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Stratex International PLC  
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## **Stratex International Plc**

('Stratex' or 'the Company')

### **Decision on Next Stage of Financing for Muratdere**

Stratex International Plc, the AIM-quoted exploration and development company, announces that it has advised its partner, Lodos Maden Yatırım Sanayii ve Ticaret A.Ş. ('Lodos' or 'Partner'), that it will not be contributing its pro rata share of recent financing at the Muratdere copper-gold project ('Muratdere' or 'Project') in Turkey and as a result the Company's interest has been reduced to 14.87%. This decision is based on the decrease in the price of copper and the belief that it will be some considerable time before the copper price recovers sufficiently to justify further investment by Stratex.

Christopher Hall, Stratex Chairman, said: **"The decision not to invest further funds in the Project and to accept dilution is the right decision for this market, when capital needs to be used efficiently. Stratex was encouraged by the results of the Feasibility Study carried out by our Partner last year (announcement dated 11 March 2015). Since that time the economic environment has continued to deteriorate and the prices of copper and gold have declined from US\$5,580/t and US\$1,290/oz, respectively, resulting in less favourable projected returns from the Project. It is our estimate that the Project IRR at today's metal prices has been reduced from 29% to c.14%, which is not an attractive basis for investment by Stratex.**

**In contrast to the reduction in overall project risk achieved over the last couple of years, the rising level of future uncertainty now makes further investment hard to justify.**

**Due to ongoing expenditure, Stratex was required to invest around US\$1.28 million in order to maintain its 30% interest to the end of 2016, and further significant funding would doubtless be required before construction financing was sought.**

**There is no point in Stratex contributing anything, however small, unless we can be confident of seeing the project through either to completion or at least to the point where it can be monetised at a profit. Failure to carry it through would still lead to dilution, ultimately to a royalty, and the loss of that additional investment.**

**We have therefore informed Lodos that we will not be contributing and, as a result, Stratex's interest has been reduced to 14.87%. However, we will continue to assess the supply-demand scenario for copper and may consider supporting future work should we believe that the demand for copper and hence the price justifies our participation.**

**We have great respect for our Partner, with whom we have formed a good working relationship. They have managed the Project professionally, and the relationship with great patience. We wish them well as owner-operator and look forward to seeing the Project move ahead towards production as the economic background improves."**

**\*\* ENDS \*\***

For further information please visit [www.stratexinternational.com](http://www.stratexinternational.com), email [info@stratexplc.com](mailto:info@stratexplc.com), or contact:

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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 achieved first gold pour at its 45%-owned Altintepe gold mine in Turkey in November 2015 and recently sold its 1% Net Smelter Returns royalty in the Öksüt gold project for US\$4.5 million. It also owns 14.87% of a copper-gold project at feasibility stage. With its current cash position, projected cash returns and no debt, the Company is well-placed to advance its existing exploration programmes and is also actively seeking to acquire advanced projects that are at the drill-ready stage or even have identified resources.

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