



STARREX INTERNATIONAL LTD.

PRESS RELEASE

FOR IMMEDIATE RELEASE:

STARREX ANNOUNCES DEFAULT IN NOTES RECEIVABLE

APRIL 25, 2017 – Toronto, Ontario - Starrex International Ltd. (“**Starrex**” or the “**Company**”) (CSE: STX) announces that the Company entered into agreements effective May 1, 2015, to divest Olympia Capital Management, Inc. and One Force Staffing, Inc. through asset sales. Unsecured promissory notes (“promissory notes”) for \$1,100,000 and \$830,000 were received for Olympia Capital Management, Inc. and One Force Staffing, Inc., respectively. The promissory notes carry a 5% annual interest rate compounded monthly. The promissory notes were repayable in two equal installments: Olympia \$550,000 and One Force \$415,000 totaling \$965,000 commencing November 30, 2015 with the second installment full balance due May 31, 2016. Following lengthy negotiations, the Company amended the terms of the notes receivable on April 15, 2016. The amended terms are as follows; interest only payments shall be due and payable quarterly commencing July 14, 2016, with principal and any outstanding interest coming fully due April 14, 2017. Upon the occurrence and during the continuance of any event of default, the notes receivable shall bear interest at an annual rate of 8%. As at December 31, 2016, the notes receivable were classified in current assets on the consolidated statements of financial position and the notes receivable were in compliance with the amended terms at that time. During the year ended December 31, 2016, the Company recorded interest income of \$87,352 of which \$20,622 was accrued and outstanding but not yet due or payable at year end. The accrued interest was included in accounts receivable on the consolidated statements of financial position at year end.

The notes matured on April 14, 2017. All interest was paid current to April 24, 2017 but no principal was paid and, following a 10-day grace period which expired at the end of the day on April 24, 2017, the notes fell into default. The Company is negotiating a resolution of the defaults before pursuing its legal remedies.

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.

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