



# STARREX INTERNATIONAL LTD.

## PRESS RELEASE

FOR IMMEDIATE RELEASE:

### STARREX INTENDS TO RE-STATE FINANCIAL STATEMENTS

**December 9, 2015 – Toronto, Ontario - Starrex International Ltd.** (“Starrex” or the “Company”) (CNSX: STX) announces that, as a result of review by staff of the Ontario Securities Commission (the “OSC”) in connection with the Company’s continuous disclosure record, Starrex has determined that it will be restating its second and third quarter unaudited interim financial statements for the periods ended June 30 and September 30, 2015 (originally filed on August 28 and November 30, 2015). The restatement is due to errors in connection with the Company’s previously disclosed adjustments associated with the acquisitions and divestitures of wholly-owned subsidiaries. The restated financial statements will include the Condensed Interim Consolidated Financial Statements for the six months ended June 30, 2015 as well as the nine months ended September 30, 2015 which are expected to impact the Unaudited Condensed Interim Consolidated Statements of Financial Position as well as the Unaudited Condensed Interim Consolidated Statements of Income and Comprehensive Income for the applicable periods, along with the accompanying footnotes and disclosure.

As previously disclosed in the 2014 Audited Financial Statements, the valuation of three acquisitions effective July 9, 2014 were unallocated and disclosed accordingly. Before the measurement period expired, which afforded the Company a time period during which additional information was received and intangible assets could be evaluated, the Company divested two of the acquisitions under review. Given the complexity of the transactions, and timing thereof, the Company did not properly disclose same.

The Company intends to file the amended and restated financial statements as soon as practicable. In conjunction with refiling of those financial statements, Starrex also anticipates that the corresponding management’s discussion and analysis for those same periods will also be amended and restated for refiling.

#### **Black-out for Officers and Directors**

The Company has instituted a “black-out” for all officers and directors until all necessary re-filings have been completed, during which such officers and directors have been instructed by the Company to refrain from buying, selling or in any way trading in the Company’s securities.

## **Amended and Restated Management's Discussion and Analysis**

During the review by staff of the OSC, the Company's quarterly management's discussion and analysis for the quarterly periods ended March 31, June 30 and September 30, 2015 (originally filed on May 23, August 28 and November 30, 2015) were identified as not providing full discussion and analysis of the Company's operations and providing no discussion or analysis of the Company's liquidity and capital resources, with the disclosure provided repeating disclosure from the financial statements and appearing to be boiler-plate. The amendments to the financial statements described above will also have an impact on the corresponding management's discussion and analysis. Accordingly, the Company intends to amend and restate its management's discussion and analysis for the applicable periods and re-file them as soon as practicable.

## **Continuing Review**

The Company is also currently in discussions with staff of the OSC regarding certain matters regarding the treatment of recent acquisitions which may also affect its financial statements and management's discussions and analysis for the year ended December 31, 2014 and the three-month period ended March 31, 2015. The Company expects to achieve a resolution in respect of these filings expeditiously.

For further information please contact Ronald Mann, Secretary, Chief Operating Officer and Investor Relations Officer of Starrex, at (647) 981-2782, email address: rmann@starrexintl.com.

*This news release contains forward-looking information. All information other than statements of historical fact that address activities, events or developments that Starrex believes, expects or anticipates will or may occur in the future are forward-looking statements, including statements regarding the amended and restated quarterly unaudited financial statements and related management's discussion and analysis. This forward-looking information is subject to a variety of risks and uncertainties beyond Starrex's ability to control or predict that may cause actual events or results to differ materially from those described in such forward-looking information. Any forward-looking information speaks only as of the date on which it is made and, except as may be required by applicable securities laws, Starrex disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise. Although Starrex believes that the assumptions inherent in the forward-looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be placed on this forward-looking information due to the inherent uncertainty thereof.*

*This news release does not constitute an offer to sell or a solicitation of an offer to buy any securities in the United States. The Company's securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.*

*Neither IIROC nor any stock exchange or other securities regulatory authority accepts responsibility for the adequacy or accuracy of this press release.*