

BAKER STEEL RESOURCES TRUST LTD

www.bakersteelresourcestrust.com

September 2011 Quarterly Factsheet

At 30 September 2011	Price / Index Level	% Change in Quarter	% Change in Year	% Change from Inception
Net Asset Value (pence/share)	118.7	+1.5%	+14.8%	+18.7%*
Diluted Net Asset Value (pence/share)	115.6	+1.3%	+12.4%	n/a
Ordinary Share Price (pence/share)	98.5	-5.0%	+25.5%	-1.5%**
Subscription Share Price (pence/share)	17.5	-22.2%	+12.9%	n/a
MSCI World Index	280.64	-17.9%	-15.1%	-9.0% [†]
HSBC Global Mining Index	1143.83	-25.6%	-29.4%	-12.0% [†]
CRB Index	298.15	-11.8%	-10.4%	+9.1% [†]
Chinese Domestic Iron Ore – Hebei/Tangshan (US\$/t)	230	+10.0%	+7.0%	+19.8% [†]
Copper (US\$/t)	6998	-25.7%	-27.5%	-6.1% [†]
Gold (US\$/oz)	1623.97	+8.2%	+14.3%	+39.1% [†]

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 June 2011 to 10 October 2011 (the "Period"). Financial information has been drawn up as at 30/09/2011. There have been no material changes since that date.

Review

At the end of June 2011, Baker Steel Resources Trust Limited ("BSRT" or "the Company") was 99.5% invested. During the quarter the realisation of the Company's interest in First Coal Corporation ("First Coal") resulted in the percentage invested falling to 92.8% of net asset value ("NAV"). Since the period end the Company has returned to being close to fully invested following a further investment in October 2011. During the quarter NAV per share rose 1.5% with the profit on the sale of First Coal being partially offset by the fall in the share prices in the listed investments in the portfolio.

Following a mixed first half of 2011, markets for mining equities fell sharply in the third quarter with the HSBC Global Mining Index falling 25.6%. The performance of commodities themselves was mixed with iron ore and gold holding up well and base metals such as copper falling heavily. The emphasis of markets generally has been one of de-risking as investors continue to be concerned by debt levels in the western economies and the crisis of confidence in the Eurozone. For example, as the gold price has risen, the margins of gold producers have generally widened but the market's lack of appetite for risk and equities in general has resulted in gold share prices falling rather than rising, as might be expected with enhanced profitability.

During the quarter the Company made one significant addition to its portfolio, investing £3.75 million in Metals Exploration plc, an AIM listed company, as part of a larger strategic stake alongside other funds managed by Baker Steel. Metals Exploration plc holds the Runruno gold project in the Philippines where a feasibility study has been completed into a mine producing approximately 100,000 ounces of gold per annum. During the quarter, the Company made its first major realisation following the takeover of First Coal Corporation by Xstrata Coal in an all cash offer. After taking into account Canadian tax payable, the Company made a gain of C\$6.75 million on its investment representing a return of 129%.

Outlook

One of the main avenues for realisations of the Company's investments is through IPOs on relevant stock exchanges. Several of the companies in the portfolio had been planning IPO's during the second half of 2011. These plans have been disrupted by the recent turbulent markets but they are well positioned for when market conditions normalise. The Company's strategy has been to invest in projects with sufficient quality and scale that they would be attractive to major mining companies. The balance sheets of the majors are currently very strong and this, in the meantime, remains a route for realisations as was demonstrated by the First Coal sale.

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	£65.3 M	83.3 %
Listed Equities	£ 7.5 M	9.5 %
Net Cash & Equivalents	£ 5.6 M	7.2 %
Net Assets	£78.4 M	
Gearing:	NIL	

Shares in Issue

Trading:	The London Stock Exchange
Ordinary:	66,033,061
Code:	BSRT
ISIN	GG00B6686L20
Subscription:	13,194,622
Code:	BSRW
ISIN	GG00B64WLC23

Financial Calendar

Listing Date:	28 April 2010
Year End:	31 December
Interims:	August
Finals	April

Largest Investments (at 30 September 2011)

Ivanhoe Nickel and Platinum Limited

27.9% NAV

A private company with a major copper project in the Democratic Republic of Congo and a platinum/nickel project in South Africa.

Ferrous Resources Limited

14.0% NAV

A private company with five iron ore projects in Brazil, containing Joint Ore Resource Committee ("JORC") resources of 5.1 billion tonnes of iron ore.

Gobi Coal & Energy Limited

13.9% NAV

A private company with three coking coal projects in Mongolia with a JORC compliant resource of 322 million tonnes.

Ironstone Resources Limited

6.5% NAV

A private company with an iron ore/vanadium project in Canada. It has a NI-43-101 compliant resource of 203 million tonnes of iron ore.

Silver China

5.6% NAV

A private company with a producing silver/lead/zinc mine and other development opportunities in China.

Metals Exploration plc

4.9% NAV

A company listed on the AIM market of the London Stock Exchange whose main asset is the Runruno gold project in the Philippines.

Bilboes Holdings (Pvt) Limited

4.9% NAV

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

Copperbelt Minerals Limited

4.4% NAV

A private company with a 68% interest in the Deziwa Copper-Cobalt Project in the Democratic Republic of Congo.

Polar Silver

4.4% NAV

A private company which holds a 50% interest in the Prognoz silver project in Russia which has JORC resources containing 293 million ounces of silver.

The remainder of the Portfolio (excluding cash) comprises six holdings totaling 6.3% 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

Joint Brokers

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Baker Steel Resources Trust Ltd is incorporated in Guernsey

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Important Information

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