



MINING RESEARCH

Stratex International plc**Strategy in Action****4.5p****28 July 2008**

Stratex is successfully showing how focused exploration by an experienced team can discover new gold and copper mineralised districts. Key points are: the proposed Q3/Q4 drilling programme on the recent exciting gold discovery at the Öksüt prospect needs watching, as this could quickly prove this area's potential to host a world-class high-sulphidation gold deposit; the 750,000oz of gold (Inlice and Altintepe) are to be monetised; and the Teck Cominco strategic partnership at Konya has moved on to the next phase of funding following confirmation of further epithermal and porphyry gold occurrences.

In a World characterised by a lack of real exploration activity, Stratex is a breath of fresh air; a *professional* and *successful* explorer. With the markets crowded with 'projects' that are seeing their fourth or fifth resurrection as the 'latest and hottest opportunity', Stratex is demonstrating the worth of aggressive grassroots exploration; proving that for the determined and smart team there are new and exciting deposits to be discovered.

Whilst Stratex has yet to find its target "2Moz company-making gold deposit", they have successfully and rapidly amassed a total resource of 916,000oz of gold (with an in-situ value of US\$880 million at recent gold prices); the bulk of this being 232,600oz of gold at Inlice and 497,684oz of gold (plus 2.5Moz of silver) at Altintepe.

Stratex plans to either sell (retaining an interest or royalty) or JV the Altintepe and Inlice deposits. This means that the Company will remain focused on exploration whilst at the same time allowing the already discovered projects to be monetised, adding value to the Company and potentially boosting cash to fund ongoing exploration.

The Company has an exciting pipeline of projects rapidly moving up through the ranks of exploration and resource delineation, including Öksüt, a recent 'virgin' gold discovery. The high-sulphidation gold mineralisation at Öksüt has the dimensions and potential to become a world-class deposit in line with the South American giants Yanacocha and Pierina.

The project pipeline also includes: the recently discovered Hasaңcelebi prospect (high-sulphidation gold), Altunhisar and Karapınar prospects (both with porphyry and high sulphidation potential), and the Karacaören, Kozlu and Gölçük gold porphyries (currently in the drill-queue). Drilling at the Doğanbey prospect at Konya has already confirmed the presence of porphyry gold style mineralisation including 273.90m grading 0.13g/t Au. The deposit is still open at depth and along strike.

Stratex has a long-term strategic partnership with Teck Cominco Limited, which has farmed into the Konya Volcanic Belt, sharing Stratex's belief in the potential of this previously unexplored volcanic belt and backing the Stratex team in its search for world-class porphyry gold-copper and high-sulphidation gold systems.

With a current market cap/oz AuEq value of US\$23/oz, Stratex is significantly undervalued relative to its AIM-quoted peers, who average US\$41/oz. We believe that this valuation does not include the considerable potential upside from a major discovery at any one of its Öksüt, Hasaңcelebi, Doğanbey, Karacaören, Kozlu and Gölçük projects.

Investors should note: 1) the potential to raise cash from the sale or JV of gold in-situ at Inlice and Altintepe should ensure there will be no need to come back to the market to fund ongoing exploration; 2) the Stratex share price (4.5p) falls considerably short of the in-situ value of the Altintepe and Inlice gold resources (749,987oz). Assuming a sale price per in-situ gold of US\$50/oz, this equates to 8p/share-excluding any value for the potential of the pipeline projects; 3) drilling this summer could quickly identify a "major discovery" and spark market attention!

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SALES & TRADING CONTACTS

See reverse

COMPANY DESCRIPTION

An exploration and development company focusing on gold and high value base metals in Turkey

INVESTMENT DATA

Ticker	STI
Listing	AIM
No. of shares	234.24m
Market cap	£10.5m
12m high	10.75p
12m low	4.62p
Cash in hand	£4.9m

SHAREHOLDERS Holding (%)

Kairos	21.0
MR N Graham	9.82
Orion Trust Ltd	9.31
Teck Cominco Ltd	8.79

12M SHARE PRICE PERFORMANCE

HansonWesthouse acts as nominated adviser and broker to Stratex and is paid fees for these services.

For important disclosures, please refer to the information on the last page of this report.

BOARD OF DIRECTORS AND MANAGEMENT

David Hall BSc, MSc, EuroGeol - Executive Chairman

David has 26 years of experience in the exploration and mining sector in over 50 countries including Turkey, where he worked for four and half years. He is also founder and Vice Chairman of GoldQuest Mining Corporation [Gold Fields of South Africa holds equity and is the joint venture partner], which announced the discovery of new gold-rich massive sulphide deposit in 2007, and founder and Non-Executive Chairman of Horizonte Minerals plc, an AIM-quoted company focused in Brazil and Peru.

Bob Foster, BSc, PhD, FIMM, CEng, FGS, CGeol - Chief Executive Officer

Bob has 34 years of experience, with particular expertise in the genesis of and exploration for gold deposits, having worked in Europe, Central Asia, North and South America, and Africa, both as a field geologist and academic. Following ten years in the mining industry in Rhodesia he joined Southampton University, where for 15 years he lectured and managed an applied research group as well as numerous consultancy projects with major and junior mining companies. He was a senior member of the management team of Pan-African Mining and Pan-Reef Mining in Zimbabwe. Prior to joining Stratex, Bob was Minerals Manager for UK-based international consultancy group Exploration Consultants Limited.

Perry Ashwood, FCA - Chief Financial Officer

Perry qualified as a Chartered Accountant in 1971, training with Spain Brothers & Co. and KPMG. He spent 5 years with British Oxygen Ltd and 20 years with Xerox, including the positions of Group Chief Accountant and Finance Director, Central & Eastern Europe, with extensive involvement in Turkey, Egypt, India and Russia. He joined Intermec International Inc in 1998 as Finance Director before becoming an independent consultant in 2000 taking on various interim roles with small to medium sized businesses.

