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Stratex International PLC
21 December 2017

Stratex International Plc

('Stratex' or 'the Company')

End of Year Update

Stratex, the AIM-quoted gold-focused exploration and development company in Turkey and Africa, is pleased to provide an update on its operations.

Operations

Since his appointment as interim CEO of the Company on 27 November 2017, Dr Bob Foster, supported by the Stratex team, has commenced a review of the Stratex group portfolio of assets. This has included a visit to the Thani Stratex Resources ("TSR") assets in Djibouti and Egypt (Stratex's holding in TSR will be 30.1% once the final tranche of TSR fundraising, announced on 6 December 2017, is complete). Stratex's review of its investment in TSR is ongoing and the Company will shortly submit its initial findings to TSR and expects to be in a position to update shareholders on all key projects in Q1 2018.

Meanwhile, review of the Dalafin project in Senegal ("Dalafin"), where Stratex holds 85% equity in the JV company that owns Dalafin, is now complete. The Company believes that there is still upside at the project but it is not prepared to commit further funding at this time. Instead it can confirm that it is now seeking joint-venture financing in order to advance exploration work on the project. Discussions have been initiated with a potential joint-venture partner, with a further update anticipated in Q1 2018.

At the Company's former Karaağaç gold project in Turkey, Anadolu Export Maden Sanayi ve Ticaret Limited Şirketi ("Anadolu") is working towards resource definition. Under the terms of the transfer agreement between Stratex and Anadolu (announcement dated 2 February 2015), the licence has been transferred to Anadolu, which has accepted all financial liability for the licence and is funding a resource-drilling programme up to US\$1.5 million. Subject to Anadolu delivering a minimum JORC 2012-compliant Indicated Resource of 50,000 ounces gold, it is required to pay Stratex a one-off cash payment of US\$500,000. Stratex also retains a 1.5% net smelter returns royalty on any future mineral production. As previously reported, the time period for completion of this investment and resource definition was originally 2 February 2017 but delays in permitting have extended this timeframe. We are pleased to report, however, that the first stage of permitting – to allow hydrogeological boreholes and road access - was granted to Anadolu on 27 November 2017 and Anadolu expects infill drilling to commence in Q1 or Q2-2018, depending on weather conditions. The Company looks forward to further updates from Anadolu in due course.

At the 14.87%-owned Muratdere gold project in Turkey, Stratex's joint-venture partner, Lodos Maden Yatırım Sanayii ve Ticaret A.Ş. ("Lodos"), is committed to ongoing expenditure during 2018, relating to the Environmental Impact Assessment programme and general field expenses. In 2016, Stratex advised that it would not be committing any further funds, due to the depressed copper price at that time but, with a considerably stronger outlook for copper and a current metal price of around US\$6,900/t, the Company is now reviewing its position in discussion with Lodos.

The Company's remaining Turkish assets are either the subject of existing royalty arrangements or are the focus of ongoing discussions with a number of potentially interested Turkish parties with the intention of transferring the remaining licences in exchange for future royalties, the key objective being to reduce future licence renewal and maintenance costs. Stratex is also evaluating a number of new investment opportunities in Africa and Eastern Europe.

The outcome of this review and related actions will enable Stratex to provide its shareholders with a more detailed vision of the Company's business plan and proposed strategies later in Q1 2018.

The Directors believe that Stratex currently has a strong balance sheet, with cash of £2 million as at 20 December 2017, and the loan made to Crusader Resources Limited of A\$1.5 million (approximately £0.89 million) is due to be repaid by no later than the 9th May 2018.

Shareholder engagement

Since Bob Foster's appointment, the Company has been working hard to re-engage with shareholders at all levels to outline future strategies to rebuild the Company whilst ensuring their concerns are taken on board.

CEO search

Bob Foster was appointed as interim CEO following the recent General Meeting, in order to re-engage with shareholders and provide clear direction on future corporate strategies following the aborted acquisition of Crusader Resources Limited. The Company considers succession planning a key aspect of good governance and in order to address the most pressing issue, it is in the process of conducting a search for a permanent CEO. Discussions are underway with potential candidates and the Company hopes to announce the appointment of a new CEO during Q1 2018.

Dr Bob Foster, Interim CEO of Stratex, commented:

"The Board and management are firmly looking to the future of Stratex and the current business review will enable important decisions to be made that will shape the future of the Company. I believe our portfolio of projects and the Company's track record offer a sound platform from which to seek new investments that advance our ownership across the entire development curve.

We thank our shareholders for their continued support and are encouraged by the response we have received over the last few weeks of engagement. We look forward to what we believe will be an exciting 2018 for the Company."

**** ENDS ****

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Following the publication of this announcement, this inside information is now considered to be in the public domain.

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Notes to Editors:

Since listing in 2006, Stratex has discovered more than 2.2 million ounces of gold and 7.09 million ounces of silver, as well as 186,000 tonnes of copper. The Company owns 15% of a copper-gold project at feasibility stage in Turkey and an exciting exploration project in Senegal. The Company also has significant interests in Thani Stratex Resources Ltd and Tembo Gold Corp. for their exploration projects in Djibouti and Egypt, and Tanzania respectively.

This information is provided by RNS
The company news service from the London Stock Exchange

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