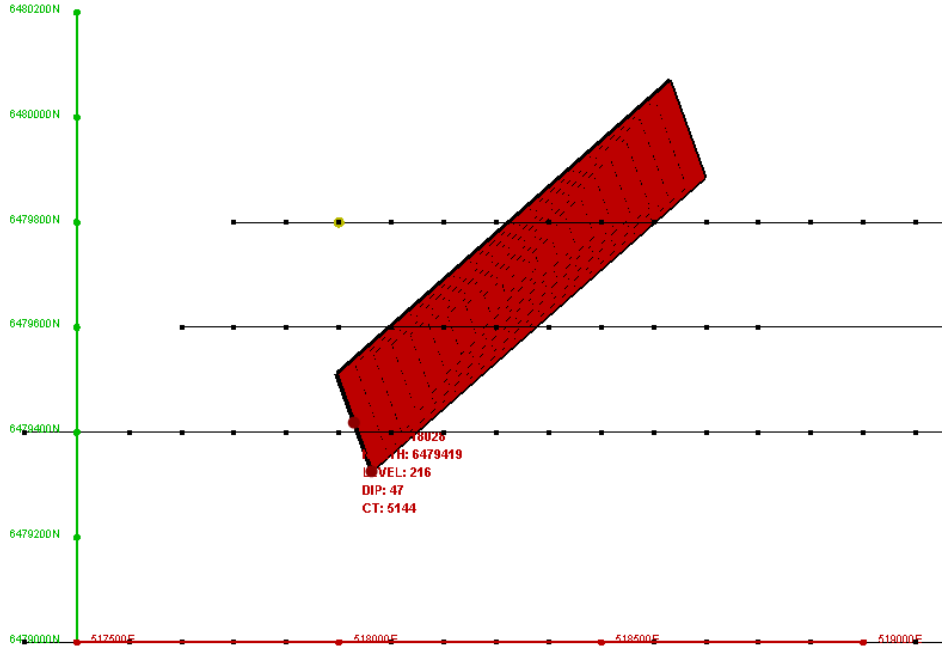

Figure 1. Plan view of plate model of EM conductor, based on anomalies defined on three 200m spaced lines.

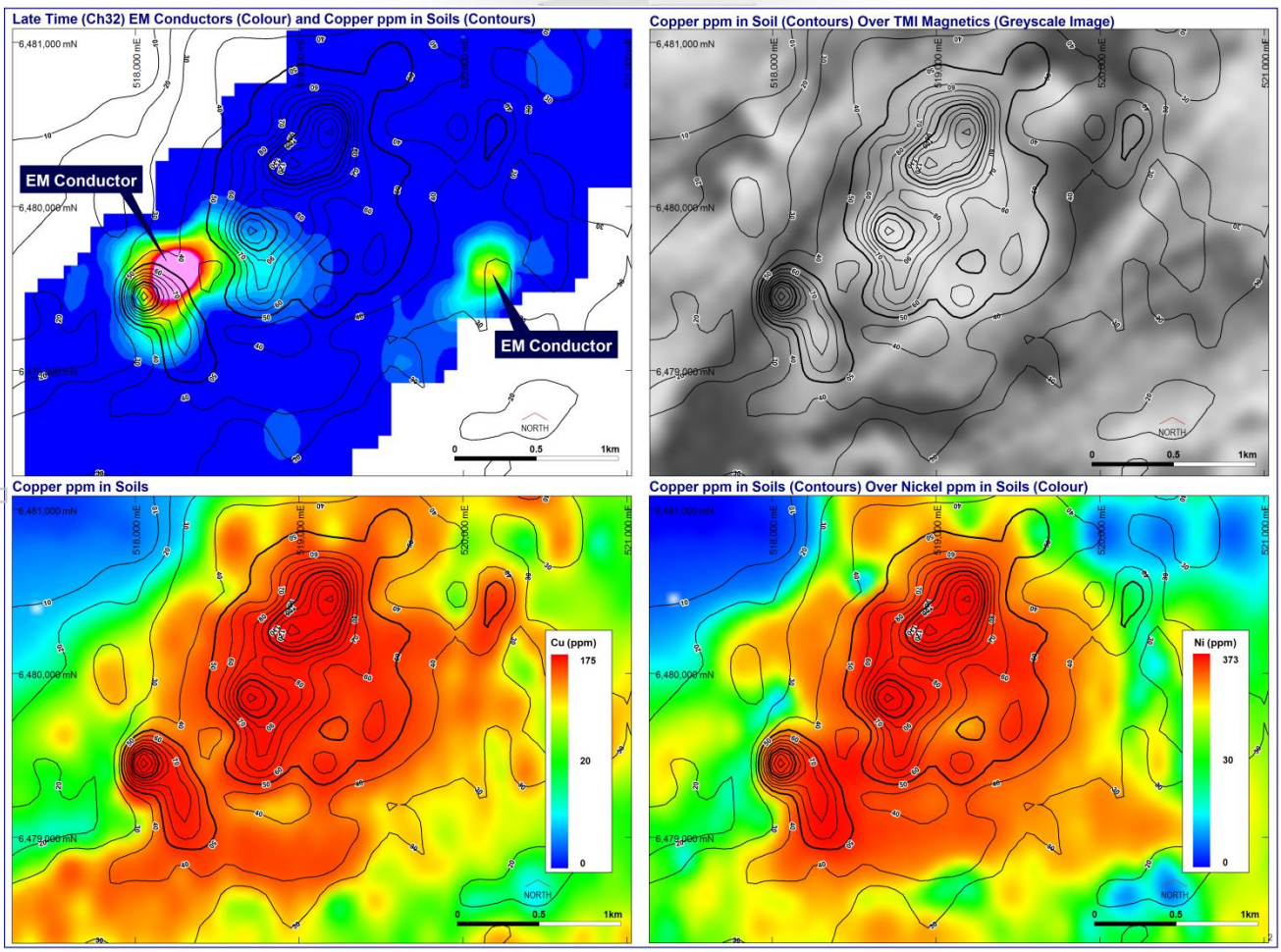

Figure 2. Location of EM conductors (top left) relative to copper anomaly in soil sampling (bottom left), nickel anomaly in soil sampling (bottom right) and the "eye"-shaped geological feature defined in magnetics (top right).

Competent Persons statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Dr Mark Bennett, who is an employee of the company. Dr Bennett is a Member of the Australasian Institute of Mining and Metallurgy and a Fellow of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2004 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Bennett consents 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. 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. Sample preparation and analysis is undertaken at Genalysis Intertek and Ultratrace laboratories in Perth, Western Australia. 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. The quality of analytical results is monitored by the use of internal laboratory procedures 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. 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.

Where quoted, nickel-copper intersections are based on a minimum threshold grade of 0.3% Ni and gold intersections are based on a minimum gold threshold grade of 0.1g/t Au unless otherwise stated. All sample and drill hole co-ordinates are based on the GDA/MGA grid and datum unless otherwise stated.

Mineral Resources, if stated, have been estimated using standard accepted industry practices, as described in each instance. Top cuts have been applied to the composites based on statistical analysis and consideration of the nature and style of mineralization in all cases. Where quoted, Mineral Resource tonnes and grade, and contained metal, are rounded to appropriate levels of precision, which may cause minor apparent computational errors. Mineral Resources are classified on the basis of drill hole spacing, geological continuity and predictability, geostatistical analysis of grade variability, sampling analytical spatial and density QAQC criteria, demonstrated amenability of mineralization style to proposed processing methods, and assessment of economic criteria.