Christopher Hall, BSc, MSc - Non-executive Director

Christopher has over 35 years of wide ranging experience in the mining sector as: a mine geologist, a stockbroker and in investment, with Anglo American associate Charter Consolidated, with Touche Remnant, and as CEO of European Mining Finance (1991-1997). He also managed the UK office of international mining consultants Behre Dolbear. He has been a director of a number of private and listed companies and is currently an adviser to Grant Thornton LLP.

Peter Addison - Non-executive Director

Peter qualified as a solicitor in 1966 and practiced in the City of London, with Linklaters & Paines and Norton Rose, specialising in company and commercial law. In 1982, he became a director of English Trust, a corporate advisory bank providing corporate finance advice to a wide range of public companies. He is currently non-executive chairman of Qualceram Shires plc, an Irish company, and of SiRViS IT plc, a UK company.

Bahri Yildiz, BSc - General Manager, Turkey

Bahri Yildiz is a Turkish national who has spent 27 years in mineral exploration and mining geology throughout Turkey. He commenced his career in 1980 with the government's General Directorate of Mineral Research and Exploration (MTA) where he spent ten years managing a wide range of projects relating to exploration for precious and base metals. This was followed by three years as Exploration Manager with Turkish company Yurttaşlar Madencilik before he joined Dardanel Madencilik as Senior Geologist and Exploration Manager in Turkey.

OVERVIEW

Stratex International plc (AIM: STI) is an AIM-quoted exploration and development company exploring for world-class epithermal gold and porphyry copper-gold-molybdenum deposits in Turkey. Stratex has a strategic alliance with Teck Cominco Limited (TSX/NYSE: TCK), whereby Teck has an 8.75% equity stake in Stratex.

Stratex has shown success where others have fallen short. Major companies have been active in Turkey far longer than Stratex but have failed to identify either the prolifically mineralised Konya Belt or Stratex's other recent high-sulphidation gold discoveries - Öksüt, Hasaңelebi and the Altunhisar Belt.

The Company has a two-pronged exploration and development strategy:

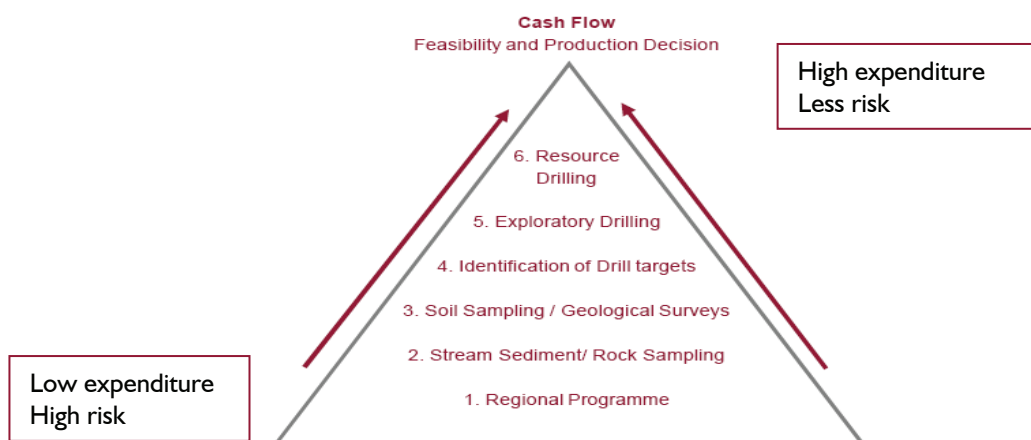
1. The discovery of 2Moz of gold \pm copper deposits to take to production in partnership with major companies including strategic alliance partner and shareholder Teck Cominco; and
2. Progressing lesser discoveries to production in collaboration with smaller companies with proven track records in mining; to this end the Company is moving to sell or JV (retaining an interest or royalty) the gold discoveries of Inlice and Altıntepe, which host a combined total resource of 730,284oz of gold.

Stratex's project pipeline

Stages	Projects	Target	Mineralisation style
6	Altıntepe	Au-Ag	High-sulphidation
	Inlice	Au	High-sulphidation
5	Öksüt	Au	High-sulphidation
	Doğınbey	Au (Mo)	Porphyry
	Karacaören-Kozlu	Au	Porphyry
4	Gölcük (stages 4-5)	Au	Porphyry
	Hasaңelebi	Au	High-sulphidation
3	Altunhisar	Au-Mo	High-sulphidation
	Konya projects x4	various	various
2	Şehitler, Başdere	Au	High-sulphidation

Source: Company

Stages in exploration and development



Source: Company

Status of Stratex's projects

	Project	Target	Mineralisation style	Ownership	Current work status
Konya Project	Inlice	Au	High-sulphidation	100%	Progress towards oxide mining
	Doğanbey	Au (Mo)	Porphyry	100% Teck Cominco earning 51%	Exploration drilling commenced Q4 2007
	Karacaören, Gölcük, Kozlu	Au	Porphyry	100% Teck Cominco earning 51%	Drilling to commence Q3 2008
	Öksüt	Au	High-sulphidation	100%	Drilling Q3 2008 and further target selection
Other	Altıntepe	Au-Ag	High-sulphidation	100%	Progress towards oxide mining
	Karaağaç	Au-Ni	Thrust-hosted and Laterite	100%	JV sought. Ni-laterite evaluation
	Hasançelebi, Altunhisar, Karapınar	Au	High-sulphidation	100%	Reconnaissance and target selection

Source: Company/HW

Teck Cominco, via its Turkish subsidiary Teck Cominco Arama ve Madencilik Sanayi Ticaret A.S. (TCAM), has the right to earn into four of Stratex's 100%-owned properties to a level of 51%. Reflecting its belief in the potential of the Konya Project, TCAM has opted to identify the whole belt as three out of the four properties, leaving it one further option. It has declined any interest in Inlice and has also relinquished its option to earn back into its own property Altıntepe now that Stratex has successfully completed the drilling programme and earned a 100% interest. This leaves Stratex free to consider how best to get Altıntepe and Inlice into production as rapidly as possible.

