
Straits Resources reports AUD 6 million net loss in H1 2008

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Diversified resources company Straits Resources has posted a net loss after minority interests of AUD 6 million for the 6 month period ended June 30th 2008, after changing its financial reporting period from a calendar year end to a financial year end. Its AUD 6 million net loss has decreased by 62% YoY in comparison to last year's full year net loss of AUD 16.1 million.

Straits said that the result was impacted by a number of one off non cash items including a AUD 20.5 million write down of non core and dormant exploration interests and the amortization for accounting purposes of AUD 16.1 million stemming from the close out of the Tritton hedge book in December 2008.

Sales revenue for period was AUD 1.5 billion as compared to full year 2007 revenue of AUD 3.7 billion, while EBITDA was AUD 94.2 million as compared to AUD 36.3 million in 2007.

Looking ahead, it will focus over the next few months on the de merger of the group and the formation of its coal vehicle Singapore listed subsidiary Straits Asia Resources, which has acquired its coal interests in Madagascar and Brunei for AUD 115.7 million as part of the proposed restructure announced in April 2008.

Mr Milan Jerkovic CEO of Straits said that the group is on track to complete its de merger and dual listing by mid October 2008, which would provide current investors with a pure coal investment vehicle and should unlock further value for shareholders.

On the exploration front, it will focus primarily on targets in South Australia and the Lachlan fold belt of New South Wales through its subsidiary Goldminco Corporation.

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