

12 March 2014

Stratmin Global Resources Plc
(‘Stratmin’ or the ‘Company’)

Completion of £2.5 million Placing

Stratmin (AIM: STGR), the graphite production and exploration company with assets in Madagascar, announces that it has conditionally raised, in aggregate, gross proceeds of approximately £2.5 million through the placing of, in aggregate, 27,777,780 new Ordinary Shares of 4p each (“Placing Shares”) at a placing price of 9 pence per Ordinary Share (the “Placing Price”) with certain new institutional and high net worth investors (the “Placing”).

The Placing, which has been conducted by Hume Capital Securities plc (“Hume Capital”) acting as Sole Broker, pursuant to the terms of the Placing Agreement, is conditional, *inter alia*, upon Admission.

7,000,000 of the Placing Shares (the “First Placing Shares”) have been firm placed with investors under the Company’s existing authority to allot shares for cash on a non pre-emptive basis. The placing of the balance of 20,777,780 the Second Placing Shares is conditional on the Company obtaining approval for their allotment from Shareholders at a General Meeting. The net proceeds of the Placing will be used by the Company to further accelerate the development of the Company’s business as described in more detail below.

A circular relating to the Placing (the “Circular”) will be posted to Shareholders today. The Circular contains a notice convening a general meeting of the Company to approve certain matters relating to the Placing. The General Meeting will be held at the offices of Speechly Bircham LLP, 6 New Street Square, London, EC4A 3LX at 9.00 a.m. on 28 March 2014.

Applications will be made to the London Stock Exchange for the First Placing Shares and the Second Placing Shares to be admitted to trading on AIM and it is currently expected that trading in the First Placing Shares will commence on 17 March 2014 and trading in the Second Placing Shares will commence on 31 March 2014.

Following admission to trading of the First Placing Shares, the Company will have 76,920,754 Ordinary Shares in issue. Following the issue of the Second Placing Shares, the Company will have 97,698,534 Ordinary Shares in issue. Since the Company currently holds no shares in treasury, the total number of voting rights in the Company will therefore be 76,920,754 and 97,698,534 on 17 March 2014 and 31 March 2014, respectively. These figures may therefore be used by Shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the FCA’s Disclosure and Transparency Rules.

The Circular will soon be available to view on the Company’s website (www.stratminglobal.com). Copies of the Circular will be available free of charge during normal business hours on any week day (except Saturdays, Sundays and public holidays) at the offices of Speechly Bircham LLP, 6 New Street Square, London, EC4A 3LX from the date of this announcement until the conclusion of the General Meeting.

Capitalised terms are appended to this announcement and have the same meaning as the Circular, unless the context requires otherwise.

Manoli Yannaghas, Managing Director, said:

"I am delighted to announce funds have been raised to enable Stratmin to expand and accelerate our growth strategy.

"With this financing in place and the appointment of our new Chairman and advisors – announced today – I feel that we have the team in place which can take Stratmin through the next stage of its development and deliver shareholder value."

Enquiries

For further information please visit www.stratminglobal.com or contact:

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Background to and reasons for the Placing

The Company completed its reverse takeover of Graphmada on 28 January 2013, thereby becoming the only UK quoted graphite miner, and, in conjunction raising approximately £1.5 million. Since January 2013, the Company has utilised funds to make the following upgrades at Loharano:

- Direct capital investment in the plant and mine;
- Completion of metallurgical analysis and accompanying report from SGS, along with plant engineering assessment and upgrade design from ProMet Dadi;
- Infrastructure upgrades at the mine site, including a new road; and
- General opex requirements.

Apart from the investments made at the mine site, the funds have also allowed the Company to significantly strengthen its management team over the past year, including the notable appointments of Manoli Yannaghas as Managing Director and Laurie Hunter as Non-Executive Chairman, as announced earlier today.

While the Company has sufficient cash resources for its near term needs, and retains discretion over a substantial part of its development and other expenditure, the Board believes that the Company requires and would benefit from the additional finance that the Placing delivers to enable it to expand its current production rate and more generally accelerate its growth strategy to a position of positive net cash flow.

If the Resolutions are not passed by Shareholders at the General Meeting, the Placing will be unable to proceed. In this situation, the Company would be required to secure alternative sources of funding, which may or may not be on more dilutive terms than the Placing, in order to meet its medium-long term ongoing obligations and pursue its growth strategy.

Use of proceeds

The net proceeds of the Placing are expected to be £2.375 million, of which £0.5 million will be used to fund the purchase of a new filter press and additional earth moving equipment for use at the Company's Loharano mine site ("Loharano").