Stratex's portfolio

The Company portfolio covers some 1,724sq km throughout Turkey, including multiple properties within the previously unexplored Konya Volcanic Belt. The Konya Belt is host to the Inlice 262,300oz gold resource, and the Doğanbey, Karacaören, Kozlu and Gölcük porphyry gold projects. At Altıntepe, located on the Black Sea coast of northeastern Turkey, the 497,684oz gold and 2.5Moz silver in-house determined JORC-compliant resource has been confirmed by recent and on-going drilling focused largely on near-surface oxide material, from which the gold can be readily recovered. The Company will also shortly commence drilling at Öksüt, where the 'virgin' gold discovery has the dimensions and potential to become a world-class deposit.

Location of Stratex's projects in Turkey



Source: Company

COMPARATIVE VALUATION

A comparative analysis of AIM-quoted gold exploration and development companies shows an average market cap/oz AuEq of US\$41/oz. Stratex has a market cap/oz value of US\$23/oz based on a market cap of £11.1m and a AuEq resource of 950,500oz. In a peer comparison of companies with similar contained gold resources, Stratex appears to be significantly undervalued relative to the industry average.

Comparative analysis of AIM-quoted gold explorers and developers

Company	Ticker	Country	Mkt Cap £m	Attrib Au Resource oz	Attrib AuEq Resource oz	In-situ Value US\$m	Mkt cap/ oz AuEq US\$/oz
Cluff Gold	CLF	Burkina Faso, S. Leone	53.5	2,639,000	2,639,000	2,111	40
Leyshon Resources	LRL	China	49.1	812,000	952,350	762	102
Tianshan Goldfields	TGF	China	44.3	2,558,700	2,558,700	2,047	34
Archipelago Resources	AR.	Indonesia	43.4	1,487,500	1,487,500	1,190	58
China Goldmines	CGM	China	43.1	1,464,000	1,464,000	1,171	58
African Consolidated Res	AFCR	Zimbabwe	24.4	813,000	813,000	650	60
Mercator Gold	MCR	Australia	20.7	2,320,000	2,320,000	1,856	18
Peninsular Gold	PGL	Malaysia	19.7	943,000	943,000	754	41
Metals Exploration	MTL	Philippines	14.8	1,421,000	1,718,500	1,375	17
Stratex	STI	Turkey	11.1	913,000	950,500	760	23
Kryso	KYS	Tajikistan	7.9	1,056,587	1,056,587	845	15
Shanta Gold	SHG	Tanzania	5.3	1,284,000	1,284,000	1,027	8
Average			26.8	1,527,162	1,566,967	1254	41

Source: Fidessa, Company websites. Prices on 22 July 2008

Metal price assumptions: Cu \$1.25/lb, Co \$10/lb, Zn \$0.4/lb, Pb \$0.30/lb, Au \$800/oz, Ag \$12/oz, Mo \$10/lb\$/£ rate for calculation of equivalents = \$1.90; £1.00

Company share price at a given in-situ gold price¹

In-situ Gold Price \$/oz	Share Price p/share
75	12p
50	8p
25	4p

Source: HW

The Stratex share price (4.5p) falls considerably short of the in-situ value of the Altintepe and Inlice gold resources (749,987oz). Although it has yet to be decided what might be the optimal way forward for Inlice and Altintepe (i.e sale or JV), assuming a sale price per in-situ gold of US\$50/oz equates to 8p/share – excluding any value for the potential of the pipeline of projects to deliver a major discovery and the current cash balance in hand.

COMMENT

The current market capitalisation of the Company appears to be based largely on the Inlice and Altintepe resources, and does not value the considerable potential upside for a major discovery at any one of its Öksüt, Doğanbey, Karacaören, Kozlu, Gölcük or Hasaңelebi, projects. Bringing the Inlice and Altintepe projects to production and monetisation should bring the market closer to realising or exceeding the peer comparative figure of US\$41/oz. The Stratex portfolio is bursting at the seams with quality projects. Success of these projects, in particular the shining new star Öksüt (to be drilled this summer), should provide a significant re-rating for the Company.

