

BAKER STEEL RESOURCES TRUST LTD

www.bakersteelresourcestrust.com

September 2014 Interim Factsheet

At 30 September 2014	Price / Index Level	% Change in Quarter	% Change from Inception
Net Asset Value (pence/share)	52.7	-0.6%	-46.2%*
Ordinary Share Price (pence/share)	33.13	-19.0%	-66.9%**
MSCI World Index - £	257.01	+2.5%	+41.9% [†]
Euromoney Global Mining 100 Index - £	501.83	-6.0%	-41.0% [†]
Iron Ore delivered to Qingdao 62% Fe (Metal Bulletin)(US\$/t)	78.05	-17.0	-55.8% [†]
Copper (US\$/t)	6720	-4.6%	-9.8% [†]
Gold (US\$/oz)	1208.16	-9.0%	+3.5% [†]

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 2014 to • October 2014 (“the Period”). Financial information has been drawn up as at 30/09/2014. There have been no material changes since that date.

Review

At the end of September 2014, Baker Steel Resources Trust Limited (“BSRT” or “the Company”) was fully invested. In July, the Company acquired a 5.8% interest in Global Oil Shale Group plc (“GOS”) valued at £1.75 million, and this consideration was satisfied through the issue of new Ordinary Shares of the Company, at the unaudited Net Asset Value (“NAV”) as at 30 June 2014 to the vendor. GOS is a private oil shale explorer and developer whose key assets are the Julia Creek project in Queensland, Australia, and the Tarfaya project in Morocco. The Company subsequently invested a further £200,000 in new GOS shares allowing GOS to commence drilling on the Tarfaya project so that it will be able to report JORC compliant resources in its pre-IPO fundraising scheduled for the fourth quarter 2014. The Company has committed to subscribe a further £585,000 in the pre-IPO fundraising.

During the quarter, markets for mining equities weakened further, with the Euromoney Global Mining 100 Index falling 6% in Sterling terms. The Company’s NAV per share was down slightly falling 0.6% during the period, largely due to weakness in the share price of Ivanhoe Mining on the Toronto Stock Exchange, partially offset by a fall in the value of Sterling against the US and Canadian Dollars in which the majority of the portfolio is denominated. In line with its valuation policy, in the absence of significant events, the Company reviews the carrying value of its unlisted investments relative to comparable market movements, only at the half year and full year ends.

Commodity prices fell during the period, in particular the iron ore price fell 17% to US\$78/t as increasing supply and a weakening growth rate in China has caught up with the one bulk commodity that had until this year shown remarkable resilience. The current iron ore price, which has fallen from over US\$130/t since the beginning of 2014, is expected to lead to a number of higher cost mine closures particularly in China. It should be noted that the Company’s largest investment, Black Pearl, which is commissioning its iron ore sands project in Indonesia is expected to be able to deliver iron ore concentrate into China for less than US\$40/t and should therefore still enjoy healthy margins in the current pricing environment.

Outlook

2014 continues to be a year of consolidation for mining shares, albeit with continued volatility as markets remain concerned over the rate of Chinese growth. The mining industry has always been a cyclical one and it is only a matter of time before the continued lack of finance for exploration and new mine starts will filter through to supply/demand fundamentals. Although it is impossible to “call the bottom”, the valuations prevalent in the market suggest the risk is greater on the upside than the downside.

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	£28.4 M	75.1 %
Listed Equities	£9.4 M	24.9 %
Net Cash &	£ 0.0 M	0.0 %
Equivalents		
Net Assets	£37.8 M	
Gearing:	0.0%	

Shares in Issue

Trading:	The London Stock Exchange
Ordinary:	71,703,776
Code:	BSRT
ISIN	GG00B6686L20

Financial Calendar

Year End:	31 December
Interims:	August
Finals	April

Top 10 Investments (at 30 September 2014)

Black Pearl Limited Partnership 16.0% 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.

Polar Silver Resources Limited 14.0% NAV

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

Ironstone Resources Limited 13.3% NAV

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

Ivanhoe Mines Limited 11.2% 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 11.2% NAV

A private company with producing gold mines in Zimbabwe.

Metals Exploration plc 8.0% NAV

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

Ferrous Resources Limited 7.0% NAV

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

Gobi Coal & Energy Limited 6.9% NAV

A private company with three coking coal projects in Mongolia.

Global Oil Shale Group plc 4.9% NAV

A private company with oil shale projects in Morocco and Australia.

China Polymetallic Mining Limited 4.6% NAV

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

The remainder of the Portfolio (excluding cash) comprises six holdings totalling 2.9% 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

StockBrokers

Numis Securities Limited
+44(0)20 7260 1000

Contact:

Baker Steel Capital Managers LLP
86 Jermyn Street,
London SW1Y 6JD
+44 (0) 20 7389 8237

enquiries@bakersteelresourcestrust.com

Baker Steel Resources Trust Limited is incorporated in Guernsey

Registration Number: 51576
Arnold House, St Julian's Avenue,
St Peter Port, Guernsey

Important Information

This document is issued by Baker Steel Capital Managers LLP (a Limited Liability Partnership registered in England No OC301191 and authorised and regulated by the Financial Conduct Authority). The information contained in this document is not intended to and does not constitute an offer, solicitation, inducement, invitation or commitment to purchase, subscribe to, provide or sell any securities, service or product or to provide any recommendations which should be relied upon for financial, securities, investment or other advice or to take any decision based on such information. Individual advice should be sought from legal, financial, personal and other advisors before making any investment or financial decision or purchasing any financial, securities or investment-related service or product. As a registered collective investment scheme, shares in Baker Steel Resources Trust Ltd are not permitted to be directly offered to the public in Guernsey but may be offered to regulated entities in Guernsey or offered to the public by entities appropriately licensed under the Protection of Investors (Bailiwick of Guernsey) Law 1987 as amended.

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.