The remainder of the net proceeds will be used for general working capital purposes as well as to develop an extended mine plan programme and construct a clinic at Loharano.

Details of the Placing

The Company has conditionally placed the First Placing Shares using the Directors' existing authority to allot shares for cash on a non-pre-emptive basis as granted at Stratmin's most recent AGM held on 19 July 2013. The placing of the First Placing Shares is expected to raise, in aggregate, gross proceeds of approximately £630,000 and is conditional only on Admission, which is currently expected to occur at 8.00 a.m. on 17 March 2013. Following their Admission, the First Placing Shares will represent approximately 9.10 per cent. of the Company's then enlarged issued ordinary share capital, and they will be eligible to vote on the Resolutions.

In addition, the Company has conditionally placed the Second Placing Shares. As the Company will have utilised most of the Directors' existing authority to allot shares for cash on a non pre-emptive basis following Admission of the First Placing Shares, the Proposed Placing of the Second Placing Shares to raise, in aggregate, approximately a further £1,870,000 gross is conditional upon, *inter alia*, the passing of the Resolutions at the General Meeting and Admission occurring on or before 31 March 2014 (or such later date as Hume Capital may agree, not being later than 28 April 2014). Following their Admission, the Second Placing Shares will represent approximately 21.27 per cent. of the Company's then enlarged issued ordinary share capital. The Placing Shares will be fully paid and will rank *pari passu* in all respects with the Company's Existing Ordinary Shares.

The Placing has raised, in aggregate, £2.5 million before expenses through the issue of, in aggregate, 27,777,780 new Ordinary Shares at a Placing Price of 9 pence per share. The Placing Price represents a discount of approximately 15.3 per cent. to the closing middle market price of 10.625 pence per Ordinary Share on 11 March 2014, being the last business day prior to the announcement of the Placing. Completion of the Proposed Placing and the issue of the Second Placing Shares are subject to the passing of the Resolutions at the General Meeting.

The Placing is being conducted by way of a non pre-emptive share issue. The Directors believe that this is the most cost effective method to raise funds, avoiding the significant costs of an open offer. The Placing Shares represent approximately 28.43 per cent. of the Enlarged Share Capital. The Placing Shares will, on Admission, be credited as fully paid and will have the same rights in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared. The Placing is conditional, *inter alia*, upon:

- (i) the approval of the Resolutions at the General Meeting (in respect of the Proposed Placing);
- (ii) the Placing Agreement becoming unconditional in all respects and not having been terminated in accordance with its terms; and
- (iii) Admission.

The Placing is to be effected on behalf of the Company by Hume Capital, under the terms of the Placing Agreement. Completion of the Placing is subject to certain conditions including, in respect of the Proposed Placing only, the passing of the Resolutions. Under the terms of the Placing Agreement,

the Company has agreed to pay Hume Capital a commission fee and issue warrants in consideration for its broking services in respect of the Placing.

The Placing Agreement contains certain warranties given by the Company with respect to its business and certain matters connected with the Placing. The Placing may be terminated by Hume Capital for reasons including, *inter alia*, a material breach by the Company of the terms of the Placing Agreement or the warranties contained in it or there being a material adverse change in the condition of the Company.

Applications will be made to the London Stock Exchange for the Firm Placing Shares and the Second Placing Shares to be admitted to trading on AIM, and it is currently expected that trading in the Firm Placing Shares and the Second Placing Shares will commence at 8.00 a.m. on 17 March 2014 and 31 March 2014.

The total number of Ordinary Shares in issue following completion of the Firm Placing, and the total number of voting rights, will be 76,920,754. Stratmin does not hold any Ordinary Shares in treasury and accordingly there are no voting rights in respect of any treasury shares. The aforementioned figure of 76,920,754 Ordinary Shares may be used by Shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, Stratmin under the FCA's Disclosure and Transparency Rules prior to completion of the Proposed Placing.

The total number of Ordinary Shares in issue following completion of the Proposed Placing, and the total number of voting rights, will be 97,698,534. The figure of 97,698,534 Ordinary Shares may be used by Shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, Stratmin under the FCA's Disclosure and Transparency Rules following completion of the Proposed Placing.