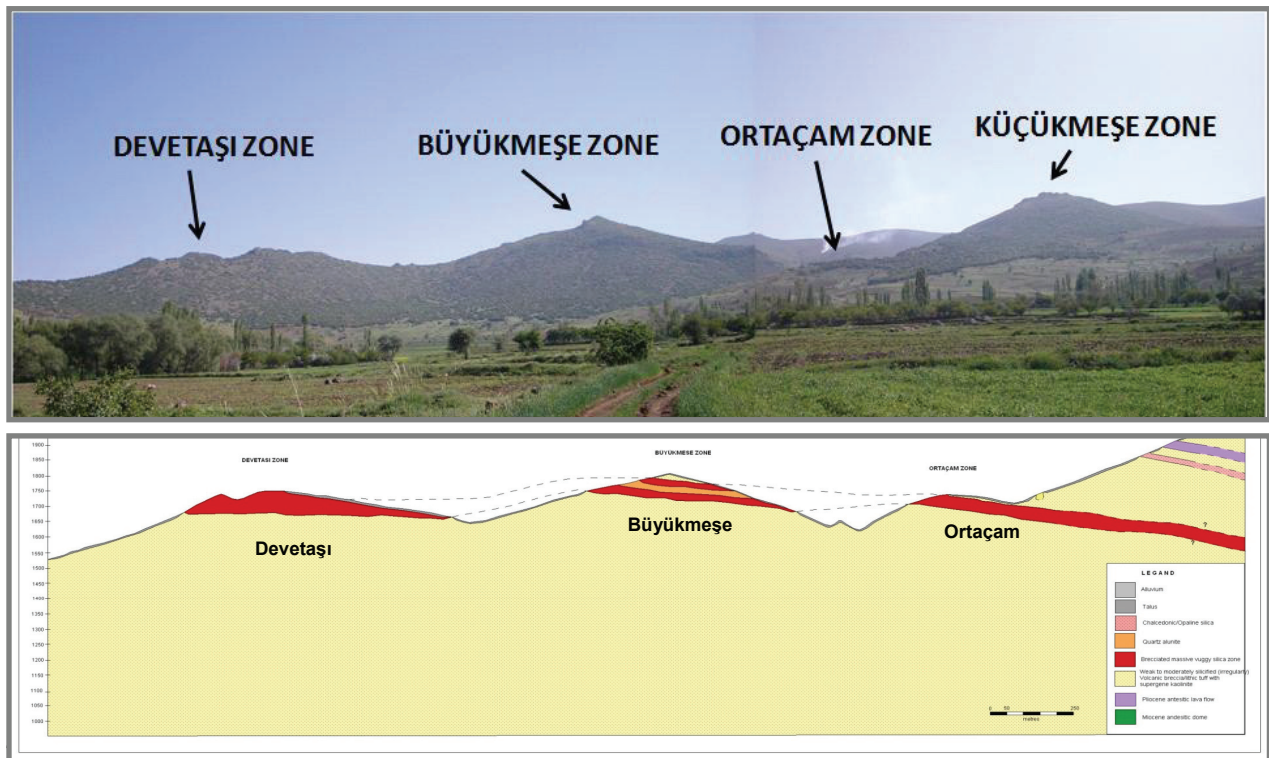
¹ Implied valuation is pre-tax excluding cash balance as at 30 June 2008

ÖKSÜT - 'Virgin' Gold Discovery: Fast track exploration programme

The discovery of extensive surface gold mineralisation at the Öksüt project in Central Anatolia was announced in March 2008. Reconnaissance exploration at Öksüt delineated at least three mineralised zones:

1. Ortaçam Zone – rock chip samples returned 21m grading 2.91g/t Au, 111m grading 0.9g/t Au, 21m grading 2.67g/t Au, 24m grading 1.72g/t Au and 15m grading 1.84g/t Au over an 83m elevation range. Slated as an early priority for drilling in the summer of 2008
2. Büyükmese Tepe Zone and Küçükmeşe Zone – silica zones visually similar to the Ortaçam Zone. Assay results from rock chip samples still pending

Mineralised zones at the Öksüt project



Source: Company

Geology and mineralisation at Öksüt

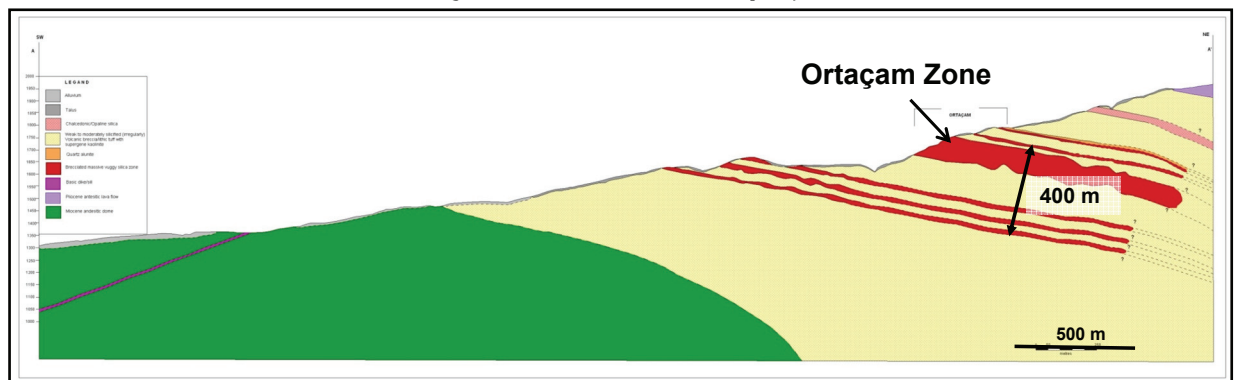
The geology of the Öksüt property is dominated by Miocene andesite lava flows and domes with alternating andesitic pyroclastics. The lithological package is silicified and kaolinised and overlain by Pliocene lava flows. Silicification is characterised by a vertical zonation, with chalcedony \pm kaolinite at high elevations, overlying quartz-kaolinite/alunite horizons and subsequently overlying massive and vuggy silica – a typical high-sulphidation system.

Gold mineralisation of the Ortaçam Zone is structure-controlled and hosted within gently-dipping highly-permeable massive and locally vuggy silica zones forming a plateau-like topography. Notably, these exposed silica units span an area of 200m x 300m and, with a vertical extent of 100m, are still open at depth. The dimensions, coupled with good grades in oxide and favourable mineralising controls, have created the potential for very large tonnage readily-accessible deposits comparable to world-class giants such as Peru's Yanacocha (35Moz) and Pierina (9Moz) high-sulphidation deposits.

Figure 1 is an aerial photograph of the study area, showing sample locations and grades. The image displays a rugged, hilly landscape with various sample points marked by arrows and labeled with their respective grades and intervals. A yellow line indicates a 200 m scale, and a red line indicates a 300 m scale. A legend in the bottom right corner explains the notation: "Sample location, grade g/t-interval(thickness)".

