

BAKER STEEL RESOURCES TRUST LTD

www.bakersteelresourcestrust.com

September 2013 Quarterly Factsheet

At 30 September 2013	Price / Index Level	% Change in Quarter	% Change in Year	% Change from Inception
Net Asset Value (pence/share)	70.3	+1.0%	-35.6%	-28.2%*
Ordinary Share Price (pence/share)	51.5	-6.4%	-38.7%	-48.5%**
MSCI ACWI Index	382.07	+7.4%	+12.5%	+24.0%†
Euromoney Global Mining Index (Sterling)	543.35	+7.7%	-23.4%	-36.1%†
CRB Index	285.54	+3.6%	-3.2%	+4.5%†
Chinese Domestic Iron Ore – Hebei/Tangshan (US\$/t)	170	+2.4%	-1.7%	-11.5%†
Copper (US\$/t)	7290.25	+8.3%	-7.8%	-2.2%†
Gold (US\$/oz)	1328.94	+7.6%	-20.7%	+13.8%†

Source: Bloomberg

† closing 27/4/10, **Issue price 28/4/10, * NAV 30/4/10

This document constitutes an interim management statement for the period from 1 July 2013 to 9 October 2013 (“the Period”). Financial information has been drawn up as at 30/09/2013. There have been no material changes since that date.

Review

At the end of September 2013, Baker Steel Resources Trust Limited (“BSRT” or “the Company”) was fully invested. During the quarter there was little change to the portfolio, with the Company selling some Ivanhoe Mines shares to finance its commitment to acquire a further interest in Metals Exploration to fund the development of its Runruno Gold Mine in the Philippines.

Following a weak first half of 2013, markets for mining equities stabilised during the third quarter of 2013, with the Euromoney Global Mining Index rising 7.7%. This reflects the performance of commodity prices themselves, which partially recovered during the quarter.

The net asset value of the Company likewise stabilised after a weak first half, rising 1.0% during the quarter. The mining projects within the Company’s portfolio continue to progress up the development curve: Bilboes Gold has restarted production from the oxide portion of its deposit whilst it undertakes the feasibility study on the underlying sulphides; Black Pearl has moved into the commissioning phase of its new iron sands project in Indonesia; and China Polymetallic Mining continues to ramp up production at its Shizishan silver lead zinc mine in China. Good progress also continues to be made at the Company’s largest investment, Ivanhoe Mines (previously Ivanplats), which has refocused the development strategy for its Kamo a Copper project in the Democratic Republic of Congo to require lower capital costs and in October 2013 it raised C\$108 million to fund the ongoing feasibility work. Ivanplats also recently received approval to commence the sinking of a shaft at its Platreef Platinum/Palladium/Nickel project in South Africa.

Outlook

The outlook for commodities in the short term remains difficult to call as exemplified by contrasting forecasts on the iron ore market published recently by Citigroup and Morgan Stanley. Clearly much will continue to depend on the growth of the Chinese economy as the largest importer of raw materials. During September McKinsey Global Institute published its first Resource Revolution trends survey which suggests that reports of the end of the so-called resource price “super-cycle” appear to be premature with commodity prices also driven by a combination of geological issues and input cost inflation.

In the case of development projects in the mining industry, analysis of discounted cashflows can show enormous potential returns but this can realise nothing if the project is not financed into production so that these cashflows can be released. The Company will continue to source projects which it considers have a sufficiently strong future production and cost profile such that they have the best likelihood of attracting finance and make the leap into production and positive cashflow.

Investment Objective

To seek capital growth over the long term through a focused global portfolio consisting principally of the equities, or related instruments, of natural resources companies.

Investment Strategy

Investing predominantly in attractively valued private companies with strong development projects and focused management and also in listed securities to exploit value inherent in market inefficiencies.

Asset Allocation

Unlisted Equities	£32.5 M	69.9 %
Listed Equities	£14.3 M	30.7 %
Net Cash & Equivalents	£ -0.3 M	-0.6 %
Net Assets	£46.5 M	
Gearing:	0.6%	

Shares in Issue

Trading:	The London Stock Exchange
Ordinary:	66,142,533
Code:	BSRT
ISIN	GG00B6686L20

Financial Calendar

Year End:	31 December
Interims:	August
Finals:	April

Top 10 Investments (at 30 September 2013)**Ivanhoe Mines Limited****22.0% NAV**

A company listed on the Toronto Stock Exchange with major copper and zinc projects in the Democratic Republic of Congo and a platinum/nickel project in South Africa.

Bilboes Gold Limited**12.1% NAV**

A private company which owns four previously producing gold mines in Zimbabwe.

Ironstone Resources Limited**11.7% NAV**

A private company with an iron ore/vanadium project in Canada.

Black Pearl Limited Partnership**11.6% NAV**

Black Pearl is the private vehicle through which the investment in the Black Pearl beach placer iron sands project in West Java, Indonesia is held.

Gobi Coal & Energy Limited**11.3% NAV**

A private company with three coking coal projects in Mongolia.

China Polymetallic Mining Limited**8.0% NAV**

A company listed on the Hong Kong Stock Exchange with a producing silver/lead/zinc mine and other development opportunities in China.

Polar Silver Resources Limited**7.9% NAV**

A private company which holds a 50% interest in a silver project in Russia.

Metals Exploration plc**6.6% NAV**

A company listed on the AIM market of the London Stock Exchange with a gold project in the Philippines.

Ferrous Resources Limited**5.7% NAV**

A private company with two producing iron ore mines in Brazil.

South American Ferro Metals Limited**1.3% NAV**

A company listed on the Australian Stock Exchange with a producing iron ore mine in Brazil.

The remainder of the Portfolio (excluding cash) comprises five holdings totalling 2.4% NAV.

Further information is available on BSRT's website:

www.bakersteelresourcestrust.com

Investment Manager

Baker Steel Capital Managers LLP

Investment Advisers

AWR Lloyd Capital Ltd

Rock Capital Partners Ltd

Management Fees

Monthly: 1/12 of 1.75% of
Market Capitalisation

Performance: 15% of NAV growth (if over 8%
p.a. compound hurdle rate, with high
watermark)

Board

Howard Myles (Chairman)

Ed Flood

Charles Hansard

Clive Newall

Chris Sherwell

Brokers

Numis Securities Limited

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David Benda (corporate)

James Glass (sales)

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Baker Steel Resources Trust Limited is
incorporated in Guernsey

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Important Information

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The Net Asset Value ("NAV") figures stated are based on unaudited estimated valuations of the underlying investments and not necessarily based on observable inputs. Such estimates are not subject to any independent verification or other due diligence and may not comply with generally accepted accounting practices or other generally accepted valuation principles. In addition, some estimated valuations are based on the latest available information which may relate to some time before the date set out above. Accordingly, no reliance should be placed on such estimated valuations and they should only be taken as an indicative guide. Other risk factors which may be relevant to the NAV figures are set out in the Company's Prospectus dated 31 March 2010.