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Stratex International Plc

('Stratex' or 'the Company')

Corporate Strategy, Proposed Appointment of CEO and Project Update

Stratex, the AIM-quoted gold-focused exploration and development company in Turkey and Africa, provides a project update and outline of its corporate strategy and announces the proposed appointment of a new CEO.

Highlights

- Stratex has completed its review on its existing assets;
- Proposed appointment of new CEO, Tim Livesey, to commence 1 March 2018;
- Stratex is currently identifying new value-appropriate projects in Africa and Europe.

Dr Bob Foster, Interim CEO of Stratex, commented:

"Following last year's requisition, it has been necessary to reassess the Company from the bottom up in order to provide a stable platform on which to grow. Following meetings with our shareholders, we will be adopting a new and revised policy whereby the Company will ensure that all new opportunities are measured to strict financial and strategic criteria including a focus on jurisdictions that are more aligned with the Company's current geographic focus.

Our first priority has been to evaluate projects within our existing portfolio where we recognise inherent value. As part of this evaluation, we are concluding negotiations with a likely joint venture partner for our Dalafin gold project in Senegal that we hope will be finalised during Q1. The team has also been busy identifying a number of opportunities that could provide a flagship project on which to grow the Company, and discussions are underway with a select number of interested parties.

We are also delighted to announce the upcoming appointment of our new CEO, Tim Livesey, who will join the Company on 1 March 2018 (subject to the standard regulatory due-diligence). I will continue to be available as a consultant to the Company as required in order to provide continuity. Tim has extensive experience advancing projects across the entire development and value chain, specifically in delivering significant value to shareholders. We believe Tim is the ideal person to continue re-establishing the value in Stratex and executing its growth objectives. We look forward to welcoming him on board next month."

Tim Livesey, commented:

"I am pleased to be joining the team at Stratex International, having watched the Company since its inception. I am confident Stratex provides a firm base for growth and I welcome the opportunity to play a role in its continued development, alongside Bob, Claire and the rest of the team."

Strategic Vision

In 2014, the Company stated its intention to acquire one or more advanced assets to complement its then early-stage portfolio. One potential opportunity was the proposed acquisition of Crusader

Resources Limited (“Crusader”) in mid-2017. This particular proposal was rejected by the shareholders during the latter half of 2017.

The Board still considers the acquisition of more advanced assets as a valuable way of growing its portfolio quickly, as opposed to acquiring only very early-stage opportunities, where the risk of exploration success is often higher and the time period from discovery to resource is longer. However, the Company acknowledges that its shareholders deemed the proposed Crusader acquisition terms too dilutive and that any future project or corporate level transaction would need to reflect this. Further, following consultation with a number of our shareholders, we note their preference for the Company to maintain its current geographical focus in Africa and Europe.

Towards the end of last year the market began to see an increased amount of new capital from investors for earlier-stage projects. This presents a valuable opportunity for Stratex, and as such, the Company is in a position to consider a wider range of assets, including those that are at an earlier stage of exploration. To this end, the Company has identified and shortlisted several priority targets that could offer growth opportunities for the Company, and has initiated discussions with a number of asset owners.

In addition, the Company has been actively assessing value-accretive opportunities within our existing portfolio, as discussed further in the Project Update below.

Over the next 6-12 months, the Board’s strategy is to maximise shareholder value through the following activities:

- Fast-track exploration at Dalafin and reduce Stratex’s financial exposure through the conclusion of a joint-venture arrangement to bring in third party funding and additional expertise;
- Earn-in or acquire interest in new projects where mineralisation has already been identified but where we can add value quickly through focussed exploration, resource definition or expansion and progressive technical and economic studies;
- Continue to monitor its investments in other companies and support further exploration as appropriate;
- Continue with the realisation of value from existing lower priority projects which are converting to royalty arrangements.

Proposed CEO appointment

We are delighted to announce that the Stratex board has resolved to appoint Tim Livesey as CEO of the Company (subject to the standard regulatory due diligence). Tim has stated that he will be available to accept the appointment commencing on 1 March 2018. In the interim, Tim will work alongside the team as a technical consultant. Tim has 28 years’ experience in gold and base metals, with a distinct focus on Africa, Europe and Asia. He has worked at all stages of exploration, development and mining, and has a strong track record of delivery, both at the technical and commercial level within previous positions. Some of his more notable roles to date include exploration manager (Eurasia), Barrick Gold Corp., project director and later CEO of Tethyan Copper Company Pty Ltd (a Joint Venture between Antofagasta Minerals and Barrick Gold Corp, owner of the Reko Diq project in Pakistan), and more recently as COO of TSX.V-listed Reservoir Minerals Inc., which was sold in June 2016 to TSX-listed Nevsun Resources Ltd for US\$365 million. Tim is well known to both the technical and internal team at the Company.

Upon Tim Livesey’s appointment, Dr Bob Foster will stand down from the Board, where he has been fulfilling the role of Interim CEO. Bob will continue to support the Company as required as a consultant and provide continuity on the strategic review he has conducted with the Stratex team in the last few months. There are no other immediate changes to the Board planned at this time, but the Company places significant emphasis on succession planning, which continues to be under review.