Sample Location (Approximate Coordinates)	Grade (g/t)	Interval (m)	Thickness (m)
Top Left	0.21	4-35	20
Top Center	1.72	g/t-24	0
Top Right	2.66	g/t-9	5
Center Left	2.91	g/t-21	0
Center	0.22	g/t-48	20
Center Right	0.98	g/t-15	3
Bottom Left	0.43	g/t-24	0
Bottom Center	0.90	g/t-111	8
Bottom Right	0.93	g/t-25	0
Top Right (Inner)	0.29	g/t-57	12
Top Right (Outer)	2.61	g/t-18	0
Center Right	2.67	g/t-21	8
Bottom Right	0.54	g/t-24	5
Far Right	0.27	g/t-60	16

East-west cross-section of the Ortaçam Zone at the Öksüt project



This summer's proposed exploration – keep an eye on this!

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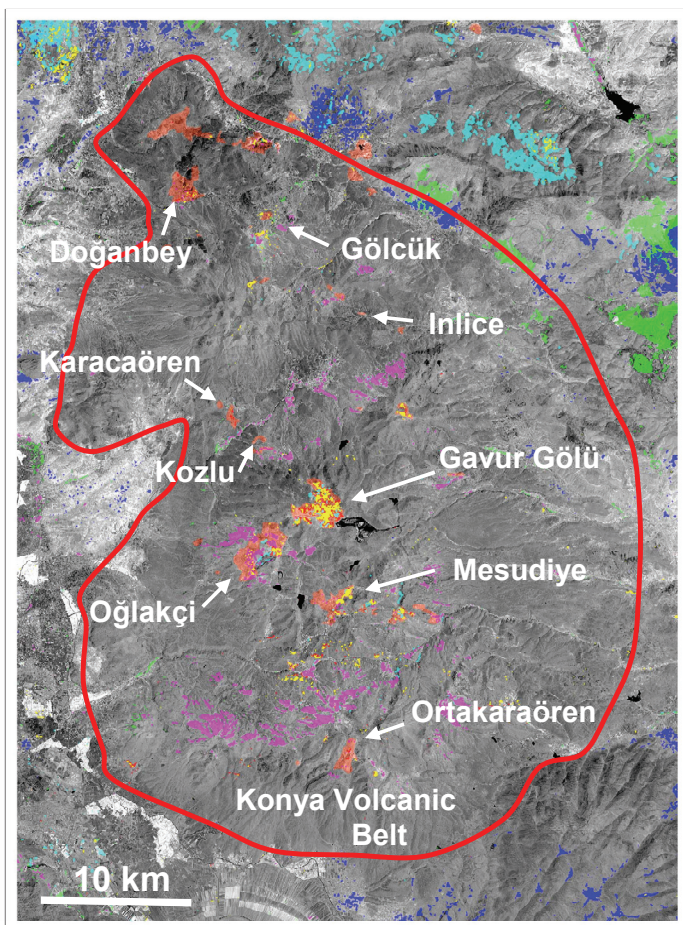
KONYA VOLCANIC BELT – The Konya project

The Konya Volcanic Belt in southwest Turkey is the 40km x 60km Miocene volcanic belt that is host to the Inlice high-sulphidation prospect and the Doğanbey, Karacaören, Kozlu, and Gölcük porphyry occurrences. The Company has 31 licences covering the Konya area and is busy generating targets within the wider belt. Despite the detailed work already undertaken, the Konya Belt still remains under-explored with the potential to host additional porphyry gold-copper and high-sulphidation gold systems, as evidenced by the numerous and extensive areas of intense hydrothermal alteration (lithocaps) within the district.

World-renowned Independent consultant Dr Richard Sillitoe of porphyry copper fame has compared the Konya area to the Miocene Maricunga gold district of northern Chile, which hosts 40Moz of gold. In particular, the Doğanbey and Karacaören prospects are seen as analogous to the well-endowed Marte porphyry gold deposit (2.1Moz gold), and the 25Moz Cerro Casale prospect provides a direct comparison of the high-level alteration in the Konya area to mineralisation within porphyry gold-copper systems.

Stratex continues to explore in the Konya Volcanic Belt in conjunction with its joint venture partner TCAM. TCAM has already surpassed the required initial 12 month expenditure of US\$1m, thereby moving the Konya project to the next phase of exploration. TCAM now has the option to spend US\$2m over the next two years, to earn 51% of the Konya project, excluding Inlice.

ASTER satellite image of Konya Belt prospects



False colour ASTER image with areas of intense hydrothermal alteration indicated in orange and yellow

Source: Company

Gold-bearing porphyry at Doğanbey



Gold-bearing porphyry at Karacaören



Geology of the Konya Belt Volcanics

The Konya Volcanic Belt project is hosted within a sequence of volcanic and intrusive rocks bounded on the north-eastern and south-eastern margins by half-graben faulting. The volcanics are dominated by high-K calc-alkaline andesites and dacites, with a chemical composition similar to the volcanics of the Central Andes that are host to numerous large gold, silver and copper deposits.

Doğanbey

The Doğanbey porphyry-style gold prospect covers an alteration system extending over an area of 2,000m x 3,000m. Alteration, brecciation and massive and vuggy silica are widely developed and accompanied by anomalous rock chip values of gold and molybdenum. Ground-based induced polarisation (IP) and magnetics surveys were completed with results identifying a 600m x 800m target comprising a chargeable IP body coupled with strong magnetic anomalies, coincident with the geochemically anomalous area.