Disapplication of pre-emption rights and share capital authorities

As mentioned above, the Directors do not currently have sufficient authority in place under the Articles to undertake the Proposed Placing of the Second Placing Shares and to issue new Ordinary Shares to the holders of existing options and warrants. Therefore, the Directors are seeking a specific disapplication of pre-emption rights set out in the Articles to allot up to 45 million new Ordinary Shares (representing approximately 64.36 per cent. of the Existing Ordinary Shares as at 11 March 2014) to ensure that the Board has sufficient authority:

(i) to allot and issue 20,777,780 Second Placing Shares;

(ii) to allot and issue the corresponding number of Ordinary Shares to the holders of existing options and warrants following the exercise of such warrants and options (which total 11,651,799); and

(iii) to have a small additional headroom of 12,570,421 new Ordinary Shares (representing approximately 12.9 per cent. of the Enlarged Share Capital following the Placing) to allot and issue equity securities without recourse to the shareholders to afford the Board limited flexibility from time to time as it deems appropriate.

This additional authority will enable the Directors to carry out the Company's objectives and will enable the Directors to issue small numbers of new options and warrants and to raise additional working capital to fund potential future work programmes without having to incur the time delay and cost of convening a further general meeting.

This authority will be in substitution for any existing unused authority and will expire at the conclusion of the next annual general meeting of the Company, to be held no later than 30 June 2014.

Concert Party

The shareholdings of the Concert Party before and after the Placing are set out below:

<i>Name</i>	<i>Number of Existing Ordinary Shares held</i>	<i>% of Existing Ordinary Shares outstanding</i>	<i>Number of Placing Shares subscribed for in the Placing</i>	<i>Total shareholding following the Placing</i>	<i>% of the Enlarged Share Capital</i>
Caralapati Raghirah Premraj	16,507,763	23.61	-	16,507,763	16.90
Marthinus (Marius) Johannes Hendrik Pienaar	12,150,000	17.38	-	12,150,000	12.44
Mrs Kesava Padmavathi	8,100,000	11.58	-	8,100,000	8.29
Mrs Caryl Melissa Jane Pienaar	6,500,000	9.30	-	6,500,000	6.65
Ghanshyam Champaklal	5,025,000	7.19	-	5,025,000	5.14
Srirekam Kesava Purushotham	2,700,000	3.86	-	2,700,000	2.76
Jeffrey Royce Marvin	-	-	-	-	-
Total	50,982,763	72.92	-	50,982,763	52.18

Following completion of the Placing, the Concert Party will have interests in shares carrying approximately 52.18 per cent. of the voting rights of the Company.

No individual member of the Concert Party is increasing its resulting percentage holding as a result of its participation in the Placing.

Notice of General Meeting

A notice convening a General Meeting to be held at the offices of Speechly Bircham LLP, 6 New Street Square, London, EC4A 3LX at 9.00 am on 28 March 2014 is set out at the end of the Circular.

The Resolutions to be proposed at the General Meeting are as follows:

1. an ordinary resolution to authorise the Directors, for the purpose of section 551 of the Act, to allot Ordinary Shares up to an aggregate nominal value of £1,800,000; and

2. a special resolution to empower the Directors, for the purpose of section 570 of the Act. to disapply pre-emption rights to allot Ordinary Shares pursuant to the authority conferred by Resolution 1.

For an ordinary resolution to be passed, more than half of the votes cast must be in favour of the resolution. For a special resolution to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Shareholders should be aware that the issue of the Second Placing Shares cannot take place if the Resolutions are not passed and Shareholders are strongly encouraged to vote in favour of both Resolutions.

Action to be taken

Shareholders will find enclosed with the Circular a Form of Proxy for use at the General Meeting. Whether or not a Shareholder intends to attend the General Meeting Shareholders are requested to complete the Form of Proxy in accordance with the instructions printed on it and to return it to the Company's registrars, Capita Registrars at PXS, 34 Beckenham Road, Beckenham BR3 4TU as soon as possible, and in any event so as to arrive no later than 9.00 a.m. on 26 March 2014. If Shareholders hold Ordinary Shares in CREST they may appoint a proxy using the CREST proxy appointment service by following the instructions in note (7) to the Notice of General Meeting. The completion and return of a Form of Proxy, or the electronic appointment of a proxy will not preclude Shareholders from attending the General Meeting and voting in person should they so wish.