Projects Update

Dalafin (85%)

At the Dalafin gold project in Senegal, we are pleased to announce that discussions regarding joint-venture financing, as announced on 21 December 2017, are advancing well with our identified partner and that the Board hopes to conclude the deal before the end of the quarter. We will provide a further update on this in due course.

Thani Stratex Resources (currently 30.1%, increasing to 30.4%)

In Q4 last year, the Company visited the gold assets of Thani Stratex Resources ("TSR") as part of its wider assessment of the Group's portfolio (Announcement dated 21 December 2017) and the findings, which have been presented to TSR, are summarised below.

Djibouti (Stratex net interest 15%, increasing to 15.2%)

At the Company's former Pandora epithermal gold project in Djibouti, TSR (50%-owner) are undertaking Phase 2 drilling for a planned 3,000 m. The aim of this drilling is to test the depth-extension of previously drilled mineralisation and identify potential higher-grade ore shoots within the system that is believed could lead to the definition of a resource. TSR has recently announced results from the first 5 holes of this programme (OK-DD-16 to OK-DD-20) with results (recalculated by Stratex using a 0.2 g/t Au cut-off) of up to:

- 20.17 m @ 1.16 g.t Au (from 4.23 m in hole OK-DD-17);
- 11.83 m @ 0.82 g/t Au (from 67.17 m in hole OK-DD-19); and
- 16.80 m @ 1.47 g/t Au (from 94.30 m in hole OK-DD-20).

Stratex has agreed to support completion of the current programme for an additional US\$200,000, alongside further funding of US\$300,000 by Thani Emirates Resources Holdings ("Thani Emirates") to be invested as equity in TSR (further details below). Further details on the ongoing drilling programme at Pandora, including JORC Table 1 disclosure, can be found at <http://thanistratex.com/news/>. The Stratex board will await full results of this programme before making a decision on whether to support further exploration.

At Assaleyta, also in Djibouti, TSR (50%-owner) completed an initial 5-hole drilling programme in 2016 across 3 key zones. Following up on good outcrop sample results, further drilling is required to define the extent and mineral potential of the system.

In its announcement today, TSR has highlighted its intention to spin-off its Djibouti portfolio as a separate entity, seeking exposure to public markets. We await further details on their plans in this regard.

Egypt (Stratex net interest 30.1%, increasing to 30.4%)

In Egypt, TSR (100%-owner) is focused on advancing the Anbat project, where it has recently announced a maiden Mineral Resource Estimate of 209,000 oz at 1.11 g/t Au within porphyry sills (Announcements dated 6 and 13 December 2017). Porphyry-hosted mineralisation is generally well-constrained by flat-lying porphyry units but the geometry of these sills is yet to be fully resolved and will need to be addressed before any future resource estimation is undertaken.

Potential upside has also been highlighted within the granodiorite, where an Exploration Target of 100-800Kt @ 0.7-1.5 g/t Au¹ has been disclosed previously. More drilling is required to ascertain whether

¹ This potential quantity and grade is conceptual in nature and is not a Mineral Resource because there has, to date, been insufficient exploration completed with which to support the preparation of a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

there is any potential for a larger open-pit resource. TSR is currently reviewing its exploration programme at Anbat and other projects within TSR's Egypt portfolio.

Muratdere (Stratex 14.87%)

At the 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, with a focus on developing the Environmental Impact Assessment programme. As noted in Stratex's announcement on 21 December 2017, Stratex continued to re-consider its options during 2017, in light of the currently stronger outlook for copper (having previously notified Lodos in 2016 that Stratex would not be committing further funds). Following this consideration, the Stratex Board has confirmed that it is not changing its previous position and will focus its efforts and finances on finding a flagship project where it has management and/or shareholder control. Consequently, and as previously expected, the Company anticipates being diluted to below 10% within the next 3 months, which will trigger dilution to a royalty position of 1.2% (post-Turkish tax).

Further details of the TSR investment

As noted above, Stratex and Thani Emirates have agreed to subscribe for a total of US\$500,000 of new equity in TSR, split US\$200,000 and US\$300,000 respectively. The funds will be invested in two tranches, the first (US\$120,000 Stratex, US\$180,000 Thani Emirates) by 20 February 2018 and the second (US\$80,000 Stratex, US\$120,000 Thani Emirates) by 20 March 2018.

Immediately following the second tranche of the subscription, Stratex's holding in TSR will increase from 30.1% to 30.4%. The funds will be used by TSR to complete the Phase 2 drilling at TSR's Pandora gold project in Djibouti.

Stratex's share of TSR's loss for the year ended 31 December 2017 was approximately £141,000, (2016: £161,000) and as at 31 December 2016, Stratex's investment in TSR was held in the Company's balance sheet at a carrying value of £5.8m.

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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 an exciting exploration project in Senegal and 14.87% of a copper-gold project at feasibility stage in Turkey, which will likely default to a 1.2% (post-Turkish tax) royalty position within the next 3 months. 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. The Company is currently pursuing value-accretive opportunities within its existing portfolio as well as identifying new value-appropriate projects in Africa and Europe.

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