Stratex and partner TCAM completed 1,230m of drilling (three drillholes) on the coincident geophysical/geochemical target. Results confirm the presence of porphyry gold and locally overprinting high-sulphidation epithermal-style gold mineralisation over broad lengths of all three of the drillholes. Significant increases in gold grades down-hole are characterised by a strong increase in the intensity of alteration.

Assay results from Doğanbey drilling

Drillhole	From (m)	To (m)	Interval (m)	Gold (g/t)
DODD-1	68.90	350.40	281.50	0.08
<i>incl. maximum Au</i>	-	-	-	0.254
DODD-2	175.95	449.85	273.90	0.13
<i>incl. maximum Au</i>	-	-	-	0.797
DODD-3	232.60	354.20	121.60	0.11

Source: Company

Gölcük

The recently announced discovery of the Gölcük porphyry, located approximately 5km ESE of Doğanbey, reinforces Stratex's view that there are multiple porphyry systems in the Konya Belt. Sampling has demonstrated enhanced gold values in the altered rocks surrounding the porphyry and fast-track reverse circulation drilling is planned for Q3/Q4 2008.

Karacaören and Kozlu

The Karacaören property was the second porphyry-style gold system to be identified during systematic exploration of the Konya Belt, using stream sediment geochemistry, soil geochemistry, mapping and outcrop sampling in combination with ASTER imagery and airborne geophysics.

Exploration to date has yielded very positive results. Rock chip samples have returned up to 1.27g/t Au from porphyry-style stockwork mineralisation and preliminary mapping has defined an area of mineralised float covering 500m x 500m. Stratex and TCAM have agreed a reconnaissance reverse circulation drill programme that will commence shortly - another reason to watch the Company closely.

On top of all this, the Company's ongoing exploration has pinpointed evidence of yet another, possibly linked, porphyry occurrence at the Kozlu prospect some 3km ESE of Karacaören. Porphyry fragments carrying porphyry-style veins have been identified in intrusive rocks and yet again strongly suggest the potential for discovery of additional porphyry-gold mineralisation.

INLICE – Looking to monetise this project

Resource definition at the Inlice gold discovery in the Konya Volcanic Belt has identified a total in-house JORC-compliant resource of 262,300oz of gold, comprising 98,300oz oxide and 164,000oz sulphide. The Inlice gold resource is 100% owned by Stratex, with TCAM having renounced any interest in the project. The recent deeper drilling, despite having decreased the ounces due to steepening and narrowing of the mineralised zone at depth, has further defined the mineralised zone to ensure greater confidence in the level of the resource estimate, taking the Measured and Indicated categories to 63% of the total gold resource, up from the previous estimate of 43% Measured and Indicated categories.

Inlice JORC-compliant resource

Inlice Silica Zone JORC-compliant Resource			
Material	Cut-off Au (g/t)	Tonnes (t)	Au (oz)
All Resources	0.1	5,157,361	232,300
All Measured	0.1	327,036	30,500
All Indicated	0.1	1,709,197	134,000
All Inferred	0.1	3,121,128	97,800

Source: Company

The Inlice property

The Inlice property is a high-sulphidation epithermal gold deposit. Gold mineralisation is hosted within steeply dipping fault-controlled silica lenses of the Ana Zone, with significant gold grades associated with vuggy and sugary silica. The silica replacement lenses crosscut an andesite dome complex in the Konya Belt Volcanics, where the mineralised system covers an area of at least 3,500m x 1,000m.

The project is ideally located in close proximity to infrastructure with access to power, water, roads and labour from nearby villages and the city of Konya. Inlice is also located close to Stratex's other projects in the Konya Belt, which may represent significant processing synergies should any of these be developed.

The future at Inlice

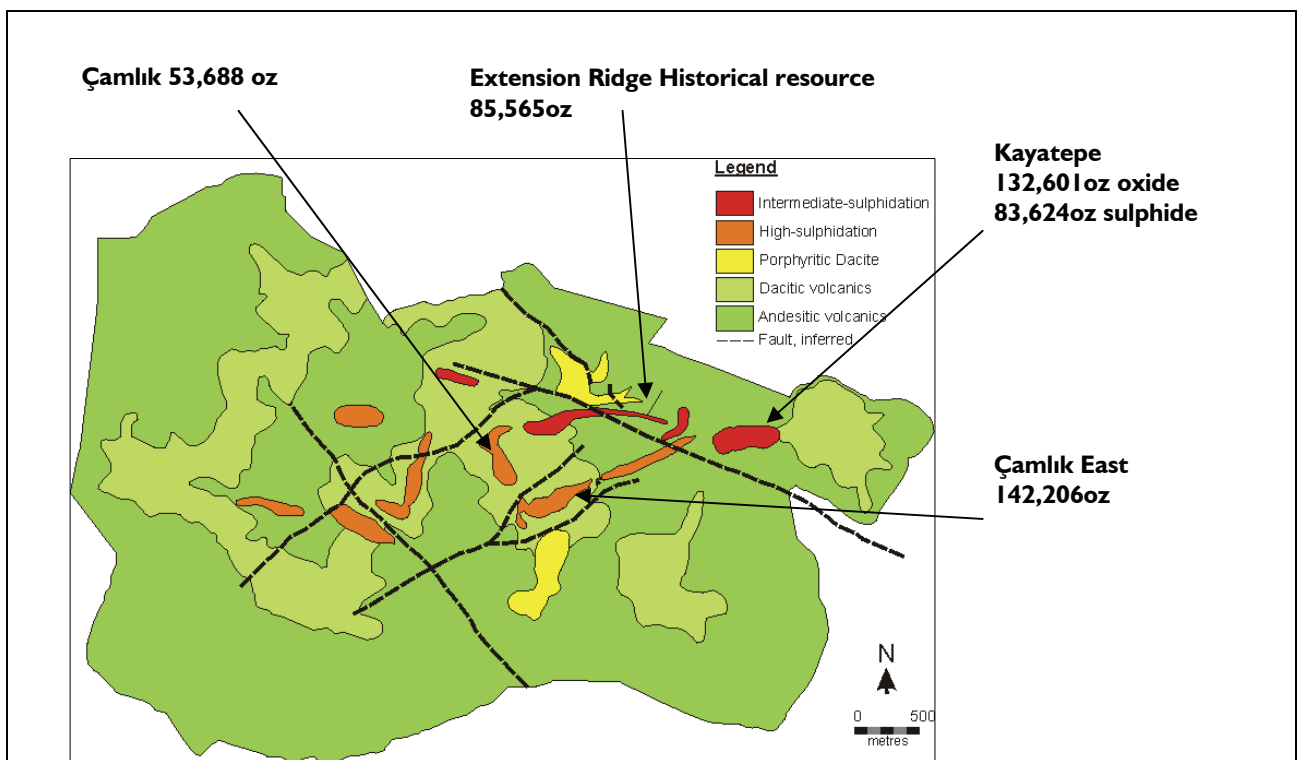
Stratex has decided to concentrate on the development of the easily treatable oxide resource. Preliminary metallurgical testwork using cyanide leach has yielded a 95% recovery of contained gold within oxide. Further consideration is pending for the optimal extraction of contained gold from the sulphide component. In anticipation of development of the Inlice resource, the Company also commissioned SRK to undertake a baseline environmental study some twelve months ago. This should be completed and submitted by end-July.