Recommendation

The Directors believe that the Placing and the Resolutions are in the best interests of the Company and Shareholders taken as a whole. **The Directors therefore unanimously recommend that Shareholders vote in favour of the Resolutions, as they intend to do in respect of their own beneficial and other connected interests, amounting in aggregate to 18,687,500 existing Ordinary Shares which represents approximately 26.7 per cent. of the Company's existing issued share capital.**

Expected Timetable of Principal Events

Announcement of the Placing and posting of Circular to Shareholders	12 March 2014
Admission of First Placing Shares to trading on AIM	8.00 a.m. on 17 March 2014
Latest time and date for receipt of Forms of Proxy	9.00 a.m. on 26 March 2014
Latest time and date for receipt of Crest Proxy Instructions	9.00 a.m. on 26 March 2014
General Meeting	9.00 a.m. on 28 March 2014
Admission of Second Placing Shares to trading on AIM	8.00 a.m. on 31 March 2014

Appendix I

Definitions

The following definitions apply throughout this announcement, unless otherwise stated or the context requires otherwise:

“Act”	the Companies Act 2006;
“Admission”	the admission of the First Placing Shares or the Second Placing Shares, as the case may be, to trading on AIM becoming effective in accordance with the AIM Rules;
“AGM”	Annual General Meeting
“AIM”	the AIM Market operated by the London Stock Exchange;
“AIM Rules”	the London Stock Exchange’s rules and guidance notes contained in its “AIM Rules for Companies” publication relating to companies whose securities are traded on AIM, as amended from time to time;
“Announcement”	means this announcement (including the appendix to this announcement);
“Articles”	the articles of association of the Company in force on the date hereof;
“Board” or “Directors”	the directors of the Company, or any duly authorised committee thereof;
“Circular”	the Shareholder circular to be published in connection with the General Meeting;
“Company” or “Stratmin”	Stratmin Global Resources plc, a company incorporated in England and Wales with company registered number 05173250;
“Concert Party”	together, Caralapati Raghira Premraj, Marthinus (Marius) Johannes Hendrik Pienaar, Mrs Kesava Padmavathi, Mrs Caryl Melissa Jane Pienaar, Ghanshyam Champaklal, Sirekam Kesava Purushotham, Jeffrey Royce Marvin, together with certain companies that they control;
“CREST”	the computerised settlement system (as defined in the CREST Regulations) in the UK operated by Euroclear UK & Ireland Limited which facilitates the transfer of title to shares in uncertificated form (as defined in the CREST Regulations);
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) including any enactment or subordinate legislation which amends or supersedes those regulations and any applicable rules made under those regulations or any such enactment or subordinate legislation for the time being in force;
“Enlarged Share Capital”	the 97,698,534 Ordinary Shares in issue on Admission, comprising the Existing Ordinary Shares and the Placing Shares;
“Existing Ordinary Shares”	the 69,920,754 Ordinary Shares in issue as at the date of this announcement;
“FCA”	the Financial Conduct Authority in its capacity as the competent authority for the purposes of Part VI of FSMA;
“Firm Placing”	the placing of the First Placing Shares by Hume Capital at the Placing Price pursuant to the Placing Agreement;
“First Placing Shares”	the 7,000,000 new Ordinary Shares to be issued pursuant to the Firm Placing or as the first tranche of the Placing;
“Form of Proxy”	the form of proxy which is enclosed with this document for use by holders of Ordinary Shares in connection with the General Meeting;

“FSMA”	the Financial Services and Markets Act 2000 (as amended);
“General Meeting”	the general meeting of the Company to be held at 9.00 a.m. on 28 March 2014, notice of which is set out in the Circular;
“Graphmada”	Graphmada Equity Pte Limited, the company subject to the reverse takeover by Stratmin in January 2013;
“London Stock Exchange”	London Stock Exchange plc;
“Notice of General Meeting”	the notice convening the General Meeting which is set out in the Circular;
“Ordinary Shares”	the ordinary shares of £0.04 each in the capital of the Company;
“Placing”	the placing of the Placing Shares at the Placing Price by Hume Capital as agent for and on behalf of the Company pursuant to the terms of the Placing Agreement;
“Placing Agreement”	the conditional agreement dated 11 March 2014 between (1) the Company, and (2) Hume Capital, relating to the terms and conditions upon which Hume Capital is engaged by the Company for the purposes of the Placing;
“Placing Price”	9 pence per Placing Share;
“Placing Shares”	the First Placing Shares and the Second Placing Shares to be issued by the Company and subscribed for pursuant to the Placing;
“Proposed Placing”	the conditional placing by Hume Capital of the Second Placing Shares at the Placing Price pursuant to the Placing Agreement;
“Resolutions”	the resolutions to be proposed at the General Meeting;
“Second Placing Shares”	the 20,777,780 new Ordinary Shares to be issued pursuant to the Proposed Placing or as the second tranche of the Placing;
“Shareholders”	holders of Ordinary Shares, from time to time;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“uncertificated” or “in uncertificated form”	recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST; and
“£”	pounds sterling, the lawful currency of the UK from time to time.

****ENDS****