



## STARREX INTERNATIONAL FACES SUMMARY JUDGEMENT APPLICATION ON DEMAND FOR REPAYMENT OF CREDIT FACILITY

**Calgary, Alberta, December 11, 2023** – Starrex International, Ltd. (“**Starrex**” or the “**Company**”) (CSE: STX; OTCQB:STXMF) announces that, further to its press release dated October 18, 2023, despite ongoing discussions with the lender, the Lender (as defined below) filed a statement of claim seeking a summary judgement to enforce its debt in the State of New York. The Lender is demanding repayment of approximately US\$4,850,000 owing pursuant to a US\$5,000,000 line of credit. The details of the line of credit were described in the Company’s press release dated October 11, 2022. The matter is set to be heard in New York on December 16, 2023.

By way of background, Starrex Insurance Holdings, Inc., a wholly-owned Texas subsidiary of the Company (the “**Borrower**”), entered into a loan arrangement with a Missouri-based institutional lender (the “**Lender**”) pursuant to which such Lender agreed to provide a loan facility to the Borrower whereby the Borrower may borrow up to US\$5M bearing interest at prime less 0.5% per annum, with the proceeds to be used for working capital, acquisitions and general corporate purposes (the “**Facility**”). The original Lender was purchased by another US based company and the Facility was assigned by the Borrower to the new party.

All obligations of the Borrower under the Facility were guaranteed by the Company. The term of the loan facility was for one (1) year and was designed to automatically renew for additional one (1) year terms to a maximum of five (5) years (the “**Term**”). The automatic renewal was subject to either the Borrower or the Lender providing written notice to the other party that it was electing not to continue the Facility for another year. The Lender advised the Company that the Facility would not be extended past the October 17, 2023, date.

Starrex entered into the Facility in connection with the proposed acquisition of a title agency business (the “**Target**”). The proceeds of the loan were used by Starrex to fund the operations and development of the proposed acquisition. While Starrex holds security over the assets of the Target, the assets of the Target may not be adequate to discharge the liability owing to the Lender.

Despite the filing of the court action, Starrex is in ongoing discussions with the Lender to try and negotiate repayment terms or a settlement. However, should negotiations not be successful and the Lender is successful in its summary judgement application, this event would have a material adverse effect on Starrex Insurance Holdings, Inc and its ability to carry on business. In response to the Lender’s actions, Starrex may have to file for bankruptcy or take other steps to liquidate its business.

### **About Starrex International, Ltd.**

Starrex is a national provider of real estate title and credit reporting services to mortgage lenders and real estate brokers in the US whose leading-edge technology platform and specialized business model provides a streamlined approach for our clients, resulting in faster turnaround times. We are committed to investing

in our employees, delivering value to our customers, ethically managing our suppliers and professional networks, and supporting the outside communities within which we work.

Our business is driven by subsidiaries that operate across various segments of the mortgage value chain, including title and credit services, and are committed to delivering value and growth to Starrex shareholders. MFI Credit Solutions, LLC provides consumer credit reports to mortgage lenders, mortgage brokers, and credit unions for homebuyers or refinancers in all states, along with risk mitigation, flood and verification services.

Starrex shares are traded on the Canadian Securities Exchange <http://thecse.com>, symbol “STX”, and on the OTC QB market <http://www.otcmarkets.com/home> in the United States symbol “STXMF”.

**For further information please contact:**

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**Additional Information**

Additional information relating to Starrex and other public filings, is available on SEDAR at [www.sedar.com](http://www.sedar.com).

**Forward Looking Statements**

*This news release contains forward-looking statements relating to operations of the Company and other statements that are not historical facts. Forward-looking statements are often identified by terms such as “will”, “may”, “should”, “anticipate”, “expects” and similar expressions. All statements other than statements of historical fact, included in this release.*

*Forward-looking information reflects current expectations of management regarding future events and operating performance as of the date of this news release. Such information involves significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking information, including, without limitation: the risk that Starrex may not be able to obtain an extension for repayment of the Facility. Should any of the foregoing risks materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results, performance, activities or achievements could vary materially from those expressed or implied by any forward-looking information contained in this news release. Readers are cautioned that the foregoing list of risks is not exhaustive.*

*The forward-looking information contained herein is expressly qualified in its entirety by this cautionary statement. Forward-looking information reflects management’s current beliefs and is based on information currently available to Starrex. The forward-looking information is made as of the date of this news release and Starrex assumes no obligation to update or revise such information to reflect new events or circumstances, except as may be required by applicable law.*

**Neither the Canadian Securities Exchange nor its regulation services provider accepts responsibility for the adequacy or accuracy of this release.**