Upgrading the Measured and Indicated categories has added significant value to the Inlice project, increasing the Board's confidence of the total gold resource. Consequently, the Company has now commenced discussions with third parties interested in the development and production of the Inlice gold resource. The good metallurgy of the oxide mineralisation, together with excellent location and infrastructure, bode well for the development.

ALTINTEPE – Golden hill

The focus of exploration drilling to expand the oxide resource at the Altintepe project has paid off. Recent developments have established a total JORC-compliant resource² to date of 497,684oz of gold; up substantially on the previously documented NI 43-101 compliant resource of 311,543oz of gold. Drilling to date by Stratex has defined a 412,119oz gold resource, including an oxide component of 328,495oz gold and 2.5Moz silver (oxide plus sulphide), which is equivalent to around 47,500oz of gold at today's metal prices. The Company's total resource also includes 85,565oz of gold from the historical NI 43-101 resource, with Stratex not having undertaken any further drilling on this particular zone. Further resources are likely to be added on the completion of the drill programme.

Mineralised zones at Altintepe



Source: Company

The Altintepe resource is located in northeast Turkey and comprises the Extension Ridge, Kayatepe, Çamlık East, and Çamlık mineralised zones. The bulk of the mineralisation is within a near-surface oxidised argillic lithocap, consisting of high- and intermediate-sulphidation epithermal gold mineralisation, closely associated with silica alteration. A zone of pervasive quartz-pyrophyllite alteration in the western part of the claims area is thought to be an integral part of the lithocap alteration and may provide a vector towards a possible porphyry centre.

² In-house JORC-compliant resource

Altintepe JORC-compliant resources³

Material	Cut-off Au (g/t)	Tonnes (t)	Au (oz)
All Resources	0.1	10,094,347	328,495
All Measured	0.1	287,332	16,453
All Indicated	0.1	7,115,648	227,819
All Inferred	0.1	2,691,367	84,223

Kayatepe resource			
Material	Tonnes (t)	Grade Au (g/t)	Au (oz)
Total Resource	2,421,833	1.69	132,601
Measured	287,332	1.78	16,453
Indicated	1,431,841	1.54	71,213
Inferred	702,660	1.98	44,935

Çamlık East oxide			
Material	Tonnes (t)	Grade Au (g/t)	Au (oz)
Total Resource	4,049,876	1.09	142,206
Indicated	3,521,671	1.09	123,603
Inferred	528,205	1.09	18,603

Çamlık oxide			
Material	Tonnes (t)	Grade Au (g/t)	Au (oz)
Total Resource	3,622,638	0.46	53,688
Indicated	2,162,136	0.47	33,003
Inferred	1,460,502	0.44	20,685

Kayatepe sulphide			
Material	Tonnes (t)	Grade Au (g/t)	Au (oz)
Total Resource	3,820,664	0.68	83,624
Indicated	2,320,897	0.6	44,587
Inferred	1,499,767	0.81	39,037

Source: Company

Where to next at Altintepe?

At Altintepe, drilling by Stratex totals over 4,200m at the Kayatepe, Çamlık East, and Çamlık zones as Stratex finishes off the last phase of resource-definition drilling. TCAM has advised Stratex that, as the Altintepe project is unlikely to realise the target of a 2Moz gold resource, it will waive the further drilling required to exercise the option (totalling 5,000m) and furthermore will not exercise its right to earn-back into the property. Together with a third party, TCAM will only retain an underlying NSR royalty.

The Altintepe project provides Stratex with the opportunity for near-term gold production. In anticipation of monetising Altintepe, the Company has undertaken metallurgical tests on oxide material from the Çamlık East Zone, with results demonstrating recoveries of 91-98% of the contained gold. Samples from all the main mineralised zones have now been submitted for metallurgical test work with the focus on oxide material, although test work may later be commissioned for the sulphide material also.

Following the most recent resource definition, Stratex believe the early indications of good metallurgy of the oxide mineralisation, coupled with the potentially low stripping ratio, ensures that the Company is now in a position to commence discussions with mining-capable parties interested in putting the Altintepe resource into production.

³ In-house JORC-compliant cross-sectional resource

KARAAGAÇ – Western Turkey gold target

In May 2007, Stratex released an inferred mineral resource estimate of 6.39Mt at 0.78g/t Au for 156,798oz of contained gold (non JORC-compliant) at the Karaagaç gold property in western Turkey. The in-house estimate was based on the results of the 2006 drilling programme comprising 9 diamond drill holes (for 660m) and 37 RC drill holes (for 1,703m). Highlights of the core drilling included an intersection of 13.7m grading 1.73g/t Au. The mineralised zone, extending over an area 3.58km², remains open to the west and the southeast and is associated with faulted limestone near the contact of a near-surface gently dipping thrust fault.

A joint venture partner is being sought to extend the resource and undertake feasibility studies at Karaagaç. Meanwhile, Stratex are evaluating the potential for already identified nickeliferous laterites, both in the vicinity of Karaagaç and in the surrounding Muratdağı licence block, with a view to increasing the blue skies element of the block.

PROJECT PIPELINE

The exploration pipeline is brimming. Stratex has a suite of quality exploration plays in the pipeline in its search for world-class porphyry- and epithermal-style deposits in the Konya Volcanic Belt, and in similar belts throughout Turkey. In all this, the Company has the backing of strategic partner TCAM, who having exercised three out of four of its earn back rights at Konya, will be hard pressed to decide on its last “call”.

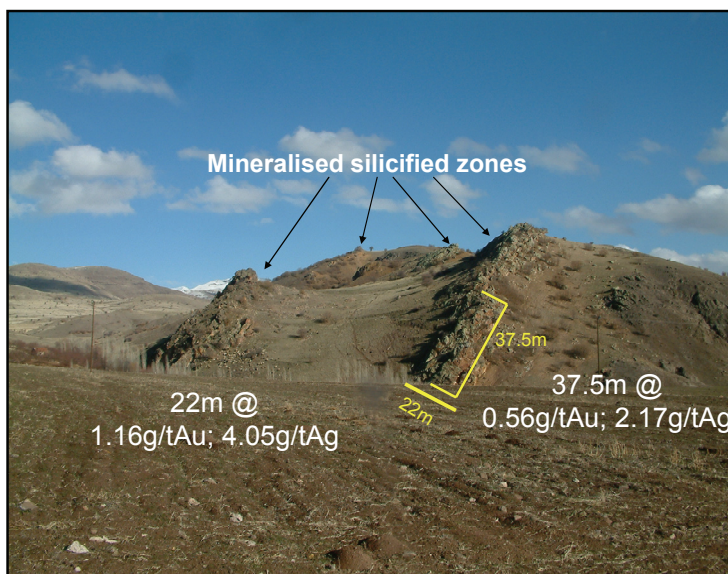
Advanced projects in the pipeline include:

Hasaңelebi - Inlice-type gold target

The Hasaңelebi project in central Turkey is a high-sulphidation system, described by Stratex as ‘the next Inlice’. Highlights of the Hasaңelebi project include:

- A system of silicified zones extending up to 5,500m
- Two parallel silica zones extending over a distance of 3,500m
- Vuggy silica with gold to 1.56g/t and one silica zone 8.8m wide grading 0.44g/t Au over 640m
- Rock chip samples over 22m grading 1.16g/t Au with anomalous Mo, As, Hg

Hasaңelebi mineralised silicified zones



Source: Company

Mineralisation is hosted by gently dipping silicified zones within a Miocene andesite/ dacite belt. Drilling is anticipated to start in late 2008/ early 2009. Stratex has acquired a 352km² licence package in this volcanic belt, which covers Hasaelebi and a number of other sizeable alteration zones. The exploration programme will now extend to incorporate reconnaissance on at least four of these.

Altunhisar and Karapınar – Konya type epithermal targets

The Altunhisar and Karapınar projects, located in south-central Turkey, cover major stratovolcano complexes similar to those in the Konya Volcanic Belt. Stratex has a contiguous licence covering 455km² over at least six identified alteration zones that comprise the Altunhisar project. The alteration is characterised by steeply dipping NW-trending quartz-alunite/kaolinite zones and locally massive and chalcedonic silica. The Karanlıkdere Zone, spanning 16km², hosts an 80m wide steeply dipping silica ledge extending over 1,000m, where reconnaissance rock chip sampling has returned anomalous gold, in addition to significant molybdenum values of up to 0.048% Mo. As a result of these encouraging findings, the exploration and sampling programme has been accelerated and definition drilling is planned to commence as soon as possible.

Stratex's planned technical strategy through 2008

The period ahead will be busy for Stratex with reconnaissance exploration and drilling of new targets planned along with monetisation of those already discovered projects.

Project	Target	Planned technical strategy through 2008
Öksüt	Au	Anticipated two DD rigs to commence drilling Q3 in the HS Ortaçam Zone and accompanying baseline environmental study. Further reconnaissance exploration of Büyükmese Tepe and wider silica system
Doğanbey	Au (Mo)	Further exploration drilling of priority targets; drill test the system at depth to test anomalous gold
Karacaören/Kozlu/ Gölcük	Au	Drill testing Q3 2008
Altıntepe	Au-Ag	Monetisation and progression towards oxide mining
İnlice	Au	Monetisation and progression towards oxide mining
Hasaelebi/	Au	Drilling anticipated 2008/early 2009. Reconnaissance exploration covering new licence areas
Altunhisar/ Karapınar	Au	Reconnaissance exploration and identification of priority targets. Advancement of targets to definition by end-2008
Karaağaç	Au-Ni	Joint venture partner sought. Evaluating potential for Ni-laterites
New projects	Various	Identification of additional opportunities throughout Turkey and beyond utilising the Company's expert knowledge in porphyry-style and high-sulphidation gold mineralisation

Source: Company/ HW

Notes

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